

## FRANCHISE DISCLOSURE DOCUMENT



ABBEY CARPET CO., INC.  
A Florida Corporation  
3471 Bonita Bay Boulevard,  
Bonita Springs, Florida 34134  
(800) 873-2223  
[www.abbeycarpet.com](http://www.abbeycarpet.com)

As a franchisee, you will have the right to use the ABBEY marketing and merchandising system for selling floor covering and window treatment products to consumers.

The total investment necessary to begin operation of an ABBEY franchise is between approximately \$23,050 and \$61,900. This includes \$10,000 that must be paid to ABBEY.

This disclosure document summarizes certain provisions of your membership 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, ABBEY or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information 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 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](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: MARCH ~~13~~<sup>12</sup>, ~~2024~~<sup>2025</sup>

## How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit H.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit E includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only ABBEY business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be an ABBEY franchisee?</b>	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

## What You Need To Know About Franchising *Generally*

**Continuing responsibility to pay fees.** You may have to pay royalties and other fees even if you are losing money.

**Business model can change.** The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

**Supplier restrictions.** You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

**Operating restrictions.** The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

**Competition from franchisor.** Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

**Renewal.** Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

**When your franchise ends.** The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

### Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit F.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration and/or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Florida than in your own state.
2. **Inventory Control.** For each of your showroom, you must make inventory and supply purchases of at least \$350,000 or 80% of your total floor covering and window treatment purchases, whichever is greater. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.
3. **Mandatory Minimum Payments.** You must make minimum service fee and advertising fee payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

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

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EXHIBITS:

Exhibit "A"	Membership Agreement
Exhibit "B"	State Specific Amendments to the Membership Agreement
Exhibit "C"	Principal Owner's Statement
Exhibit "D"	State Specific Addenda to the Franchise Disclosure Document
Exhibit "E"	Audited Financial Statements
Exhibit "F"	List of State Administrators
Exhibit "G"	Abbey's Registered Agents for Service of Process
Exhibit "H"	Abbey's Currently Operating Members
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Exhibit "K"	Master Franchisee
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Exhibit "M"	Receipt

APPLICABLE STATE LAW MIGHT REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT, AND MIGHT REQUIRE A RIDER TO THE MEMBERSHIP AGREEMENT. THESE ADDITIONAL DISCLOSURES AND RIDERS, IF ANY, APPEAR IN EXHIBITS "B" AND "D."

**ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

**A. Abbey Carpet Co., Inc.**

The franchisor is Abbey Carpet Co., Inc., which will be referred to in this disclosure document as "we," "us," or "ABBEY". "You" means the person or entity that buys the franchise. If you are a corporation, partnership, or other entity, certain provisions of the membership agreement also apply to your owners/partners and will be noted.

Abbey Carpet Co., Inc. was incorporated in 1958 under the laws of the State of California as a retail carpeting store. Abbey Carpet Co., Inc. started as a family-owned business and by 1966 had grown from one store to eleven stores. In 1966, Abbey Carpet Co., Inc. discontinued operating any retail businesses and operated only as a buying service centered in Sacramento, California. Abbey Carpet Co., Inc. has continued to offer such buying service memberships and in 1971 became one of the first franchises to be registered under California's Franchise Investment Law.

On November 20, 1995, Abbey Carpet Co. of Florida, Inc. was incorporated under the laws of the State of Florida. Effective January 1, 1996, Abbey Carpet Co., Inc. was merged into Abbey Carpet Co. of Florida, Inc. which subsequently changed its name to Abbey Carpet Co., Inc. ABBEY is now a corporation organized and existing under the laws of the State of Florida with its principal offices located at 3471 Bonita Bay Boulevard, Bonita Springs, Florida 34134.

The above referenced merger changed only the state of incorporation of the franchisor. The merger was not intended to affect the business, management, or ownership of ABBEY.

ABBEY has members located throughout the United States. ABBEY does not currently own or operate any retail floor covering outlets; however, Abbey Carpet of Naples, LLC, a company owned by Philip Gutierrez, a person listed in Item 2 below, owns and operates an Abbey Showroom in Naples, Florida and in Bonita Springs, Florida. ABBEY and its predecessor have not sold franchises in any other lines of business during the last 10 years. ABBEY has never done business under another name.

We do not have a parent company.

**B. Predecessors of ABBEY**

In light of the merger transaction described above, the former Abbey Carpet Co., Inc., a California corporation, could be deemed to be a predecessor of ABBEY. The former address of Abbey Carpet Co., Inc., a California corporation, was 3434 Marconi Street, Suite A, Sacramento, California 95821.

**C. Affiliate of ABBEY**

Floors To Go, LLC ("FTG") is a Florida limited liability company that was organized on June 3, 2002 under the name Floors To Go Acquisition, LLC and is owned by Philip Gutierrez, ABBEY's Chairman, Chief Executive Officer and sole shareholder. FTG is the owner and franchisor of Floors To Go Showrooms, a floor covering and home fashion franchise. FTG was organized for the sole purpose of acquiring certain assets of Floors To Go, Inc., a California corporation ("FTGI"), and to operate as the franchisor of the Floors To Go System. In June 2002, FTG acquired certain assets of FTGI, with a principal office located at 4295 Business Drive, Shingle Springs, California 95682. FTG has ~~161~~[150](#) showrooms operating at this time. FTG is located at the same address as ABBEY. FTG is not engaged in any other line of business and has never offered franchises in any other line of business.

**D. ABBEY's Agents for Service of Process**

ABBEY has authorized various agencies to receive legal service of process for Abbey Carpet Co., Inc. These agents and the states in which they are authorized to receive service of process are set forth in Exhibit "G."

**E. Membership Offered**

The individual or business entity becoming a member will be licensed for five (5) years to utilize the Abbey System and the Abbey Carpet & Floor™ trademarks, trade names and service marks, as the same currently exist (the "Marks"). Memberships in the Abbey System are offered on both a single-showroom and a multiple-showroom basis, and members that choose to operate more than one Showroom will not be required to pay an Initial Membership Fee (defined in Item 5 below) or any Service Fees or Advertising Fees (defined respectively in Item 6 below) for their additional Showrooms. Only the first Showroom will be required to pay the Initial Membership Fee, and only the first Showroom will be entitled to the \$1,000 sign credit (described in Item 7, footnote 7 below). The minimum purchase requirements are set forth in Item 8 below (see Section 7.1 of the Membership Agreement).

The Abbey System is based upon owner/operators of floor covering showrooms selling to individual consumers from a variety of samples provided by ABBEY. The showrooms then purchase the customer orders from ABBEY approved floor covering and window treatment vendors. This concept is such that a member of the Abbey System can offer a wide variety of quality floor covering and window treatment products to the consumer by selling from samples and then purchasing merchandise necessary to supply a particular consumer's needs at special prices negotiated by ABBEY from designated vendors. The concept eliminates the need to maintain a substantial inventory of floor covering and window treatment products. The special orders of merchandise so sold are obtained from ABBEY-approved floor covering and window treatment vendors at prices that normally are less than those available to a store not participating in the Abbey System.

The Abbey Carpet & Floor membership concept is intended for and directed toward the experienced owner/operator of an existing floor covering store, and accordingly ABBEY does not provide site selection, business financing, employee training, or management supervision before or after the execution of any Abbey Carpet & Floor Membership Agreements. The Abbey System competes with other national floor covering marketing and merchandising systems.

ABBEY is not aware of any regulations applicable specifically to the selling of floor coverings other than laws and regulations applicable to businesses in general, including, without limitation, the Americans with Disabilities Act, Federal Wage and Hour Laws, and the Occupational Safety and Health Act.

## **ITEM 2. BUSINESS EXPERIENCE**

### **A. Officers and Directors of ABBEY**

#### **Philip Gutierrez - Chief Executive Officer, President, Sole Director and Chairman**

Mr. Gutierrez has been employed by ABBEY since 1973 and currently is the Chief Executive Officer, President, Sole Director and Chairman in Bonita Springs, Florida. He is also the Chief Executive Officer, President, and Sole Manager of FTG. He currently serves as a member of the Board of Directors of the Floor Covering Industry Foundation.

#### **Ted Dlugokienski – Chief Financial Officer, Executive Vice President of Operations and Secretary**

Mr. Dlugokienski joined ABBEY in May of 1998 and currently is the Chief Financial Officer, Executive Vice President of Operations and Secretary in Bonita Springs, Florida. He holds the same positions with FTG, in which he has served since June 2002.

#### **David L. Hardy – Executive Vice President of Merchandising and Member Services**

Mr. Hardy joined ABBEY and FTG in November 2007 as Executive Vice President of Merchandising and Member Services in Bonita Springs, Florida.

#### **Steven L. Mintz – Vice President of Franchise Development**

Mr. Mintz has been the Vice President of Franchise Development for ABBEY since November 1998 in Bonita Springs, Florida. He holds the same position with FTG, in which he has served since September 2004.

**Bobby Thompson – Vice President of Merchandising and Member Services**

Mr. Thompson has been employed by ABBEY and FTG since January 2004 and currently is the Vice President of Merchandising and Member Services in Bonita Springs, Florida.

**Bill Wilson – Executive Vice President of Sales and Marketing**

Mr. Wilson joined ABBEY in October of 1999 as Marketing Manager and currently is the Executive Vice President of Sales and Marketing in Bonita Springs, Florida. He holds the same positions with FTG, in which he has served since June of 2002.

**Gary Phelps – Regional Vice President – Midwest Region**

Mr. Phelps joined ABBEY and FTG in March 2014 as Regional Vice President – Midwest Region in Burnsville, Minnesota.

**Harold Traister – Regional Vice President – Northeast Region**

Mr. Traister joined ABBEY and FTG in September 2008 as Regional Vice President – Northeast Region in Long Branch, New Jersey.

**Ken Sherwood – Vice President of Franchise Development – Western and Rocky Mountain States**

Mr. Sherwood joined ABBEY and FTG in August 2016 as Vice President of Franchise Development - Western and Rocky Mountain States in Coto de Caza, California.

**Keith Johnson – Vice President of Merchandising**

Mr. Johnson joined ABBEY and FTG in December 2022 as Vice President of Merchandising in Bonita Springs, Florida. Prior to joining ABBEY, Keith worked for QEP / Harris Flooring Group in Boca Raton, Florida from September of 2018 to October of 2022 where he held various positions, most recently Senior Vice President of Sales and Strategic Accounts. From September of 2015 to September of 2018 Keith was Vice President of Sales for Kraus Flooring in Waterloo, Ontario, Canada.

**Jeff Andrews – Regional Vice President - Southeast**

Mr. Andrews joined ABBEY and FTG in April 2022 as Regional Vice President – Southeast in Adairsville, Georgia. He currently serves Georgia, Tennessee, North Carolina, South Carolina, Alabama, and Mississippi. From August 2014 to April 2022, he was the Sales and Production Manager for Continental Tire Corporation.

**~~Stephen Killard – Regional Manager – Northeast~~**

~~Mr. Killard joined ABBEY and FTG in July 2022 as Regional Manager – Northeast in Plainview, New York. He currently serves Connecticut, Delaware, Maine, Maryland,~~

~~Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and Virginia. From November 2020 to July 2022, he worked as a sales associate for our Floors To Go franchise in Long Island, New York. From May 2019 to November 2020, he was a junior advisor for Vertez Wealth Management in Long Island, New York.~~

**ITEM 3. LITIGATION**

In Re: Franchise Poaching Provisions Assurance of Discontinuance (Abbey Carpet Co., Inc.), King County Superior Court, State of Washington Antitrust Division, Office of the Attorney General (No. 19-2-24813-1). The Attorney General asserted that Abbey included language in its franchise agreements that restricted a franchisee's ability to solicit or hire workers from Abbey or another franchisee (no-recruiting provision). On September 23, 2019, Abbey voluntarily entered into an Assurance of Discontinuance with the State of Washington agreeing that it (i) will no longer include no-recruiting provisions in any of its future membership agreements, (ii) no longer enforce no-recruiting provisions in any of its existing membership agreements, (iii) will not seek to intervene or defend in any way the legality of any no-recruiting provision, and (iv) will endeavor to amend all existing membership agreements with members in the State of Washington to remove any no-recruiting provisions in those members' existing membership agreements.

Other than this action, no litigation is required to be disclosed in this Item.

**ITEM 4. BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5. INITIAL FEES**

**A. Single Showroom Membership**

Except as provided in Item 5(C) below, as a new member, you will be charged an Initial Membership Fee of \$10,000. This fee is payable as follows: (a) \$1,000 is paid at the time your Membership Agreement is signed; and (b) the remaining \$9,000 is paid through the Abbey CashBack Program (described below) whereby you will grant ABBEY the right to retain all proceeds allocable to you from the Abbey CashBack Program up to the \$9,000 amount or for a five-year time period, whichever occurs first (referred to hereafter as the "CashBack Participation"). If the CashBack Participation does not generate proceeds to ABBEY of \$9,000, whatever lesser amount of proceeds is collected by ABBEY over the five-year participation period on your behalf will be deemed payment in full for your Initial Membership Fee. If your Membership Agreement is terminated prior to completion of the initial five-year term, the remaining balance of the Initial Membership Fee shall be due and payable by you to us in cash immediately upon the date of any such termination.

The Abbey CashBack Program consists of various floor covering and window treatment manufacturers offering CashBack incentives for the purchase of selected floor covering and window treatment products. When you purchase such selected carpets and/or floor coverings you will be credited with a cash rebate based upon a percentage of the selected carpets and/or floor coverings purchased. These percentages range up to 8% of the purchase price of selected items. Such cash rebates will be paid to ABBEY on your behalf

when you earn such CashBack incentives. ABBEY will hold such funds, without liability for interest, and after verification of amounts received, and after setting off any amounts that you owe to ABBEY, will distribute such funds to you annually or semi-annually. You are eligible to participate in the Abbey CashBack Program and will be notified on a regular basis of qualifying CashBack items received on your behalf.

The Initial Membership Fee entitles you to participate in the Abbey System and to receive various marketing materials currently available through the Abbey System. Proceeds from the Initial Membership Fee are, in part, profit to us and are, in part, used to pay some of the following costs and expenses incurred by us for: (1) obtaining and screening Members; (2) administering the exclusive territories; (3) providing assistance to Members; (4) accounting fees and legal fees; (5) protection of our commercial symbols, names, Marks and copyrights; (6) developing new product lines, marketing programs and advertising materials; (7) paying salaries and benefits to our management and employees; and (8) marketing and selling memberships.

In addition to the Initial Membership Fee, you will be obligated to make certain other expenditures, which are described in Items 6 and 7 below. Some of these expenditures must be made before you can open your Showroom for business. However, other than the Initial Membership Fee, you will not be required to pay ABBEY or its affiliates any fees or amounts for services or goods received from them prior to the time you open your Abbey Showroom for business.

The Initial Membership Fee is not refundable except that if you reach \$350,000 of first quality, running line purchases, exclusive of promotional products, special purchases and SP's, through the Abbey System within the twelve-month period beginning on the 90<sup>th</sup> day after the date your membership begins, your Initial Membership Fee will be waived, and all payments you have made for that fee will be refunded to you by ABBEY on or after the fifteenth month after the date your membership begins.

## **B. Multiple Showroom Memberships**

If you open or convert more than one Showroom on or after the execution of your initial Membership Agreement, you will pay the \$10,000 Initial Membership Fee for your first Showroom (see Item 5.A above), but you will not be required to pay an additional Initial Membership Fee or any Service Fees or Advertising Fees (see Item 7 below) for any additional Showrooms that you own and operate. If you add additional Showroom(s) simultaneously with the execution of your first (initial) Membership Agreement then an additional Schedule "A" will be attached to such Membership Agreement for each additional Showroom. If you would like to operate additional Showrooms subsequent to the execution of your initial Membership Agreement, we must approve the opening of such additional Showroom(s), and we may require that you execute the then-current membership agreement (see Section 3.3 of the Membership Agreement). The Early Termination Fee described below applies to each of your Showrooms.

### **C. Membership Promotions**

We may offer promotions for limited periods of time in the form of credits against Initial Membership Fees as part of a program designed to promote the execution of membership agreements, and to encourage the opening of Abbey Showrooms. We may, in the future, change the Initial Membership Fee then being charged to new members.

### **D. Master Franchisee**

ABBEY has a master franchisee that has the right to sub-franchise the Abbey System in Utah, Montana, south-eastern Idaho, and Wyoming, except for Laramie county (see Exhibit "K"). New members located in those territories are required to execute a membership agreement with the master franchisee and are charged an initial membership fee of \$2,000.

## **ITEM 6. OTHER FEES**

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks<sup>(1)</sup></b>
Service Fee (Single or Multiple Showroom) <sup>(2)(3)</sup>	\$400	10 <sup>th</sup> Day of Each Month	These fees are non-refundable.
Advertising Fee (Single or Multiple Showroom) <sup>(3)</sup>	\$3,000	Payable semi-annually, in two equal payments of \$1,500	These fees are non-refundable.
Local Advertising <sup>(4)</sup>	4%-6% of monthly gross sales <sup>(5)</sup>	As Incurred Each Month	Paid to advertising vendors.
Renewal Fee	\$750	At Time of Renewal	This fee is non-refundable.
Insurance	Costs and premiums	As incurred	If you do not obtain or maintain insurance coverage, and we choose to do so on your behalf, you must reimburse us.
Transfer Fee	\$5,000	At Time of Transfer	This fee is non-refundable.
Audit	Cost of audit plus interest on underpayment	Due When Billed	Payable only if audit shows an understatement of at least 2%.
Indemnity	Will vary under circumstances	If incurred, on demand	You must indemnify and reimburse us for our costs and any judgment if we are sued for claims relating to the operation

Type of Fee	Amount	Due Date	Remarks <sup>(1)</sup>
			of your franchised business.
Early Termination Fee	\$20,000 to \$50,000	Upon early termination of the Membership Agreement	If the Membership Agreement is terminated prior to completion of the initial five-year term, you will reimburse us for the costs associated with the Redesign of your Showroom. <sup>(6)</sup>

**Footnotes to table:**

- (1) All fees are uniformly imposed by ABBEY and, except as otherwise noted, collected by ABBEY.
- (2) The Service Fee will begin 90 days after you become a member. The purpose of the Service Fee is to offset a portion of the administrative costs associated with managing and servicing ABBEY's relationships with its members, including, without limitation, administrative costs connected to the Abbey CashBack Program and ABBEY's merchandising programs, store design/Redesign (as defined below) programs and business-to-business programs.
- (3) ABBEY reserves the right to reasonably and uniformly increase or decrease the Service Fee and the Advertising Fee from time to time consistent with changes in the demands of the Abbey System. The maximum amount that ABBEY will increase these fees to is \$5,000.
- (4) ABBEY expects, but does not require, that you spend a minimum of 4% to 6% of monthly gross sales per Showroom on local advertising.
- (5) Gross Sales includes all revenue from your Showroom for goods and services, but does not include sales and use taxes, and refunds.
- (6) ABBEY, at ABBEY's expense, will provide and deliver to you at your Showroom the racks, displays and samples necessary to convert your Showroom to an Abbey Showroom as well as a store design consultant to assist you with adapting the Abbey Showroom design package to your Showroom (the "Redesign"). ABBEY will not purchase any tenant improvement items including, among other things, installation of floor coverings in showrooms, furniture, or office equipment. ABBEY estimates that the cost of the Redesign will be between Twenty Thousand Dollars (\$20,000) and Fifty Thousand Dollars (\$50,000) per Showroom, depending on the size of your Showroom. ABBEY will cover these costs of the Redesign (i.e., non-tenant-improvement-item costs); however, if your Membership Agreement is terminated prior to completion of the initial five-year term, you must pay ABBEY an early termination fee equal to the amount associated with the Redesign of your

Showroom less 20% for each full year from the effective date of your Membership Agreement that you remained a member (the "Early Termination Fee"). For example, if you became a member on March 1, ~~2024~~2025, and the cost of your Redesign was \$30,000, and your membership was terminated on January 1, ~~2027~~2028, you would owe us a cash payment equal to \$18,000 (\$30,000 – [\$30,000 X (20% x 2) = \$12,000] = \$18,000). The Early Termination Fee shall be due and payable to ABBEY in cash immediately on the date of any such early termination. You will not be required to repay any portion of the cost to Redesign your Showroom if you remain an ABBEY member for the entire initial five-year term.

## ITEM 7. ESTIMATED INITIAL INVESTMENT

### YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Membership Fee <sup>(1)</sup>	\$10,000	\$1,000 <sup>(2)</sup> upfront fee; \$9,000 from CashBack Participation <sup>(3)</sup>	\$1,000 at signing	ABBEY
Equipment, Fixtures, Other Fixed Assets, Construction, Remodeling, Leasehold Improvements, and Decorating Costs (Optional)	\$7,500 to \$25,000 <sup>(4)</sup>	Lump Sum or Independent Financing	When Incurred	Third Parties
Other Displays <sup>(5)</sup> (Optional)	\$400 - \$1,500 per Showroom	Lump Sum	Upon Purchase of Displays	Third Parties
Service Fee	\$400	Periodic	Monthly after three months	ABBEY
Advertising Fee	\$3,000	Lump Sum	Payable semi-annually, in two equal payments of \$1,500	ABBEY
Local Advertising/Promotional Costs	\$0-\$4,000 per Showroom	Periodic	Monthly	Third Parties
Store Signage <sup>(6)</sup>	\$1,000-\$5,000 per Showroom	As incurred	90 days after signing	Third Parties
Insurance <sup>(7)</sup>	\$250-\$1,500	Per terms of policy	Before signing	Insurer
Professional Fees <sup>(8)</sup>	\$500-\$1,500	As incurred	As needed	Third Parties
Additional Funds—Three Months <sup>(9)</sup>	\$0-\$10,000	As incurred	As needed	Employees, Expenses and Overhead
<b>TOTAL<sup>(10)</sup></b>	<b>\$23,050 to \$61,900</b>			

**Footnotes to table:**

- (1) The Initial Membership Fee is non-refundable except that, if you attain \$350,000 of first quality, running line purchases, exclusive of promotional products, special purchases, and SP's, within the 12-month period beginning on the 90<sup>th</sup> day after your membership begins, your Initial Membership Fee will be waived, and all payments you have made for that fee will be refunded to you by ABBEY on or after the fifteenth month after the date your membership begins.
- (2) The Initial Membership Fee is paid as follows: (a) \$1,000 is due at signing; and (b) \$9,000 is paid through the participation in the Abbey CashBack Program. ABBEY charges no interest on such deferred payments.
- (3) See Item 5 for an explanation of the Abbey CashBack Program which is based on a percentage of **selected** carpets and floor coverings purchased by you through the Abbey System. Nine Thousand Dollars (\$9,000) of your Initial Membership Fee will be collected from your CashBack Participation over five years.
- (4) You may have construction and related costs in connection with the Redesign of your Showroom which may range from \$7,500 to \$25,000, depending upon the size of your Showroom and the extent of improvements made (see Item 11(B) below).
- (5) If you choose to sell products containing any other trademarks we may license in the future, you will also be required to purchase separate display racks for such products starting at a price of \$400 each (see Item 13 below and Section 4.13 of the Membership Agreement).
- (6) You must install Abbey Showroom signage either on the exterior facade of your Showroom building, prominently displayed in the front window of your Showroom, or on a marquee or free-standing sign in the front of your Showroom. If you use ABBEY's approved sign vendor, ABBEY will credit up to \$1,000 against your future accounts payable for actual costs incurred for Showroom signage upon your providing proof of installation and proper invoices. The ABBEY signage must conform to all specifications provided by ABBEY and be approved by ABBEY before construction, meet all local signage regulations, and be installed within ninety (90) days after the effective date of your Membership Agreement.
- (7) Section 7.8 of the Membership Agreement requires that you have in force an insurance policy before beginning business with ABBEY, at your sole expense, protecting both you and ABBEY and its officers, directors, and employees against losses and with the limits described. The figures in the chart are estimated annual premiums for the minimum amount of insurance required by ABBEY.
- (8) This amount reflects the use of an attorney, accountant, and other consultants both in the purchase of a membership and in the operation of an Abbey System Showroom for up to three months.

- (9) This item estimates your expenses during your initial three-month period of operating your Showroom (other than the items identified separately in the table). These expenses include payroll costs, but not any draw or salary for you. You will need capital to support ongoing business expenses. Assuming you have an established floor covering business, operating an Abbey Showroom is expected to require only minimal additional operating capital. This is only an estimate, however, and there is no assurance that additional working capital will not be necessary to fund the Abbey System during this start-up phase or thereafter.
- (10) These figures are only estimates for the first three months of operation, and ABBEY cannot guarantee that your expenses will not exceed these estimates or that you will not have additional expenses not listed here in starting the business. ABBEY relied on its collective experience of its management in preparing these estimates. ABBEY does not offer direct or indirect financing to members for any items.

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

In order to utilize the Abbey System, you must purchase a certain amount of merchandise from the floor covering vendors or manufacturers with whom ABBEY has negotiated favorable group prices and terms. Section 7.1 of the Membership Agreement requires you to purchase, for each of your Showrooms, a minimum of \$350,000 or 80% of your total floor covering and window treatment purchases, whichever is greater, through the Abbey System during the calendar year following the opening of each such Showroom. Therefore, Multiple Showroom Members are required to satisfy minimum purchase requirements for each of their Showrooms. Only those floor covering and window treatment products that ABBEY designates as part of the Abbey System qualify towards the minimum purchase requirements. Failure to meet the minimum purchase requirements for your Showrooms could result in the termination of your membership in the Abbey System. Compliance with the minimum purchase requirements could also be one factor, among others, when determining whether to renew or grant additional showroom memberships.

Since the Abbey Carpet & Floor membership concept is intended for and directed toward the experienced owner/operator of existing floor covering stores, there are no purchases required to establish an ABBEY franchise. ABBEY estimates that required purchases are approximately thirty-seven percent (37%) of total purchases made in operating an ABBEY franchise.

You are prohibited from participating in any other marketing and merchandising system which offers products similar to those offered by ABBEY while a member of the Abbey System (i.e., mill-sponsored programs or buying groups). However, you are permitted to purchase floor covering merchandise sold in your Showrooms from floor covering sources that are not affiliated with the Abbey System, provided that you satisfy the minimum purchase requirements set forth in Section 7.1 of the Membership Agreement.

ABBEY will regularly update its price list to inform you as to the current approved vendors and manufacturers, carpet and floor covering selections and grades, vendor's

prices as negotiated by ABBEY, the vendor's distribution arrangements, and other pertinent information.

ABBEY will from time to time research the market for the purpose of evaluating the floor coverings offered and discounts available so that it may update its list of approved merchandise and approved vendors and manufacturers. ABBEY will be responsible for identifying, negotiating with, and approving all suppliers to the Abbey System. However, a member can recommend other suppliers for ABBEY to consider (at no cost to the member or to the supplier being recommended). ABBEY formulates its approach for the Abbey System by emphasizing value and variety. Although ABBEY does not maintain any specific product mix, it attempts to maintain a broad range of floor covering products in wide ranges of cost, quality and styles. ABBEY will negotiate the best vendor prices and discounts available for the Abbey System available at the time. Other than the general guidelines set forth above, ABBEY has no established standards or specifications to disclose to its members or suppliers. There are no approved suppliers in which any of our officers owns an interest.

ABBEY approves or disapproves suppliers based upon the type of floor covering offered, the negotiated price available from each supplier, the delivery terms and conditions provided by each supplier, and the positive or negative feedback ABBEY receives from its members. As an ABBEY member, you will not be entitled to negotiate floor covering purchases for the Abbey System nor will you be authorized to offer any floor covering products under the ABBEY logo's or service marks which are not set forth in the price list.

ABBEY will receive a brokerage fee from each manufacturer or merchandise vendor participating in the Abbey System, based upon the total amount of sales made by each manufacturer or vendor through the Abbey System. You will not be responsible for the payment of this fee. During fiscal year ~~2023~~2024, ABBEY received \$~~8,986,425~~9,030,278 in brokerage fees which represents approximately ~~sixty-six~~sixty-five percent (~~66~~65%) of the \$~~13,683,016~~13,982,129 in total revenue that ABBEY received. ABBEY also receives certain payments from merchandise vendors for the space such vendors occupy while participating in trade shows and sales shows hosted by ABBEY. The amounts paid by the merchandise vendors vary depending on a number of factors, such as the amount and type of space the vendor requires to display its products, as well as the degree of the vendor's participation within the ABBEY System. ABBEY's affiliate, FTG, does not sell or lease products or services to ABBEY members and, therefore, FTG does not benefit from corresponding revenues.

There currently are no purchasing or distribution cooperatives. We may negotiate purchase arrangements with suppliers (including price terms), for the benefit of the franchise system. We do not provide material benefits to you (for example, renewal or granting additional franchises) based on your purchase of particular products or services or use of particular suppliers.

ABBEY requires that each new member place Abbey Showroom signage either on the exterior facade of the member's Showroom building, in the front window of the member's Showroom, or on a marquee or free-standing sign in the front of the member's

Showroom, and that such signage will conform to all specifications provided by ABBEY, be approved by ABBEY before construction, meet all local signage regulations, and be installed within ninety (90) days after the effective date of each new member's Membership Agreement. However, since the Abbey Carpet & Floor membership concept is intended for and directed toward the experienced owner/operator of existing floor covering stores, ABBEY does not otherwise impose on new members additional requirements with respect to constructing and improving a business site in connection with such member's establishment of an ABBEY franchise. Other than in connection with the above-referenced signage requirements, ABBEY does not require members to use designated sources or to adhere to ABBEY's standards/specifications in the construction and improvement of such members' Showrooms.

Section 7.8 of the Membership Agreement requires you to obtain the types and amounts of insurance coverage customary in the industry. Such coverage would normally be expected to include liability, automobile and workers' compensation.

#### **ITEM 9. FRANCHISEE'S OBLIGATIONS**

**This table lists your principal obligations under the membership and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.**

<b>Obligation</b>	<b>Section of Agreement</b>	<b>Disclosure Document Item</b>
a. Site Selection and acquisition/lease	Not applicable	Not applicable
b. Pre-opening purchases/leases	Not applicable	Item 7
c. Site development and other pre-opening requirements	Not applicable	Item 7
d. Initial and ongoing training	Section 5	Item 11
e. Opening	Not applicable	Not applicable
f. Fees	Section 6	Items 5, 6 and 7
g. Compliance with standards and policies/ Operating Manual	Sections 3.2, 5.3, 6 and 7	Items 13, 14 and 15
h. Trademarks and proprietary information	Sections 5.3, 4 and 9	Items 13 and 14

<b>Obligation</b>	<b>Section of Agreement</b>	<b>Disclosure Document Item</b>
i. Restrictions on products/services offered	Section 1.2, Section 9.2(d)	Items 8 and 16
j. Warranty and customer service requirements	Sections 7.1, 7.11 and 9.2	Items 8 and 11
k. Territorial development and sales quotas	Not applicable	Not applicable
l. Ongoing product/service purchases	Subsection 7.1(a)	Item 8
m. Maintenance, appearance and remodeling requirements	Section 6.2, Subsection 7.1(c), and Section 7.3	Items 6, 7 and 11
n. Insurance	Section 7.8	Items 6, 7 and 8
o. Advertising	Sections 6.4 and 7.4	Items 6, 7 and 11
p. Indemnification	Sections 4.12, 7.9 and 7.10	Item 6
q. Owner's participation/management staffing	Not applicable	Item 15
r. Records/reports	Section 8	Not applicable
s. Inspections/audits	Section 8	Item 6
t. Transfer	Sections 10 and 11	Item 17
u. Renewal	Section 2	Item 17
v. Post-termination obligations	Section 13.3	Item 17
w. Non-competition covenants	Subsection 9.2(d) and Section 9.4	Item 17
x. Dispute resolution	Section 14	Item 17
y. Territory	Section 1.2 and Schedule "A"	Item 12

## **ITEM 10. FINANCING**

Neither ABBEY nor any of its agents or affiliates offers any financing arrangements, directly or indirectly, to you except that ABBEY permits deferred payment of the Initial Membership Fee which is paid over a period of time in conjunction with the

CashBack Participation program (see Section 7.2 of the Membership Agreement). No interest will be charged to you and no separate promissory note will be executed by you. The amount of the Initial Membership Fee which is deferred is \$9,000. You will grant ABBEY the right to retain all proceeds allocable to you from the Abbey CashBack Program up to the \$9,000 amount or for a five-year time period, whichever occurs first. If the CashBack Participation does not generate proceeds to ABBEY of \$9,000, whatever lesser amount of proceeds is collected by ABBEY over the five-year participation period on your behalf will be deemed payment in full for your Initial Membership Fee. If your Membership Agreement is terminated prior to completion of the initial five-year term, the remaining balance of the Initial Membership Fee shall be due and payable by you to us in cash immediately upon the date of any such termination and ABBEY may assess attorneys' fees and other costs associated with the collection of such amount. ABBEY does not require any security interest or personal guaranty from anyone other than the member in connection with this deferred payment of the Initial Membership Fee.

ABBEY has not in the past and does not intend in the future to sell, assign or discount to a third party any note, contract or other obligation of yours which is owed to ABBEY. ABBEY does not arrange financing from other sources, and accordingly, does not receive payments for placing financing.

ABBEY does not guarantee your note, lease or obligation.

#### **ITEM 11. FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING**

**Except as listed below, ABBEY is not required to provide you with any assistance.**

##### **A. ABBEY's Obligations Prior to Opening**

Prior to the time you begin participating in the Abbey System, ABBEY is obligated to provide you with advertising material, the price list, and other documents relating to the Abbey System (see Sections 5.2 and 5.3 of the Membership Agreement). Abbey does not have a formal Operations Manual. The price list identifies the approved vendors and manufacturers, carpet and floor covering selections and vendor prices currently available to ABBEY members. ABBEY members are responsible for establishing the prices they charge to their customers.

##### **B. ABBEY's Obligations During Membership Operation**

During the operation of the Abbey System, ABBEY's obligations are limited to selecting floor covering and window treatment products that meet ABBEY's quality standards, negotiating with vendors to offer favorable pricing to ABBEY members (see Section 5 of the Membership Agreement), and providing certain approved artwork, print media presentations, direct mail flyers, promotional materials, point-of-sale formats, audio and video presentations for our approved advertising programs and information we

develop for your use in marketing and conducting local advertising for the Showroom at a reasonable cost to you (see Section 6.4 of the Membership Agreement).

ABBEY is also obligated to use its commercially reasonable efforts to:

- (1) maintain the reputation of the Abbey System;
- (2) maintain a wide variety of floor covering and window treatment products at favorable prices; and
- (3) defend the Marks licensed with the Abbey System.

ABBEY is also obligated to provide and deliver to you at your Showroom the racks, displays and samples necessary to convert your Showroom to a ABBEY Showroom, as well as a store design consultant to assist you with adapting the ABBEY Showroom design package to your Showroom (the "Redesign"). ABBEY will not purchase any tenant improvement items, including, among other things, installation of floor coverings in showrooms, furniture, or office equipment (see Section 5.2 of the Membership Agreement).

#### **C. Expected Days to Commence Operations**

The typical length of time between the signing of the Membership Agreement and the opening of the member's showroom as an ABBEY Showroom is 30 to 90 days. Since all current ABBEY members have established floor covering stores prior to becoming a member, there are generally no delays occasioned by the new member needing to obtain a lease or to secure financing and building permits. The time period between the signing of the Membership Agreement and the new member commencing use of the Abbey System may be impacted by the length of time needed to ensure that such member's Abbey Showroom signage complies with local zoning and other ordinances and by delays in the installation of equipment, fixtures and signs in connection with the Redesign.

#### **D. Member Training**

Since ABBEY members already have experience in owning and operating floor covering stores, ABBEY does not offer an initial training program.

From time to time, ABBEY may offer seminars focused on topics of interest to ABBEY members (e.g., sales and marketing techniques, retail management best practices, new product offerings, and Internet applications), in which ABBEY members may voluntarily choose to participate. Since these seminars are specifically designed in response to timely issues faced by ABBEY members, the subjects taught, as well as the formats and venues in which such subjects are presented, vary from year to year. There is no predetermined plan with respect to the locations at which such seminars are held; nor is there any predetermined plan with respect to the seminar instructors or the nature of corresponding instructional materials. There are no plans or instructors for the seminars. Attending members are expected to bear the expenses of attending these elective seminars, including lodging and meals.

In addition, ABBEY will hold conferences or conventions at various times to discuss matters such as sales techniques, product selection and costs, performance standards, advertising programs, new products, and operational modifications and updates. You must attend ABBEY's annual convention. ABBEY will bear the cost of your registration fee for your first convention, but you must pay all related travel, lodging and other personal expenses you incur (see Section 5.2(b) of the Membership Agreement). In addition, you must also attend ABBEY's annual convention in subsequent years, in order to receive the full benefit of the Abbey System, and we reserve the right to charge you a fee if you elect not to attend. ABBEY will charge you a registration fee for your attendance at all subsequent annual conventions, and you must pay all related travel, lodging and other personal expenses that you incur during such conventions. The annual conventions, voluntary training programs, and other elective conferences will be held in a location within the United States designated by ABBEY.

During the past 12 months, approximately one hundred percent (100%) of new members enrolled in our voluntary training programs and elective conferences and conventions.

**E. Advertising Materials, Fees, Services and Responsibilities**

ABBEY will develop advertising materials and marketing programs during the term of your Membership Agreement and provide these materials and programs to you and all ABBEY members (see Section 6.4 of the Membership Agreement). Our members-only website may contain approved artwork print media presentations, promotional materials, direct mail flyers, point-of-sale formats, audio and video presentations for our approved advertising programs as well as the guidelines for and limitations upon their usage. Members are responsible for paying any additional cost of having these audio and video presentations customized for local usage. Multiple copies of these advertising materials and programs will be furnished to you at ABBEY's direct cost of producing them, plus any related shipping, handling and storage charges. One hundred percent (100%) of the Advertising Fees ABBEY received from its members during fiscal year ~~2023~~2024 was used for production and media placement expenses. None of the Advertising Fees that ABBEY received from its members during fiscal year ~~2023~~2024 were used to solicit new franchise sales.

All Advertising Fees paid by you will be used solely for the development of advertising materials and marketing programs for system-wide use and will not be used for marketing individual showrooms or to defray any of ABBEY'S expenses not directly related to the development of these materials and programs. Members, including company-owned outlets, are required to pay Advertising Fees (payable semi-annually, in two equal payments of \$1,500). Members are not required to participate in any other advertising fund. ABBEY will direct all programs financed by the Advertising Fees, with sole discretion over the creative concepts, materials and endorsements used, market and media selection (including whether the corresponding media coverage is local, regional or national in scope), and the allocation of resources. Advertising Fees may, in ABBEY's sole discretion, be used to pay the costs for preparing and producing customizable artwork,

print media, television and radio commercials, as well as for conducting market research, public relations, and paying ABBEY's related administrative expenses.

ABBEY will have absolute discretion with the administration of the funds received as Advertising Fees, including but not limited to, the allocation of the funds, methods of payment, and reimbursement of expenses and advances paid by ABBEY to develop any such advertising materials or programs. The Advertising Fees and earnings, if any, will not otherwise inure to ABBEY's benefit, and ABBEY will maintain separate bookkeeping accounts for these Advertising Fees.

There is currently no advertising council composed of members that advise ABBEY on advertising policies. Members are not presently required to participate in a local or regional advertising cooperative.

Upon your request, we will provide you with a statement setting forth an accounting of our advertising expenditures. However, ABBEY is not responsible for, nor will ABBEY assume any direct or indirect liability or obligation to you with respect to, having independent certified public accountants conduct a separate audit on the receipt and disbursement of the Advertising Fees that ABBEY receives from its Members. All Advertising Fees remaining for any particular year, if any, will be carried forward for use during the next year. ABBEY assumes no other direct or indirect liability or obligation to you with respect to collecting or maintaining the Advertising Fees or with respect to developing advertising materials or with respect to directing or administering the advertising and marketing programs.

#### **F. Computer Hardware and Software**

You are not required to install, maintain or use any specified or approved computer system or point-of-sale hardware or any designated software programs to maintain data, business records or customer transactions for your Showroom. ABBEY will not have independent access to any information generated or stored in any electronic cash register or computer system that you use in your Showroom.

#### **G. ~~H.~~ Internet**

1. Website. You will be provided a website, maintained by us, on the domain [www.abbeycarpetandfloor.com](http://www.abbeycarpetandfloor.com) for each of your Abbey Showrooms. In addition, if you include "Abbey Carpet" or "Abbey Carpet & Floor" in your fictitious trade name and make it a permanent part of your exterior signage, you will have access to several additional pages, which may be customized for your Showroom. The content of these customized pages and any changes thereto will be subject to our prior review and written approval. From time to time, additional features and benefits may be added to the website, for which we reserve the right to charge a fee to assist in covering costs, including, but not limited to, the costs of developing, implementing and maintaining said features and benefits. If you choose to develop an independent website, it must comply with our trademark, service mark, logo and advertising requirements, as well as any of our applicable policies and procedures. Therefore, among other things, you must (i) obtain our prior written approval

of any Internet domain name and home page addresses used for your independent website, (ii) obtain our prior written approval of all hyperlinks and other links to appear on your independent website, and (iii) restrict your use of any materials in which any third party has any interest. Upon your request and our prior written approval, if you include "Abbey Carpet" or "Abbey Carpet & Floor" in your fictitious trade name and make it a permanent part of your exterior signage, a hyperlink to your independent website will be placed on the website that we maintain for your Showroom.

2. Advertising. If you develop or purchase internet-based advertising through email services, search engines, web portals or other internet-based advertising vehicles, you must comply with our trademark, service mark, logo and advertising requirements, as well as any of our other applicable policies and procedures that we may institute from time to time.

## **ITEM 12. TERRITORY**

### **A. Your Territory**

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. Specifically, you may face competition from other Abbey Showrooms that we or our affiliates franchise or own and that operate at traditional sites outside your territory. Also, you may face competition from other outlets that we franchise or own, or from other channels of distribution or competitive brands we control, including, but not limited to, competition from the Abbey Floors At Home program.

As part of the Abbey System, ABBEY will grant territorial rights to you which are officially identified in Schedule "A" of the Membership Agreement. Your territory will be determined based on the factors that we deem relevant, which might include population, traffic flow, presence of businesses, location of competitors (including other showrooms), demographics, and other market conditions. You agree to conduct your business under the license granted under the Membership Agreement at the location designated in Schedule "A" of the Membership Agreement and in no other location. If your territory is defined as a radius, it will be measured from your approved Showroom. Otherwise, the boundaries of a territory are typically designated by streets or by the political boundaries of cities as they exist on the date the Membership Agreement is signed.

ABBEY, under Section 1.2 of the Membership Agreement, specifically agrees that it will not open or license any other person or entity to open a Showroom using ABBEY's trade name or service marks within your territory designated in Schedule "A" to the Membership Agreement.

On renewal or relocation of a franchise, the territory may be modified. Depending on the then-current demographics of the territory, and on our then-current standards for territories, if the territory is larger than our then-current standard territory, we may require you or the transferee to accept a renewal territory or a transfer territory smaller than your then-current territory.

You have no options, rights of first refusal, or similar rights to acquire additional franchises. If after the execution of your initial Membership Agreement you wish to open additional showrooms using the Abbey System, and even if the proposed showrooms are within your territory, you must enter into a separate Membership Agreement for each such showroom.

Continuation of your franchise or territorial rights is not directly dependent upon achievement of certain sales volume, market penetration or other contingency. However, failure to achieve the volume purchase requirements set forth in Subsection 7.1(a) of the Membership Agreement does give ABBEY the right to terminate your Membership Agreement (see Subsection 13.2(b)(4) of the Membership Agreement).

We do not restrict you from soliciting or accepting orders from outside your territory, but you do not have the right to use other channels of distribution to make sales outside your territory.

Under the Membership Agreement, you will have the right to move your Showroom to another location, provided that (i) you give us ninety (90) days' prior written notice of the proposed relocation, (ii) the new location is within your existing territory, (iii) the new location otherwise complies with the terms of the Membership Agreement, and (iv) you agree to a revision of your existing territory, as determined by us in our sole discretion. The relocation must be approved in writing by ABBEY. You will be required to continue paying the monthly Service Fee and Advertising Fee during the time between termination of operations at the original Showroom location and commencement of operations at the new Showroom location.

Provided that you are in full compliance with the Membership Agreement, we and our affiliates will not operate or grant a franchise for the operation of another Abbey Showroom at a location within your territory during the term of this Membership Agreement, except under the circumstances set forth below. Otherwise, we and our affiliates retain all rights not expressly granted to you under the Membership Agreement (with respect to, among other things, Abbey Showrooms, the Marks, the sale of similar or dissimilar products and services, and any other activities we deem appropriate whenever and wherever we desire), including, but not limited to, the right in our sole discretion:

1. to operate, and to grant others the right to operate, Abbey Showrooms located anywhere outside your territory;
2. to develop, use, and license the rights to any tradenames, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights that we have not licensed to you under the Membership Agreement;
3. to freely and unconditionally do business, or authorize others to do business, under the Abbey Marks, through alternative marketing plans or systems, alternative distribution methods or

procedures, and different business formats, at any locations inside or outside your territory;

4. to establish, own and operate, or grant others the right to establish, own and operate, businesses offering dissimilar products and services, at any locations inside and outside your territory, under the Abbey Marks;

5. to establish, own and operate, or grant others the right to establish, own and operate, similar businesses or any other businesses offering similar or dissimilar products and services, through similar or dissimilar channels of distribution (including the Internet and similar electronic media), at any locations inside or outside your territory, under trademarks or service marks other than the Abbey Marks;

6. to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Abbey Showrooms, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, including in your territory;

7. to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by a business providing products and services similar to those provided at Abbey Showrooms, or by another business, even if such business operates, franchises, and/or licenses competitive businesses in your territory; and

8. to engage in any other activities we and/or our affiliates desire within or outside of your territory that are not specifically prohibited under the Membership Agreement.

We are not required to pay you if we exercise any of the rights specified above inside your territory.

#### **B. Floors To Go, LLC**

In 2002, ABBEY's affiliate, Floors To Go, LLC, began offering franchises for floor covering stores under the name "Floors To Go." Floors To Go, LLC currently has ~~161~~<sup>150</sup> franchisees in its system. Members of the Floors To Go System sell floor and window coverings and may compete to a certain extent with your Showroom. Floors To Go does not own or operate any Abbey Showrooms.

There may be overlap between the territories of ABBEY members and the Floors To Go franchisees. There is no limitation on the right of any franchisee to sell products for installation outside of that franchisee's territory.


The conflict resolution provisions of the Membership Agreement will apply to any disputes relating to your ABBEY membership. ABBEY and Floors To Go, LLC will maintain adequate staffing to be able to perform their obligations under their respective franchise agreements. ABBEY does not currently plan to maintain physically separate offices from Floors To Go, LLC.


### **ITEM 13. TRADEMARKS**

ABBEY exercises the rights, title and interest in, together with all the goodwill connected to, the service mark and trademark "Abbey Carpet & Floor™", "Abbey Carpet" and all other marks used in connection with the Abbey System, including any use of the mark "Abbey" in connection with carpet, flooring products and the installation, sale or promotion of such products.

The following table lists all the principal trademarks to be licensed to ABBEY members, including all Federal Trademarks and Service Marks that have been registered with the U.S. Patent and Trademark Office and those for which registration is pending.

#### **UNITED STATES FEDERAL REGISTRATIONS**

<b>MARK</b>	<b>REGISTRATION NO.</b>	<b>REGISTRATION DATE</b>	<b>REGISTER</b>
Abbey Carpet	1,725,888	10/20/92	Principal
Abbey Carpet	1,729,786	11/3/92	Principal
Abbey Carpet Logo 	1,733,263	11/17/92	Principal
Abbey Tile	2,222,445	2/9/99	Principal
ABBEY CARPET & FLOOR	3,239,827	5/8/07	Principal

ABBEY CARPET & FLOORS	3,239,427	5/8/07	Principal
	4,941,242	4/19/16	Principal

Affidavits of Continued Use and Incontestability (§ 8 and § 15 of the Trademark Act of 1946, as amended) and applications for renewal (§ 8 and § 9 of the Trademark Act of 1946, as amended) have been accepted and acknowledged by the U.S. Patent and Trademark Office for the following marks: "Abbey Carpet" (trademark); "Abbey Carpet" (service mark); "Abbey Carpet Logo" (trademark); "Abbey Carpet & Floor" (service mark); "Abbey Carpet & Floors" (service mark) and "Abbey Tile." An Affidavit of Continued Use and Incontestability (§ 8 and § 15 of the Trademark Act of 1946, as amended) has been filed for ABBEY CARPET & FLOOR and Design (Service Mark).

ABBEY has registered the trademarks "Abbey Carpet," "Abbey Carpet Logo," "Abbey Carpet & Floor" and "Abbey Carpet and Floor & Design" with the Canadian Trademark Office. "Abbey Carpet" (Trademark) was registered on January 26, 1996 under Registration No. 453,077. "Abbey Carpet Logo" (Trademark) was registered on April 5, 1996 under Registration No. 456,420. "Abbey Carpet & Floor" (Service Mark) was registered on May 15, 2008 under Registration No. 714,403. "Abbey Carpet & Floor & Design" (Service Mark) was registered on May 15, 2008 under Registration No. 714,414.

There are presently no currently effective material determinations of the U.S. Patent and Trademark Office, Trademark Trial and Appeal Board, The Canadian Intellectual Property Office, the trademark administrator of any state or any court, nor any pending infringement, opposition or cancellation proceeding, nor any pending material litigation involving such trademarks, service marks, trade names, logotypes or other commercial symbols of ABBEY which is relevant to their use in your state or in any other state.

There are no agreements currently in effect that significantly limit the rights of ABBEY to use or license the use of the above-identified trade names and service marks, except as indicated in the Membership Agreement.

ABBEY will defend you against any infringement, unfair competition, or other claim respecting your lawful and authorized use of any name or mark licensed by ABBEY. ABBEY will make reasonable efforts to protect your rights to use the membership trade name and service mark. If any infringement of, or challenge to, your use of the membership trade name and service mark should occur, you are obligated to immediately provide ABBEY with written notice of the same. ABBEY will then have the sole discretion to take such action as it deems appropriate. The Membership Agreement requires ABBEY to protect and defend the use of all membership related trade names and service marks. ABBEY is required to indemnify you for expenses or damages for any administrative or judicial proceeding involving a mark licensed to you by ABBEY. You agree to indemnify

ABBEY for any expenses or damages for any improper or unauthorized use of any licensed mark by you.

To the best of ABBEY's knowledge, there are currently no superior prior rights or infringing uses actually known to ABBEY that could materially affect your use of the membership trade name and service mark in the United States.

You irrevocably agree not to contest, directly or indirectly, ABBEY's ownership, title, right, or interest in its trade name, and any trademarks, service marks, domain names that include the ABBEY trademarks or service marks, trade secrets, methods, procedures, and advertising techniques which are a part of ABBEY's business or to contest ABBEY's sole right to register, use or license others to use such trade names, trademarks, service marks, domain names trade secrets, methods, procedures, and techniques anywhere in the world. You shall not incorporate the words "Abbey Carpet," "Abbey Carpet & Floor," or any other confusingly similar names, marks, or logos associated therewith as part of your legal business name or as part of a domain name, but you are authorized and required to adopt a fictitious trade name incorporating the words "Abbey Carpet & Floor."

ABBEY may from time to time license the right to use certain trademarks of its manufacturers in connection with the sale of products by its franchisees. If you elect to sell products containing any other trademarks ABBEY may license in the future, you will be required to purchase separate display racks for such products.

The other trademarks ABBEY may license in the future are not principal trademarks. Your use of any other trademarks we may license in the future shall be limited to the same rights and obligations you have under ABBEY's principal trademarks described above. You understand that your rights to use such trademarks are terminable under ABBEY's license agreement with such manufacturer and that you have no rights greater than those rights held by ABBEY under such license agreement.

#### **ITEM 14. PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

##### **A. Patents and Copyrights**

There are no patents or registered copyrights that are material to the Abbey System. ABBEY claims ownership of, and all copyrights for, all lists, manuals and other written materials originating from ABBEY. Your right to use such materials is governed by the Membership Agreement.

##### **B. Proprietary Information**

ABBEY asserts a proprietary interest and right in and to its price list, cashback list, advertising, marketing and merchandising information, and product specifications (the "Proprietary Information") and all other material provided by ABBEY to you for use with the Abbey System, including without limitation, information you receive on ABBEY's website located at [www.abbeyinfonet.com](http://www.abbeyinfonet.com). You must treat the Proprietary Information, any other materials created for or approved for use in the operation of the Abbey System, and the information contained in them, as confidential, and must use all reasonable efforts

to maintain this information as secret and confidential. You must not copy, duplicate, record or otherwise reproduce these materials or otherwise make them available to any person, other than those employees who require access in order for your business to operate under the Abbey System. The Proprietary Information will remain ABBEY's sole property and must be kept in a secure place in your Showroom.

You must not, during the term of the Membership Agreement or after the term of the Membership Agreement, communicate, divulge, or use for the benefit of any other person, partnership, association or corporation any confidential information, knowledge, or know-how concerning the methods of operation of the Abbey System which may be communicated to you or of which you may be apprised by virtue of your operation under the terms of the Membership Agreement (including information, knowledge, or know-how concerning floor covering marketing and merchandising systems, procedures, processes and techniques). You may divulge this confidential information only to those employees who must have access to it in order to operate the Abbey System. Any and all information, knowledge, know-how, techniques, and other data, which ABBEY designates as confidential, will be deemed confidential for purposes of the Membership Agreement. Upon the termination or expiration of the Membership Agreement, you must immediately return to ABBEY any Proprietary Information that was loaned to you, including all copies and supplements thereto, during the term of the Membership Agreement. You must destroy all other proprietary items and dispose of same within ten (10) days after termination or expiration of the Membership Agreement for any reason.

#### **ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

There is no obligation that you participate in the actual operation of the membership business. However, ABBEY does expect either you or your showroom manager to devote full time to the management and operation of the Abbey System. If you are a business entity, the showroom manager is not required to have an equity interest in the ABBEY membership.

ABBEY imposes no limitation as to who will manage the Abbey System in your Showroom, except that such manager must comply with all applicable laws (which may require that the manager obtain a license) and that you must not harm the goodwill associated with the Abbey System and the trade names, trademarks and service marks associated with the Abbey System.

You must ensure that your showroom manager(s) comply fully, with all applicable terms of the Membership Agreement, including, maintaining all trade secrets, not competing with the Showroom, and safeguarding all Abbey System documents, Proprietary Information, etc. provided to you by ABBEY.

If you are a business entity, such as a corporation, limited liability company or limited partnership, our required form of owner's statement, which is attached as Exhibit "C" to this disclosure document (the "Principal Owner's Statement"), describes all of your owners and their interests in you.

The spouse of an owner is not required to sign a separate personal guaranty, confidentiality or non-competition agreement.

**ITEM 16. RESTRICTIONS ON WHAT THE MEMBER MAY SELL**

With regard to the Abbey System, there are no restrictions on the goods and services which may be offered by you, including competing floor covering products, except that you may not participate in a competing marketing and merchandising system which offers products similar to those offered by the Abbey System while a member of the Abbey System.

The Abbey System may be supplemented, improved, and otherwise modified from time to time by ABBEY. With regard to the Abbey System, the price list will be regularly updated to identify the selected vendors, floor coverings and prices currently available to ABBEY members. You must comply with all of ABBEY's reasonable requirements in that regard, including offering and selling new or different products or services as specified by ABBEY.

We do not impose any restrictions or conditions that limit your access to customers.

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

**THE FRANCHISE RELATIONSHIP**

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

	<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
a.	Length of the franchise term	Section 2.1	5 Years
b.	Renewal or extension of the term	Section 2.1; Section 2.2	Renewal terms of 5 years each, subject to contractual requirements
c.	Requirements for franchisee to renew or extend	Section 2.2	Notice, compliance with Membership Agreement, sign new Membership Agreement, and pay renewal fee  If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new membership agreement that contains terms and conditions materially different

	<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
			from those in your previous membership agreement, such as different fee requirements and territorial rights.
d.	Termination by franchisee	Section 13.1	Notice, compliance with Membership Agreement, release of liability, subject to applicable state law
e.	Termination by franchisor without cause	Not applicable	
f.	Termination by franchisor with cause	Section 13.2	Failure to comply with Membership Agreement
g.	"Cause" defined—curable defaults	Section 13.2	You have thirty (30) days after notice to cure certain defaults
h.	"Cause" defined—non-curable defaults	Section 13.2	Non-curable defaults include, insolvency, bankruptcy, failure to stay open, failure to meet minimum sales levels, misuse of trademarks and repetition of earlier defaults.
i.	Franchisee's obligations on termination/non-renewal	Section 13.3	Obligations include stop using Abbey System and Marks, and payment of amounts due, including the unpaid portion of your Initial Membership Fee or any applicable Early Termination Fee.
j.	Assignment of contract by franchisor	Section 10	Notice
k.	"Transfer" by franchisee—defined	Sections 11.1, 11.2, 11.3 and 11.4	Includes transfer of interest in Membership Agreement and in member if a business entity, upon death/disability, and change in business form
l.	Franchisor approval of transfer by franchisee	Section 11.1	We have right to approve/disapprove transfer.
m.	Conditions for franchisor approval of transfer	Section 11.1	Includes payment of monies owed and fee; no breach; release of liability; transferee suitability; and execution of new agreement
n.	Franchisor's right of first	Not applicable	

	<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
	refusal to acquire franchisee's business		
o.	Franchisor's option to purchase franchisee's business	Not applicable	
p.	Death or disability of franchisee	Section 11.2	Includes payment of money owed, transferee suitability, assumption of current agreement, release from estate
q.	Non-competition covenants during the term of the franchise	Subsection 9.2(d) and Section 9.4	No participation in other marketing and merchandising systems, subject to applicable state law
r.	Non-competition covenants after the franchise is terminated or expires	Not applicable	
s.	Modification of the agreement	Section 3.2; Section 5.3	Price list subject to change; improvements, additions and changes to Abbey System must be adopted
t.	Integration/merger clause	Section 16.5	Only terms of the disclosure document and Membership Agreement are binding (subject to state law). Any representations or promises outside of the disclosure document and membership agreement may not be enforceable.
u.	Dispute resolution by arbitration	Sections 14.1 through 14.3	Must use binding arbitration in certain cases, optional in other cases, subject to applicable state law
v.	Choice of forum	Section 16.2	Florida, subject to applicable state law
w.	Choice of law	Section 16.1	Florida, subject to applicable state law

## **ITEM 18. PUBLIC FIGURES**

We do not use any public figures to promote our franchise.

## ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

We do not make any representations about a member's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Ted Dlugokienski, Abbey Carpet Co., Inc., 3471 Bonita Bay Boulevard, Bonita Springs, Florida 34134, (800) 873-2223, the Federal Trade Commission and any appropriate state regulatory agencies.

## ITEM 20. OUTLETS AND MEMBER INFORMATION

TABLE NO. 1

SYSTEMWIDE OUTLET SUMMARY FOR YEARS ~~2021~~2022 TO ~~2023~~2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
<del>Franchised</del>	<del>2021</del>	<del>431</del>	<del>432</del>	<del>1</del>
<u>Franchised</u>	2022	432	427	-5
	2023	427	420	-7
<del>Company-Owned</del>	<del>2021</del> <u>2024</u>	<del>1*</del> <u>420</u>	<del>2*</del> <u>417</u>	<del>1</del> <u>-3</u>
<u>Company-Owned</u>	2022	2*	2*	0
	2023	2*	3*	1
<del>Total Outlets</del>	<del>2021</del> <u>2024</u>	<del>432</del> <u>3*</u>	<del>434</del> <u>3*</u>	<del>2</del> <u>0</u>
<u>Total Outlets</u>	2022	434	429	-5
	2023	429	423	-6
	<u>2024</u>	<u>423</u>	<u>420</u>	<u>-3</u>

\* Abbey Carpet of Naples, LLC, a company owned by Philip Gutierrez, a person listed in Item 2 above, owns and operates these Abbey Showrooms.

TABLE NO. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS  
(OTHER THAN THE FRANCHISOR OR AN AFFILIATE)  
FOR YEARS ~~2021~~2022 TO ~~2023~~2024

State	Year	Number of Transfers
Alabama	<del>2021</del> <u>2022</u>	0
	<u>2023</u>	<u>0</u>
	<u>2024</u>	<u>0</u>
<u>Alaska</u>	2022	0
	2023	0
<del>Alaska</del>	<del>2021</del> <u>2024</u>	0
<u>Arizona</u>	2022	0
	2023	0
<del>Arizona</del>	<del>2021</del> <u>2024</u>	0
<u>Arkansas</u>	2022	0
	2023	0
<del>Arkansas</del>	<del>2021</del> <u>2024</u>	0
<u>California</u>	2022	<del>0</del> <u>1</u>
	2023	<del>0</del> <u>2</u>
<del>California</del>	<del>2021</del> <u>2024</u>	2
<u>Colorado</u>	2022	<del>1</del> <u>0</u>
	2023	<del>2</del> <u>1</u>
<del>Colorado</del>	<del>2021</del> <u>2024</u>	0
<u>Connecticut</u>	2022	0
	2023	<del>1</del> <u>0</u>
<del>Connecticut</del>	<del>2021</del> <u>2024</u>	0
<u>Delaware</u>	2022	0
	2023	0
<del>Delaware</del>	<del>2021</del> <u>2024</u>	0
<u>Florida</u>	2022	0
	2023	0
<del>Florida</del>	<del>2021</del> <u>2024</u>	<del>4</del> <u>1</u>
<u>Georgia</u>	2022	0
	2023	0
<del>Georgia</del>	<del>2021</del> <u>2024</u>	0
<u>Hawaii</u>	2022	0
	2023	0
<del>Hawaii</del>	<del>2021</del> <u>2024</u>	0
<u>Idaho</u>	2022	0
	2023	0
<del>Idaho</del>	<del>2021</del> <u>2024</u>	0
<u>Illinois</u>	2022	0

State	Year	Number of Transfers
	2023	0
<del>Illinois</del>	<del>2021</del> 2024	<del>0</del> 1
<u>Indiana</u>	2022	0
	2023	0
<del>Indiana</del>	<del>2021</del> 2024	0
<u>Iowa</u>	2022	0
	2023	0
<del>Iowa</del>	<del>2021</del> 2024	0
<u>Kansas</u>	2022	0
	2023	0
<del>Kansas</del>	<del>2021</del> 2024	0
<u>Kentucky</u>	2022	0
	2023	0
<del>Kentucky</del>	<del>2021</del> 2024	0
<u>Louisiana</u>	2022	0
	2023	0
<del>Louisiana</del>	<del>2021</del> 2024	0
<u>Maine</u>	2022	<del>0</del> 1
	2023	0
<del>Maine</del>	<del>2021</del> 2024	0
<u>Maryland</u>	2022	<del>1</del> 0
	2023	0
<del>Maryland</del>	<del>2021</del> 2024	0
<u>Massachusetts</u>	2022	0
	2023	0
<del>Massachusetts</del>	<del>2021</del> 2024	0
<u>Michigan</u>	2022	0
	2023	0
<del>Michigan</del>	<del>2021</del> 2024	0
<u>Minnesota</u>	2022	0
	2023	0
<del>Minnesota</del>	<del>2021</del> 2024	0
<u>Mississippi</u>	2022	0
	2023	0
<del>Mississippi</del>	<del>2021</del> 2024	0
<u>Missouri</u>	2022	0
	2023	0
<del>Missouri</del>	<del>2021</del> 2024	0
<u>Montana</u>	2022	0
	2023	0
<del>Montana</del>	<del>2021</del> 2024	0
<u>Nebraska</u>	2022	0
	2023	0
<del>Nebraska</del>	<del>2021</del> 2024	0

State	Year	Number of Transfers
<a href="#">Nevada</a>	2022	0
	2023	0
<del>Nevada</del>	<del>2021</del> 2024	0
<a href="#">New Hampshire</a>	2022	0
	2023	0
<del>New Hampshire</del>	<del>2021</del> 2024	0
<a href="#">New Jersey</a>	2022	0
	2023	0
<del>New Jersey</del>	<del>2021</del> 2024	0
<a href="#">New Mexico</a>	2022	0
	2023	<del>0</del> 1
<del>New Mexico</del>	<del>2021</del> 2024	0
<a href="#">New York</a>	2022	<del>0</del> 1
	2023	<del>1</del> 0
<del>New York</del>	<del>2021</del> 2024	0
<a href="#">North Carolina</a>	2022	<del>1</del> 0
	2023	0
<del>North Carolina</del>	<del>2021</del> 2024	0
<a href="#">North Dakota</a>	2022	0
	2023	0
<del>North Dakota</del>	<del>2021</del> 2024	0
<a href="#">Ohio</a>	2022	0
	2023	0
<del>Ohio</del>	<del>2021</del> 2024	0
<a href="#">Oklahoma</a>	2022	0
	2023	0
<del>Oklahoma</del>	<del>2021</del> 2024	0
<a href="#">Oregon</a>	2022	<del>0</del> 1
	2023	0
<del>Oregon</del>	<del>2021</del> 2024	0
<a href="#">Pennsylvania</a>	2022	1
	2023	0
<del>Pennsylvania</del>	<del>2021</del> 2024	<del>0</del> 1
<a href="#">Rhode Island</a>	2022	<del>1</del> 0
	2023	0
<del>Rhode Island</del>	<del>2021</del> 2024	0
<a href="#">South Carolina</a>	2022	0
	2023	0
<del>South Carolina</del>	<del>2021</del> 2024	0
<a href="#">South Dakota</a>	2022	0
	2023	0
<del>South Dakota</del>	<del>2021</del> 2024	0
<a href="#">Tennessee</a>	2022	0
	2023	0

State	Year	Number of Transfers
<del>Tennessee</del>	<del>2021</del> 2024	0
<u>Texas</u>	2022	<del>0</del> 1
	2023	0
<del>Texas</del>	<del>2021</del> 2024	0
<u>Utah</u>	2022	<del>1</del> 0
	2023	0
<del>Utah</del>	<del>2021</del> 2024	0
<u>Vermont</u>	2022	0
	2023	0
<del>Vermont</del>	<del>2021</del> 2024	0
<u>Virginia</u>	2022	0
	2023	0
<del>Virginia</del>	<del>2021</del> 2024	0
<u>Washington</u>	2022	0
	2023	<del>0</del> 1
<del>Washington</del>	<del>2021</del> 2024	0
<u>West Virginia</u>	2022	0
	2023	<del>1</del> 0
<del>West Virginia</del>	<del>2021</del> 2024	0
<u>Wisconsin</u>	2022	0
	2023	0
<del>Wisconsin</del>	<del>2021</del> 2024	0
<u>Wyoming</u>	2022	0
	2023	0
<del>Wyoming</del>	<del>2021</del> 2024	0
<u>Quebec, Canada</u>	2022	0
	2023	0
<del>Quebec, Canada</del>	<del>2021</del> 2023	0
	<del>2022</del> 2024	0
	2023	0
Totals	<del>2021</del> 2022	6
	<del>2022</del> 2023	<del>6</del> 5
	20232024	5

TABLE NO. 3  
STATUS OF FRANCHISED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024\*

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
<del>Alabama</del>	<del>2021</del>	<del>3</del>	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Termin- ations	Non-Rene- w-als	Re-acquir- ed by Fran-chis- or	Ceased Opera-ti- ons Other Reasons	Outlets at End of the Year
<a href="#">Alabama</a>	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
<del>Alaska</del>	<del>2021</del> <a href="#">2024</a>	<del>0</del> <a href="#">3</a>	0	0	0	0	<del>0</del> <a href="#">1</a>	<del>0</del> <a href="#">2</a>
<a href="#">Alaska</a>	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
<del>Arizona</del>	<del>2021</del> <a href="#">2024</a>	<del>5</del> <a href="#">0</a>	<del>0</del> <a href="#">1</a>	0	0	0	0	<del>5</del> <a href="#">1</a>
<a href="#">Arizona</a>	2022	5	0	0	0	0	1	4
	2023	4	2	0	0	0	0	6
<del>Arkansas</del>	<del>2021</del> <a href="#">2024</a>	6	0	0	0	0	0	6
<a href="#">Arkansas</a>	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
<del>California</del>	<del>2021</del> <a href="#">2024</a>	<del>67</del> <a href="#">6</a>	0	0	0	0	1	<del>66</del> <a href="#">5</a>
<a href="#">California</a>	2022	66	1	0	0	0	0	67
	2023	67	2	1	0	0	1	67
<del>Colorado</del>	<del>2021</del> <a href="#">2024</a>	<del>86</del> <a href="#">7</a>	<del>0</del> <a href="#">2</a>	0	0	0	<del>0</del> <a href="#">2</a>	<del>86</del> <a href="#">7</a>
<a href="#">Colorado</a>	2022	8	0	0	0	0	0	8
	2023	8	0	0	0	0	0	8
<del>Connecticut</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> <a href="#">8</a>	0	0	0	0	0	<del>4</del> <a href="#">8</a>
<a href="#">Connecticut</a>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
<del>Delaware</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> <a href="#">4</a>	0	0	0	0	0	<del>1</del> <a href="#">4</a>
<a href="#">Delaware</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Florida</del>	<del>2021</del> <a href="#">2024</a>	<del>38</del> <a href="#">1</a>	<del>1</del> <a href="#">0</a>	0	0	0	<del>1</del> <a href="#">0</a>	<del>38</del> <a href="#">1</a>
<a href="#">Florida</a>	2022	38	0	0	0	0	1	37
	2023	37	0	0	0	0	4	33
<del>Georgia</del>	<del>2021</del> <a href="#">2024</a>	<del>3</del> <a href="#">3</a>	<del>0</del> <a href="#">1</a>	0	0	0	<del>0</del> <a href="#">2</a>	<del>3</del> <a href="#">2</a>
<a href="#">Georgia</a>	2022	3	1	0	0	0	1	3
	2023	3	0	0	0	0	0	3
<del>Hawaii</del>	<del>2021</del> <a href="#">2024</a>	<del>2</del> <a href="#">3</a>	0	0	0	0	0	<del>2</del> <a href="#">3</a>

State	Year	Outlets at Start of Year	Outlets Opened	Termin- ations	Non-Rene- w-als	Re-acquir- ed by Fran-chis- or	Ceased Opera-ti- ons Other Reasons	Outlets at End of the Year
<a href="#">Hawaii</a>	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
<del>Idaho</del>	<del>2021</del> <a href="#">2024</a>	2	0	0	0	0	0	2
<a href="#">Idaho</a>	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
<del>Illinois</del>	<del>2021</del> <a href="#">2024</a>	<del>14</del> 2	0	0	0	0	0	<del>14</del> 2
<a href="#">Illinois</a>	2022	14	1	0	0	0	1	14
	2023	14	0	0	0	0	3	11
<del>Indiana</del>	<del>2021</del> <a href="#">2024</a>	<del>12</del> 11	<del>0</del> 1	0	0	0	<del>0</del> 1	<del>12</del> 11
<a href="#">Indiana</a>	2022	12	0	0	0	0	2	10
	2023	10	0	0	0	0	1	9
<del>Iowa</del>	<del>2021</del> <a href="#">2024</a>	<del>6</del> 9	<del>1</del> 0	0	0	0	0	<del>7</del> 9
<a href="#">Iowa</a>	2022	7	0	0	0	0	0	7
	2023	7	0	0	0	0	0	7
<del>Kansas</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> 7	0	0	0	0	0	<del>4</del> 7
<a href="#">Kansas</a>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
<del>Kentucky</del>	<del>2021</del> <a href="#">2024</a>	<del>0</del> 4	0	0	0	0	0	<del>0</del> 4
<a href="#">Kentucky</a>	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
<del>Louisiana</del>	<del>2021</del> <a href="#">2024</a>	<del>6</del> 0	0	0	0	0	0	<del>6</del> 0
<a href="#">Louisiana</a>	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
<del>Maine</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> 6	0	0	0	0	0	<del>1</del> 6
<a href="#">Maine</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Maryland</del>	<del>2021</del> <a href="#">2024</a>	<del>10</del> 1	0	0	0	0	0	<del>10</del> 1
<a href="#">Maryland</a>	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
<del>Massachusetts</del>	<del>2021</del> <a href="#">2024</a>	<del>3</del> 10	0	0	0	0	0	<del>3</del> 10

State	Year	Outlets at Start of Year	Outlets Opened	Termin- ations	Non-Rene w-als	Re-acquir ed by Fran-chis or	Ceased Opera-ti ons Other Reasons	Outlets at End of the Year
<a href="#">Massachusetts</a>	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
<del>Michigan</del>	<del>2021</del> <a href="#">2024</a>	<del>16</del> <a href="#">3</a>	0	0	0	0	0	<del>16</del> <a href="#">3</a>
<a href="#">Michigan</a>	2022	16	2	0	0	0	1	17
	2023	17	0	0	0	0	0	17
<del>Minnesota</del>	<del>2021</del> <a href="#">2024</a>	<del>14</del> <a href="#">17</a>	0	0	0	0	0	<del>14</del> <a href="#">17</a>
<a href="#">Minnesota</a>	2022	14	0	0	0	0	1	13
	2023	13	0	0	0	0	0	13
<del>Mississippi</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> <a href="#">13</a>	0	0	0	0	0	<del>1</del> <a href="#">13</a>
<a href="#">Mississippi</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Missouri</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> <a href="#">1</a>	0	0	0	0	0	<del>4</del> <a href="#">1</a>
<a href="#">Missouri</a>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
<del>Montana</del>	<del>2021</del> <a href="#">2024</a>	<del>8</del> <a href="#">4</a>	<del>2</del> <a href="#">0</a>	0	0	0	0	<del>10</del> <a href="#">4</a>
<a href="#">Montana</a>	2022	10	0	0	0	0	0	10
	2023	10	0	0	0	0	0	10
<del>Nebraska</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> <a href="#">10</a>	<del>1</del> <a href="#">0</a>	0	0	0	0	<del>5</del> <a href="#">10</a>
<a href="#">Nebraska</a>	2022	5	0	0	0	0	0	5
	2023	5	0	0	0	0	1	4
<del>Nevada</del>	<del>2021</del> <a href="#">2024</a>	<del>3</del> <a href="#">4</a>	<del>1</del> <a href="#">0</a>	0	0	0	<del>0</del> <a href="#">1</a>	<del>4</del> <a href="#">3</a>
<a href="#">Nevada</a>	2022	4	1	0	0	0	0	5
	2023	5	1	0	0	0	0	6
<del>New Hampshire</del>	<del>2021</del> <a href="#">2024</a>	<del>0</del> <a href="#">6</a>	0	0	0	0	0	<del>0</del> <a href="#">6</a>
<a href="#">New Hampshire</a>	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
<del>New Jersey</del>	<del>2021</del> <a href="#">2024</a>	<del>12</del> <a href="#">0</a>	0	0	0	0	0	<del>12</del> <a href="#">0</a>
<a href="#">New Jersey</a>	2022	12	0	0	0	0	0	12
	2023	12	1	0	0	0	0	13
<del>New Mexico</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> <a href="#">13</a>	0	0	0	0	0	<del>4</del> <a href="#">13</a>

State	Year	Outlets at Start of Year	Outlets Opened	Termin- ations	Non-Rene- w-als	Re-acquir- ed by Fran-chis- or	Ceased Opera-ti- ons Other Reasons	Outlets at End of the Year
<a href="#">New Mexico</a>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
<del>New York</del>	<del>2021</del> <a href="#">2024</a>	<del>24</del> <a href="#">44</a>	<del>1</del> <a href="#">0</a>	0	0	0	<del>2</del> <a href="#">0</a>	<del>23</del> <a href="#">44</a>
<a href="#">New York</a>	2022	23	1	0	0	0	1	23
	2023	23	0	0	0	0	0	23
<del>North Carolina</del>	<del>2021</del> <a href="#">2024</a>	<del>13</del> <a href="#">23</a>	0	0	0	0	<del>0</del> <a href="#">1</a>	<del>13</del> <a href="#">22</a>
<a href="#">North Carolina</a>	2022	13	0	0	0	0	1	12
	2023	12	1	0	0	0	1	12
<del>North Dakota</del>	<del>2021</del> <a href="#">2024</a>	<del>2</del> <a href="#">12</a>	0	0	0	0	<del>0</del> <a href="#">1</a>	<del>2</del> <a href="#">11</a>
<a href="#">North Dakota</a>	2022	2	0	0	0	0	0	2
	2023	2	1	0	0	0	1	2
<del>Ohio</del>	<del>2021</del> <a href="#">2024</a>	<del>7</del> <a href="#">2</a>	<del>1</del> <a href="#">0</a>	0	0	0	<del>1</del> <a href="#">0</a>	<del>7</del> <a href="#">2</a>
<a href="#">Ohio</a>	2022	7	1	0	0	0	1	7
	2023	7	0	0	0	0	2	5
<del>Oklahoma</del>	<del>2021</del> <a href="#">2024</a>	5	0	0	0	0	0	5
<a href="#">Oklahoma</a>	2022	5	0	0	0	0	1	4
	2023	4	0	0	0	0	0	4
<del>Oregon</del>	<del>2021</del> <a href="#">2024</a>	<del>12</del> <a href="#">4</a>	<del>1</del> <a href="#">0</a>	0	0	0	0	<del>13</del> <a href="#">4</a>
<a href="#">Oregon</a>	2022	13	0	0	0	0	0	13
	2023	13	0	0	0	0	0	13
<del>Pennsylvania</del>	<del>2021</del> <a href="#">2024</a>	13	0	0	0	0	0	13
<a href="#">Pennsylvania</a>	2022	13	0	0	0	0	0	13
	2023	13	0	0	0	0	0	13
<del>Rhode Island</del>	<del>2021</del> <a href="#">2024</a>	<del>0</del> <a href="#">13</a>	0	0	0	0	0	<del>0</del> <a href="#">13</a>
<a href="#">Rhode Island</a>	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
<del>South Carolina</del>	<del>2021</del> <a href="#">2024</a>	<del>8</del> <a href="#">0</a>	0	0	0	0	<del>1</del> <a href="#">0</a>	<del>7</del> <a href="#">0</a>
<a href="#">South Carolina</a>	2022	7	0	0	0	0	1	6
	2023	6	0	0	0	0	0	6
<del>South Dakota</del>	<del>2021</del> <a href="#">2024</a>	<del>4</del> <a href="#">6</a>	0	0	0	0	0	<del>4</del> <a href="#">6</a>

State	Year	Outlets at Start of Year	Outlets Opened	Termin- ations	Non-Rene- w-als	Re-acquir- ed by Fran-chis- or	Ceased Opera-ti- ons Other Reasons	Outlets at End of the Year
<a href="#">South Dakota</a>	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
<del>Tennessee</del>	<del>2021</del> <a href="#">2024</a>	<del>9</del> <a href="#">4</a>	0	0	0	0	0	<del>9</del> <a href="#">4</a>
<a href="#">Tennessee</a>	2022	9	0	0	0	0	1	8
	2023	8	1	0	0	0	0	9
<del>Texas</del>	<del>2021</del> <a href="#">2024</a>	<del>26</del> <a href="#">9</a>	<del>1</del> <a href="#">3</a>	0	0	0	<del>3</del> <a href="#">1</a>	<del>24</del> <a href="#">11</a>
<a href="#">Texas</a>	2022	24	3	0	0	0	1	26
	2023	26	1	0	0	0	1	26
<del>Utah</del>	<del>2021</del> <a href="#">2024</a>	<del>6</del> <a href="#">26</a>	<del>0</del> <a href="#">1</a>	0	0	0	<del>0</del> <a href="#">1</a>	<del>6</del> <a href="#">26</a>
<a href="#">Utah</a>	2022	6	0	0	0	0	0	6
	2023	6	0	0	0	0	0	6
<del>Vermont</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> <a href="#">6</a>	0	0	0	0	0	<del>1</del> <a href="#">6</a>
<a href="#">Vermont</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Virginia</del>	<del>2021</del> <a href="#">2024</a>	<del>9</del> <a href="#">1</a>	0	0	0	0	0	<del>9</del> <a href="#">1</a>
<a href="#">Virginia</a>	2022	9	0	0	0	0	0	9
	2023	9	0	0	0	0	0	9
<del>Washington</del>	<del>2021</del> <a href="#">2024</a>	<del>13</del> <a href="#">9</a>	0	0	0	0	0	<del>13</del> <a href="#">9</a>
<a href="#">Washington</a>	2022	13	1	0	0	0	1	13
	2023	13	0	0	0	0	0	13
<del>West Virginia</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> <a href="#">13</a>	0	0	0	0	0	<del>1</del> <a href="#">13</a>
<a href="#">West Virginia</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Wisconsin</del>	<del>2021</del> <a href="#">2024</a>	<del>15</del> <a href="#">1</a>	0	0	0	0	0	<del>15</del> <a href="#">1</a>
<a href="#">Wisconsin</a>	2022	15	0	0	0	0	1	14
	2023	14	0	0	0	0	1	13
<del>Wyoming</del>	<del>2021</del> <a href="#">2024</a>	<del>1</del> <a href="#">13</a>	0	0	0	0	0	<del>1</del> <a href="#">13</a>
<a href="#">Wyoming</a>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Quebec, Canada</del>	<del>2021</del> <a href="#">2024</a>	1	0	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Re-acquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
<u>Quebec, Canada</u>	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
<del>Totals</del>	<del>2021</del> <u>2024</u>	<del>431</del> <u>1</u>	<del>100</del> <u>0</u>	0	0	0	<del>90</del> <u>0</u>	<del>432</del> <u>1</u>
<u>Totals</u>	2022	432	12	0	0	0	17	427
	2023	427	10	1	0	0	16	420
	<u>2024</u>	<u>420</u>	<u>9</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12</u>	<u>417</u>

\* If multiple events occurred affecting an outlet, this table shows the event that occurred last in time.

TABLE NO. 4  
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS ~~2021~~2022 TO ~~2023~~2024

State	Year	Outlets at Start of Year	Outlets Opened	Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
<del>Florida</del>	<del>2021</del>	<del>1*</del>	<del>1*</del>	<del>0</del>	<del>0</del>	<del>0</del>	<del>2*</del>
<u>Florida</u>	2022	2*	0	0	0	0	2*
	2023	2*	1*	0	0	0	3*
<del>Total</del>	<del>2021</del> <u>2024</u>	<del>13*</del> <u>1</u>	<del>1*</del> <u>0</u>	0	0	0	<del>23*</del> <u>1</u>
<u>Total</u>	2022	2*	0	0	0	0	2*
	2023	2*	1*	0	0	0	3*
	<u>2024</u>	<u>3*</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3*</u>

\* These Abbey Showrooms are owned and operated by Abbey Carpet of Naples, LLC, a company owned by Philip Gutierrez, a person listed in Item 2 above.

TABLE NO. 5  
PROJECTED OPENINGS AS OF DECEMBER 31, ~~2023~~2024

State	Membership Agreements Signed, But Outlets Not Opened	Projected New Franchised Outlets in the Current Fiscal Year ( <del>2024</del> <u>2025</u> )	Projected New Company-Owned Outlets in the Current Fiscal Year ( <del>2024</del> <u>2025</u> )
Alabama	0	1	0
Alaska	0	<del>10</del>	0
Arizona	0	<del>12</del>	0
Arkansas	0	0	0

State	Membership Agreements Signed, But Outlets Not Opened	Projected New Franchised Outlets in the Current Fiscal Year ( <del>2024</del> 2025)	Projected New Company-Owned Outlets in the Current Fiscal Year ( <del>2024</del> 2025)
California	0	2	0
Colorado	0	0	0
Connecticut	0	0	0
Delaware	0	0	0
Florida	0	<del>1</del> 2	0
Georgia	0	<del>1</del> 0	0
Hawaii	0	0	0
Idaho	0	0	0
Illinois	0	<del>1</del> 0	0
Indiana	0	0	0
Iowa	0	0	0
Kansas	0	0	0
Kentucky	0	0	0
Louisiana	0	0	0
Maine	0	0	0
Maryland	0	<del>1</del> 0	0
Massachusetts	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	0	0	0
Montana	0	0	0
Nebraska	0	0	0
Nevada	0	0	0
New Hampshire	0	0	0
New Jersey	0	0	0
New Mexico	0	0	0
New York	0	1	0
North Carolina	0	0	0
North Dakota	0	0	0
Ohio	0	0	0
Oklahoma	0	<del>1</del> 0	0
Oregon	0	0	0
Pennsylvania	0	<del>0</del> 1	0
Rhode Island	0	0	0
South Carolina	0	0	0
South Dakota	0	0	0
Tennessee	0	1	0
Texas	0	2	0
Utah	0	0	0
Vermont	0	0	0

State	Membership Agreements Signed, But Outlets Not Opened	Projected New Franchised Outlets in the Current Fiscal Year ( <del>2024</del> 2025)	Projected New Company-Owned Outlets in the Current Fiscal Year ( <del>2024</del> 2025)
Virginia	0	0	0
Washington	0	<del>1</del> 0	0
West Virginia	0	0	0
Wisconsin	0	<del>1</del> 0	0
Wyoming	0	0	0
Bermuda	0	0	0
Bahamas	0	0	0
Puerto Rico	0	0	0
Totals	0	<del>16</del> 12	0

Exhibit "H" lists the names of all of our operating franchisees and the addresses and telephone numbers of their Showrooms as of December 31, ~~2023~~2024. Exhibit "I" lists the franchisees who have signed Membership Agreements for Showrooms which were not yet operational as of December 31, ~~2023~~2024. Exhibit "J" lists the name, city and state, and business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Membership Agreement during the most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, we have not signed any confidentiality clauses with current or former franchisees which would restrict them from speaking openly with you about their experience with us.

There is no trademark-specific franchisee organization associated with the Abbey System.

ABBEY has one master franchisee that has the right to sub-franchise the Abbey System in Utah, Montana, south-eastern Idaho, and Wyoming, except for Laramie county. Franchisees in those territories are required to enter into a membership agreement with the master franchisee rather than ABBEY.

## ITEM 21. FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit "E" are the Abbey Carpet Co., Inc. audited financial statements for the years ended December 31, ~~2023~~2024, December 31, ~~2022~~2023, and December 31, ~~2021~~2022.

**ITEM 22.     CONTRACTS**

The following Exhibits contain all the contracts which you will be required to sign in connection with being granted a franchise:

Exhibit "A"    Membership Agreement

Exhibit "B"    State Specific Amendments to the Membership Agreement (if applicable)

Exhibit "C"    Principal Owner's Statement

**ITEM 23.     RECEIPT**

Two copies of an acknowledgment of your Receipt of this disclosure document appear as Exhibit "M." Thank you for printing your full name in the appropriate spaces and for signing and dating both copies. Please return the one marked "Our Copy" to us and retain the one marked "Your Copy" for your records.

**EXHIBIT "A"**

**ABBHEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**MEMBERSHIP AGREEMENT**

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#### SCHEDULES:

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Schedule "B"	State Specific Amendments to Membership Agreement
Schedule "C"	Principal Owner's Statement

## **ABBEY MEMBERSHIP AGREEMENT**

Welcome to Abbey Carpet Co., Inc. and our Abbey System. Our method of marketing floor and window covering products, known as the "Abbey Marketing System," is based upon owner/operators of floor covering showrooms, like yourself, selling carpeting, other floor coverings, and window covering products to individual consumers from a designated selection of samples. You will be able to purchase, special order or inventory this merchandise from our approved suppliers.

In addition to the Abbey Marketing System, our "Abbey System" allows you to utilize a merchandising system that includes showroom design, displays, product selection, and interior signage (the "Abbey Merchandising System"). Our goal in developing the Abbey System is to better serve you and your customers.

We own and/or use certain trade names, service marks, and trademarks for the operation of the Abbey System. We believe that this ensures uniform standards of appearance, quality, and operation for all participating showrooms and enhances and protects the use of the Abbey System.

By signing this Membership Agreement (the "Agreement") you agree to the terms and conditions contained herein.

### **1. Our Relationship**

1.1. Your Membership. You will have the right to (a) participate as a member in the Abbey System for the purchase of floor coverings and window covering products, and to indicate to the public that your independent business is operated as part of the Abbey System; (b) participate in the Abbey CashBack Program (see Section 7.2 for details); and (c) adopt and use our selected trademarks, service marks, and trade names with our signs, emblems, and insignia.

1.2. Your Territory. You will be granted the right to conduct your business at the location designated on the attached Schedule "A" ("Your Territory" or "Showroom"). Your Territory will be determined based on the factors that we deem relevant, which might include population, traffic flow, presence of businesses, location of competitors (including other showrooms), demographics, and other market conditions. The Territory may be defined based on geographic boundaries, streets or other criteria, as we determine appropriate. On renewal or transfer of your franchised business, Your Territory may be modified. Depending on the then-current demographics of Your Territory, and on our then-current standards for territories, if Your Territory is larger than our then-current standard territory, we may require you or the transferee to accept a renewal territory or a transfer territory that is smaller than Your Territory. This means that we will not open or license any other person or entity to open a showroom using the "Abbey Carpet" or "Abbey Carpet & Floor" trade name or trademarks within Your Territory. However, you may face competition from other outlets that we franchise or own, or from other channels of distribution or competitive brands we control, within Your Territory, including, but not limited to, competition from the Abbey Floors At Home program. We will not prohibit you from selling products for installation outside of Your Territory nor will we prohibit you from offering other floor covering or window treatment products for sale along with those products available through the Abbey System. In other words, we will not restrict you from marketing or soliciting customers outside Your Territory.

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**2. Term**

2.1. Duration/Renewal. Our relationship will begin on the date this Agreement is signed by you and us and will continue for a period of five (5) years (the "Original Term"). You will also have the right to renew your Abbey membership for successive terms of five (5) years.

2.2. Conditions to Renewal. If you would like to renew your Abbey membership for a successive term of five (5) years and you meet the conditions contained in this Section 2.2, you must provide us with written notice, by registered or certified mail, of your exercise of each option, not less than sixty (60) days prior to the expiration of your membership (each a "Renewal Term"). If you do not provide us with such notice and a renewal fee as set forth in Section 6.6, this Agreement will continue on a month-to-month basis until we either (i) send you notice of termination, or (ii) we agree to renew the Agreement pursuant to the terms provided herein, whichever occurs first. Our only conditions to your renewal of this Agreement are that (a) you cannot be in default of any material term or condition of any amendments hereof, or any other agreement in which we are both a party; (b) you execute the then-current Abbey System membership agreement, which agreement shall supersede this Agreement in all respects, and which may contain terms that materially differ from the terms of this Agreement, such as different fee requirements and territorial rights; and (c) you pay the applicable renewal fee (see Section 6.6 for details).

2.3. Notice Required By Law. Where required by law, we will give you notice prior to the expiration of the Original Term or any Renewal Term. This Agreement shall remain in effect on a month-to-month basis until we have given the requisite notice required by such applicable law. If for some reason we are not offering new memberships, or if we are in the process of revising, amending or renewing our form of membership agreement or disclosure document, or if we are not lawfully able to offer you our then-current form of membership agreement at the time you advise us that you desire to renew, we may: (i) offer to renew this Agreement upon the same terms set forth herein for a Renewal Term, or (ii) offer to extend the Original Term or any Renewal Term on a month-to-month basis following the expiration of such Original Term or Renewal Term for as long as it should be necessary or appropriate so that we may lawfully offer our then-current form of membership agreement, which may include territorial rights that are more limited in scope than Your Territory under this Agreement.

**3. Your Rights Under Our Relationship**

3.1. Membership Rights.

a. As a member, all of your rights under this Agreement are personal and cannot be sold, assigned, transferred, or encumbered in any way, in whole or in part, except as set forth in Article 11. Except as permitted by us, you cannot subfranchise.

b. As a member, you agree that the only rights pertaining to the identification, schemes, standards, specifications, operating procedures, and other concepts embodied in the Abbey System to which you are entitled are those that are given to you under this Agreement. You will not be acquiring any ownership or other rights, title, or interests to the Abbey System or the rights licensed hereunder unless expressly granted to you in this Agreement. Any and all goodwill associated with the Abbey System and the rights licensed in this Agreement shall inure exclusively to our benefit.

c. As a member, you agree that we and our affiliates retain all rights not expressly granted to you under this Agreement (with respect to, among other things, Abbey

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Showrooms, the Abbey Marks (as defined in Subsection 4.1(a)), the sale of similar or dissimilar products and services, and any other activities we deem appropriate, whenever and wherever we desire), including, but not limited to, the right in our sole discretion:

1. to operate, and to grant others the right to operate, Abbey Showrooms located anywhere outside Your Territory;
2. to develop, use, and license the rights to any tradenames, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights that we have not licensed to you under this Agreement;
3. to freely and unconditionally do business, or authorize others to do business, under the Abbey Marks, through alternative marketing plans or systems, alternative distribution methods or procedures, and different business formats, at any locations inside or outside Your Territory;
4. to establish, own and operate, or grant others the right to establish, own and operate, businesses offering dissimilar products and services, at any locations inside and outside Your Territory, under the Abbey Marks;
5. to establish, own and operate, or grant others the right to establish, own and operate, similar businesses or any other businesses offering similar or dissimilar products and services, through similar or dissimilar channels of distribution (including the Internet and similar electronic media), at any locations inside or outside Your Territory, under trademarks or service marks other than the Abbey Marks;
6. to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Abbey Showrooms, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating, including in Your Territory;
7. to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by a business providing products and services similar to those provided at Abbey Showrooms, or by another business, even if such business operates, franchises, and/or licenses competitive businesses in Your Territory; and
8. to engage in any other activities we and/or our affiliates desire within or outside of Your Territory that are not specifically prohibited under this Agreement.

We will not operate, or grant others the right to operate, a business substantially identical to yours within Your Territory under the Abbey Marks. Otherwise, we are not required to pay you if we exercise any of the rights specified above in Your Territory.

3.2. Our Standards and Policies. You agree to follow the standards, policies and programs of the Abbey System, as may be changed from time to time. We may supplement, improve, or alter the

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methods and procedures with which you are authorized and required to comply with in your use of the Abbey System.

3.3. Multiple Showrooms. We offer you the option, upon our prior approval, of adding additional showrooms to your membership. If you add an additional Showroom or Showrooms simultaneously with the execution of this Agreement, then an additional Schedule "A" will be attached to this Agreement for each additional Showroom. If you would like to operate an additional Showroom or Showrooms subsequent to the execution of this Agreement, we must approve the opening of such additional Showroom(s), and we may require that you execute the then-current membership agreement for each additional Showroom, which may include territorial rights that are more limited in scope than Your Territory under this Agreement.

If you operate more than one Showroom, you will not be required to pay the Initial Membership Fee set forth in Section 6.1 or any Service Fee or Advertising Fee (defined respectively in Sections 6.3 and 6.4 below) for your additional Showrooms, so long as the Service Fees and Advertising Fees are otherwise being paid to us by you under the terms of this Agreement or one of your other membership agreements. If, for any reason whatsoever, the Service Fees or Advertising Fees are not otherwise being paid to us, you shall be required to pay the Service Fee and Advertising Fee set forth in Sections 6.3 and 6.4 of this Agreement.

We do not require any additional membership fees other than the Initial Membership Fee on your first Showroom, and only your first Showroom is entitled to the \$1,000 sign credit set forth in Section 7.3. The minimum purchase requirements set forth in Article 7 will also apply to each additional showroom that you operate. The minimum purchase requirements for each additional Showroom shall be as follows:

Commit to purchasing, for each of your Showrooms, a minimum of \$350,000 or 80% of your total floor covering and window treatment purchases, whichever is greater, through the Abbey System during each calendar year following the opening of each such Showroom. Only those floor covering and window treatment products that we designate as part of the Abbey System qualify towards the minimum purchase requirements.

#### **4. Our Name and Mark**

One of our most valued assets is our intellectual property rights in our name. As such, at no time will you be permitted or authorized, directly or indirectly, to take any action to contest our ownership, title, right, or interest in the "Abbey Carpet" or "Abbey Carpet & Floor" trade names, trademarks, service marks, trade secrets, methods, procedures, or advertising techniques which are a part of our business, or to contest our sole right to register, use, or license others to use such trade names, trademarks, service marks, trade secrets, methods, procedures, or advertising techniques.

##### **4.1. Ownership Rights Defined.**

a. Your use of our service marks, trade names, and trademarks, including, but not limited to, Abbey Carpet & Floor, Abbey Carpet, and Abbey Tile (collectively, referred to as the "Abbey Marks" or the "Marks") shall inure to our sole benefit. We are the sole owner of all right, title, and interest in and to the Abbey Marks and goodwill attributed to the use of the Abbey Marks. You expressly disclaim any and all rights, title, and interest in and to the Abbey Marks licensed for your use and to any additional marks introduced by us after execution of this Agreement.

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b. All rights in and to the Marks, including, without limitation, trademark, design, patent and copyright rights, other than the user trademark rights specifically granted herein, are reserved to us. Any such rights which may arise in connection with your use of the Marks shall, without any requirement of notice or deed, be our property; provided, however, that you shall have the right, to the extent necessary in exercising your rights as a member hereunder, to the exclusive use of such rights during the Original Term and any Renewal Term of this Agreement only in Your Territory.

c. Whenever requested by us, whether during the term or thereafter, you shall execute such documents and instruments as our legal counsel may deem necessary or appropriate to confirm our ownership of all rights in and to the Marks, to maintain the validity of the Marks, or to obtain or maintain registrations thereof.

d. You agree that the nature and quality of the goods sold by you or on your behalf in connection with Marks shall be subject to our approval, and we shall have the right to inspect the quality of the goods sold under Marks.

e. You may not transfer or assign to anyone, including your employees or independent contractors, your rights to use the Marks or your rights to participate in the Abbey System or any of the Abbey programs.

4.2. Use of Abbey Marks and Names. You shall confine your use of the Abbey Marks to the sale of products and services authorized by us, unless otherwise approved in writing. You shall use the Abbey Marks only in connection with the Abbey System, and such use is specifically limited to your operation within Your Territory. Use of the Abbey Marks or reference to your Abbey location for any other business, event, or purpose is strictly prohibited, except with our prior written consent. If you or an affiliate of yours owns or operates a Floors To Go Showroom or a The Floor Club Showroom, you are expressly prohibited from using the Floors To Go name, marks or business address or The Floor Club name, marks or business address in any Abbey advertisement or other form of publicity, which may include newspaper and radio advertisements, signs, billboards, flyers, coupons or similar items. You specifically acknowledge and agree that you are not permitted to use our corporate name or trade names or the Abbey Marks, or any colorable imitations of those Abbey Marks, for identifying, referencing, linking or otherwise connecting to any Internet Web Site or Domain Name other than those Internet Web Sites and Domain Names as are presently, or may be subsequently, owned by or registered to us. You further acknowledge and agree that you shall not be permitted to use or assist others, in any manner whatsoever, with using the Abbey Marks or our corporate name, trade names, trade symbols, logos, emblems, slogans or designs, in whole or in part, to offer or sell any floor covering or window treatment products on or through any Internet Web Site or Domain Name.

4.3. Appearance of Abbey Marks on Items. You shall use the name "Abbey Carpet & Floor" and/or such other names or logos as authorized by us on all display signs, decorations, advertising, carpet, floor covering samples, and other printed and decorative materials used in or on the premises in connection with the advertising, displaying, or selling of *Abbey Carpet & Floor* products or services. You shall cause to appear such legends, markings and notices on all uses of the Marks as we may reasonably require, including, without limitation, appropriate copyright and trademark notices, including the ® and ™ symbols as appropriate.

4.4. Use of Trademark to Identify Site. You are required to use the name "Abbey Carpet & Floor" and/or such other names, marks, or logos as we shall direct within Your Territory (see Section

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7.3). We shall have the right to approve such signs in order to ensure that they comply with applicable trademark or trade name requirements and contain such legends and symbols as we shall require.

4.5. Website. You will be provided a website, maintained by us, on the domain [www.abbeycarpetandfloor.com](http://www.abbeycarpetandfloor.com) for each of your Abbey Showrooms. From time to time, additional features and benefits may be added to the website, for which we reserve the right to charge a fee to assist in covering costs, including, but not limited to, the costs of developing, implementing and maintaining said features and benefits. If you choose to develop an independent website, it must comply with our trademark, service mark, logo and advertising requirements, as well as any of our applicable policies and procedures. Therefore, among other things, you must (i) obtain our prior written approval of any Internet domain name and home page addresses used for your independent website, (ii) obtain our prior written approval of all hyperlinks and other links to appear on your independent website, and (iii) restrict your use of any materials in which any third party has any interest. Upon your request and our prior written approval, if you include "Abbey Carpet" or "Abbey Carpet & Floor" in your fictitious trade name and make it a permanent part of your exterior signage, a hyperlink to your independent website will be placed on the website that we maintain for your Showroom.

4.6. Advertising. If you develop or purchase internet-based advertising through email services, search engines, web portals or other internet-based advertising vehicles, you must comply with our trademark, service mark, logo and advertising requirements, as well as any of our other applicable policies and procedures that we may institute from time to time.

4.7. Interference with Our Use of Abbey Marks. You shall not interfere in the use of the name "Abbey Carpet & Floor", or any part thereof, or any other of the Abbey Marks by us, any subsidiary or affiliate of us, or any other member; and you shall execute such further documents as are necessary to accomplish this purpose. You shall conduct and operate your business in a manner which will not impair the goodwill associated with the Abbey Marks.

4.8. Your Name. You shall not incorporate the words "Abbey Carpet," "Abbey Carpet & Floor" or any other names, marks, or logos associated therewith as part of your legal business name, but you are authorized and required to adopt a fictitious trade name incorporating the words "Abbey Carpet" or "Abbey Carpet & Floor" and you shall comply with all fictitious name registration statutes. You will, within thirty (30) days after termination of this Agreement, amend your fictitious business name registrations to remove the words "Abbey Carpet" or "Abbey Carpet & Floor" and all marks and logos associated therewith from your business name.

4.9. Protection of Marks.

a. We may seek, in our own name and at our own expense, appropriate trademark protection for the Marks. You shall not seek or acquire any registration or other interest in any of the Marks anywhere in the world.

b. You understand and agree that we shall retain all right, title and interest in the original Marks, as well as in any modifications or improvements made to the Marks by you, except to the extent provided otherwise herein.

c. You acknowledge our exclusive rights in the Marks and acknowledge that the Marks are unique and valuable.

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d. You shall not at any time dispute or contest the validity or value of the Marks or our exclusive rights to use and exploit the Marks.

4.10. Related Rights.

a. You acknowledge our ownership of and other rights in connection with the Marks, as well as the validity of all registrations thereof and shall not at any time do or permit to be done any act or thing which will in any way impair our rights.

b. You shall not in any way challenge or contest the validity of the Marks or any of our rights under this Agreement, nor shall you willingly become an adverse party to litigation in which others shall so contest the Marks or our rights. In addition, you shall not in any way seek to avoid or reduce your obligations hereunder because of the assertion or allegation by any person(s) that the Marks or any of them are invalid or by reason of any contest or claim concerning our rights. You further agree not to contest that your rights under this Agreement are solely those of a franchisee and that such rights end upon the termination or expiration of the Agreement as provided herein.

c. Any permutation of the Marks adopted and used by you shall be and become our property and shall be included as Marks subject to this Agreement. You agree that your every use of the Marks shall inure to our benefit, and that you shall not at any time acquire any rights in such Marks beyond the license herein provided by virtue of any use you may make of such Marks.

d. You acknowledge that only we may file and prosecute applications for registration of the Marks in any country or jurisdiction and agree that we may, from time to time, pursue such registrations we may deem advisable. You shall cooperate with us in connection with any such filings, but the expenses of preparing and prosecuting such applications shall be borne solely by us.

4.11. Right to Enjoin Improper Use of Marks and Names. We shall protect and maintain all rights to the name and mark "*Abbey Carpet & Floor*" and all related names, marks, or logos against encroachment, misuse, or unauthorized use and against challenges to any rights of your use, as we shall determine in our sole discretion. With respect to any use of the name and mark "*Abbey Carpet*" or "*Abbey Carpet & Floor*" by you under this Agreement, you agree to give such reasonable assistance which we may require in order to defend or protect all rights to said name and mark. In the event that you become aware of any infringement of said name or mark, you shall promptly report such infringement to us, and we shall have the sole discretion to take such action as we deem advisable, at our sole expense.

4.12. Indemnification. We shall indemnify you against any claims for infringement arising out of your use of the Abbey Marks as authorized herein. You shall indemnify us against all claims arising from your improper or unauthorized use of the Abbey Marks.

4.13. Other Trademarks. We may from time to time license the right to use certain trademarks of our manufacturers in connection with the sale of products by our members. If you elect to sell products containing any other trademarks we may license in the future, you will be required to purchase separate display racks for such products.

The other trademarks we may license in the future are not principal trademarks. Your use of any other trademarks we may license in the future shall be limited to the same rights and obligations you have under our principal trademarks described above. You understand that your rights to use such trademarks

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are terminable pursuant to our license agreement with such manufacturer and that you have no rights greater than those rights held by us under such license agreement. In the event a license agreement is terminated and unless otherwise informed in writing by us, you agree to cease all further use of such trademark and to promptly return any and all products, display racks or other items containing the trademark to us.

**5. Our Obligation to You**

5.1. Training to be Provided. From time to time, we may offer voluntary training programs regionally which focus on sales and management training. Members electing to participate are expected to pay a per trainee fee, plus transportation, lodging and meals.

5.2. Assistance to Members.

a. We will provide and deliver to your Showroom, at our expense, the racks, displays and samples necessary to convert your Showroom to an Abbey Showroom as well as a store design consultant to assist you with adapting the Abbey Showroom design package to your Showroom (the "Redesign"). We estimate that the cost of the Redesign will be between Twenty Thousand Dollars (\$20,000) and Fifty Thousand Dollars (\$50,000) per Showroom, depending on the size of your Showroom. You will not be required to repay any portion of the cost to Redesign your Showroom if you remain an Abbey member for the entire Original Term. We will not purchase any tenant improvement items, including, among other things, installation of floor coverings in showrooms, furniture, or office equipment. We may also, upon your request: (i) provide you with a consultation regarding carpet quality and product mix; and (ii) assist you with resolving problems with merchandise vendors or manufacturers participating in the Abbey System.

b. We may hold conferences or conventions from time to time to discuss matters such as sales techniques, product selection and costs to members, performance standards, advertising programs, new products and programs, and operational modifications and updates. You must attend our annual convention. We will bear the cost of your registration fee for your first convention, but you must pay all related travel, lodging and other personal expenses you incur. You must also attend ABBEY's annual convention in subsequent years, in order to receive the full benefit of the Abbey System, and we reserve the right to charge you a fee if you elect not to attend. We will charge you a registration fee for your attendance at all subsequent annual conventions, and you must pay all related travel, lodging and other personal expenses that you incur during such conventions. The annual conventions, voluntary training programs, and other elective conferences will be held in a location within the United States designated by ABBEY. After the first year, attending members are expected to bear the expenses of attending these elective conferences.

5.3. Proprietary Information. As part of the Abbey System, you will have access on our members-only website to electronic copies of our price list, cashback list, advertising, marketing and merchandising information, and product specifications (this information is collectively referred to as the "Proprietary Information"). As a result, (i) we are and shall remain the owner of any and all Proprietary Information; and (ii) we claim copyright ownership with respect to the Proprietary Information. From time to time we revise and update our Proprietary Information and you agree to adhere to and abide by all such revisions. All Proprietary Information is hereby incorporated into this Agreement. We do not have a formal operations manual.

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5.4. Commercially Reasonable Efforts. We agree that we will use commercially reasonable efforts (i) to maintain the reputation of the Abbey System; (ii) to make available through the Abbey System a wide variety of floor covering and window treatment products at favorable prices; and (iii) to defend the Abbey Marks licensed with the Abbey System, as described in Article 4 of this Agreement.

5.5. Rights. We will determine and approve the quality, variety, and wholesale prices of floor coverings and window covering products available through the Abbey System, and we will take all reasonable actions necessary to maintain the quality and standards of such products. We may inspect your operations, service, premises, and management, to determine the quality thereof and the faithfulness of your compliance with the provisions of this Agreement.

**6. Your Obligation to Us**

6.1. Initial Membership Fee. The initial membership fee is \$10,000 and is payable as follows:

- a. \$1,000 is due and payable at the time this Agreement is signed by you; and
- b. \$9,000 paid or funded from your participation in the Abbey CashBack Program.

In order to pay or fund the \$9,000 balance of the initial membership fee, you grant us the right to retain all proceeds allocable to you from the Abbey CashBack Program (see Section 7.2 for details) up to \$9,000 or for a five-year time period commencing on the date Abbey executes this Agreement (the "Effective Date"), whichever occurs first (referred to hereafter as the "CashBack Participation"). If your CashBack Participation does not generate proceeds to pay or fund the \$9,000 within five years, whatever lesser amount of proceeds is collected by us during the five-year period on behalf of your Showroom will be deemed payment in full for your initial membership fee. If this Agreement is terminated prior to completion of the initial five-year term, the remaining balance of the initial membership fee shall be due and payable by you to us in cash immediately upon the date of any such termination.

The initial membership fee is not refundable, except that if you attain \$350,000 of first quality, running line purchases, exclusive of promotional products, special purchases and SP's, through the Abbey System within the twelve (12) month period commencing on the 90th day following the date on which we execute this Agreement, your initial membership fee will be waived, and all payments made by you for such fee will be refunded to you by us on or after the fifteenth month after the Effective Date.

6.2. Showroom Redesign. In order to maximize your Abbey membership, you must Redesign your Showroom to prominently display the Abbey Display System and Abbey Signage (see Section 5.2 for details). If you make any further material renovations or improvements to the Showroom, you are required to promptly furnish us updated photographs of your Showroom.

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6.3. Service Fee.

a. Our monthly service fee is \$400 (hereinafter the "Service Fee"). The Service Fee shall be payable commencing three (3) months after the Effective Date and shall be due and payable thereafter on each successive 10th day of each month.

b. We reserve the right to reasonably and uniformly increase or decrease the Service Fee from time to time consistent with changes in the demands of the Abbey System, and you agree to pay such an increased or decreased Service Fee.

6.4. Advertising Fee.

a. In order to promote your membership in Your Territory, an annual advertising fee (the "Advertising Fee") of \$3,000 is payable semiannually, in two equal payments of \$1,500.

b. You will not be responsible for the Advertising Fee for the first three (3) months following the Effective Date of this Agreement (presently valued at \$750.00). The Advertising Fee payable for the first year of this Agreement shall be prorated accordingly.

c. All Advertising Fees paid by you shall be used solely for the development and production of advertising programs and materials to promote the products and services provided by Abbey members to their customers. All Advertising Fees paid by you are for system-wide use and will not be used for marketing individual showrooms. These programs and materials may, as available funds permit, include but not be limited to: (1) in-store point-of-purchase displays, customizable direct mail materials, customizable newspaper and print advertising materials, customizable radio script packages, customizable television commercial packages, and focused multi-media promotions; and (2) periodic updates of our advertising, marketing and merchandising information.

d. For administrative convenience: (1) we will control the management and disbursement of the funds received as Advertising Fees; (2) Abbey Media (a division of Abbey) will serve as the advertising agency primarily responsible for creating and developing the advertising materials which we deem appropriate for the membership Advertising Programs; (3) Abbey Media will be authorized and available to provide local or regional advertising placement services to all members upon request and be compensated for our placement services at a rate not in excess of fifteen percent (15%) of the cost of the requested advertising; and (4) Abbey Media will, upon request, provide advertising consulting and media planning services to you or groups of members for a mutually agreed upon fee.

e. We reserve the right to reasonably and uniformly increase or decrease the Advertising Fee from time to time consistent with changes in the advertising needs of the Abbey System, and you agree to pay such an increased or decreased Advertising Fee.

6.5. Brokerage Fee. You are not responsible for any brokerage fees due to us from manufacturers or vendors participating in the Abbey System. You agree to authorize merchandise vendors and manufacturers to inform us of the amount of goods you purchased through the Abbey System.

6.6. Renewal Fee. Upon renewal of this Agreement pursuant to Section 2.1 above, we will charge you a modest renewal fee of \$750.

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6.7. Transfer Fee. We charge a \$5,000 transfer fee if the membership and the rights under this Agreement are transferred in any way. However, no transfer fee will be charged if you assign your membership under this Agreement in connection with a reorganization that does not result in an actual change of your beneficial ownership or if the transfer is to heirs upon your death or disability.

6.8. Interest on Late Payment. In the event you should fail to pay the Service Fee, the Advertising Fee, or any other fee payable to us under this Agreement within ten (10) days after your due date, you agree to pay interest on the amount due at the rate of one percent (1%) per month for each month that said amount is not paid, but in no event will you pay interest at a rate greater than the maximum permitted by applicable law.

6.9. Set-Off. We reserve the right to setoff any and all amounts which we owe you, including any amounts due to you by us under the Abbey CashBack Program, against any and all amounts which you owe us.

**7. Our Expectation**

7.1. General Operations. We ask each member to:

- a. Commit to purchasing, for each of your Showrooms, a minimum of \$350,000 or 80% of your total floor covering and window treatment purchases, whichever is greater, through the Abbey System during each calendar year following the opening of each such Showroom. This minimum purchase requirement shall go into effect three (3) months after the Effective Date of the Showroom in question;
- b. Adhere to high ethical standards of business;
- c. Keep the premises and any vehicles or signs displaying any of the Abbey Marks safe, neat, clean, orderly, and in good repair;
- d. Maintain a competent, conscientious, and qualified sales and installation staff;
- e. Train each employee in the types and quality of *Abbey Carpet & Floor* floor coverings and familiarize employees with our price list to the extent necessary and appropriate for said employee to perform his/her duties and functions;
- f. Make prompt payment in accordance with the terms of invoices rendered to you from merchandise vendors and manufacturers for the purchase of floor covering products and other supplies, and for all other obligations necessary to conduct the business operations and to maintain reasonable financial stability and good credit standing, including, but not limited to, demonstrated ability to obtain and maintain credit with such merchandise vendors and manufacturers;
- g. Maintain good customer relations; and
- h. Follow reasonable recommendations that we may make so that the operation of your Showroom shall in no way damage our reputation or the reputation of other members.

7.2. Abbey CashBack Program. You have the right to participate in the Abbey CashBack Program. This program consists of various floor covering and window treatment manufacturers offering CashBack incentives for the purchase of selected floor coverings and window treatments, specifically

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marked as CashBack eligible. By purchasing such selected items, you will receive a cash rebate based upon a percentage of the purchase price of the selected items purchased. These percentages range up to 8% of the purchase price of the selected items. All cash rebates will be paid by the suppliers to us on your behalf. You agree that you will have only one account number with each supplier. We will hold such funds, without liability for interest, and after verification of amounts received, and after setting off any amounts owed to us by you hereunder, will distribute such funds to you, annually or semi-annually. You will be notified on a regular basis of qualifying CashBack terms and any deduction therefrom.

Our goal is to obtain the best possible rebate terms from manufacturers for the Abbey CashBack Program. However, our sole responsibility under the Abbey CashBack Program is to properly distribute to you and our other members the funds paid into the Abbey CashBack Program by participating manufacturers. We are not responsible if a manufacturer changes the terms of its rebate, discontinues its rebate, or fails to pay your rebate. You agree and acknowledge that we have no fiduciary duties with regard to the operation or administration of the Abbey CashBack Program.

In the event you become the subject of a voluntary or involuntary case or proceeding commenced under Title 11 of the United States Code (the "Bankruptcy Code"), you hereby consent to relief from the automatic stay imposed by 11 U.S.C. § 362(a) so we may exercise our right to set-off any funds due and owing to you under the Abbey CashBack Program.

7.3. Showroom Signage. You agree to install outdoor signage identifying your Showroom as an *Abbey Carpet & Floor* Member Showroom either on the exterior facade of your Showroom building, prominently displayed in the front window of your Showroom, or on a marquee or free-standing sign in front of your Showroom. Our signage should not be less than one-half (1/2) the size of the existing store sign. The *Abbey Carpet & Floor* signage must conform to all specifications provided by us and be approved by us before construction, meet all local signage regulations, and be installed within ninety (90) days after the Effective Date. Upon installation of the *Abbey Carpet & Floor* sign, we ask that you provide us with photographs of the installed sign.

If you use our Abbey approved vendor to purchase your outdoor Showroom signage, following installation, you can apply for a sign credit by submitting copies of the invoices for the Showroom sign to us. Upon verification of your use of our Abbey approved vendor and the photographs and invoices, we will issue you a credit of up to \$1,000 on your initial Showroom to offset the actual, verified cost of the sign, which credit shall be applied toward your future payment obligations to us. You must be current on all payments due to us to be eligible for the sign credit. If you make any additional changes to the exterior signage, you are required to promptly furnish us with photographs of such altered signage.

7.4. Advertising and Promotions. In order to promote your Showroom, we expect you to conduct, at your own expense, all local advertising and marketing activities relating to your Showroom. All advertising, marketing and promotional materials which you use in connection with your Showroom must conform to all restrictions and specifications provided by us from time to time. We will not participate in any advertising or promotion of your Showroom, nor will advertising be subject to our approval, except to the extent that any such advertising or promotions violate Section 3.2, Article 4, Section 5.3 or this Section 7.4 of this Agreement or could adversely affect the rights licensed by us or the goodwill associated therewith.

7.5. Approved Vendors and Merchandise. For the Abbey System, we will approve such vendors and their products which meet our standards with respect to style, color, quality, value, reliability of vendor's cut order service, our adherence to rigid quality controls, our prompt attention to

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customer complaints, our distribution system, the amount and types of discounts available, and such other factors as affect the ability of you to service your customers with excellence and favorable pricing. We will cause to be affixed to samples of approved merchandise the "*Abbey Carpet & Floor*" label and other evidence of the Abbey Mark, including our private names for the merchandise. We will regularly inform you as to the approved vendors and manufacturers, floor covering selections and grades, the vendor's prices therefor, the vendor's distribution arrangements, and other pertinent information. We will continually research the market for the purpose of evaluating the floor coverings, and other window treatment products offered and discounts available so that we may continually update our list of approved merchandise and approved vendors. You agree and covenant not to cause to be affixed to samples of non-approved merchandise the "*Abbey Carpet & Floor*" label or any other evidence of the Abbey Mark, including our private names for merchandise.

7.6. Working Capital. You agree to maintain sufficient working capital to pay all obligations incurred which relate to your Showroom when the same are due. Failure to pay such obligations when due could constitute an event of default under this Agreement.

7.7. Relationship of Parties. It is understood between us that you are an independent contractor and are in no way authorized to make any contract, agreement, warranty, or representation on behalf of us, or to create any obligation, express or implied, on our behalf. The parties agree that this Agreement shall not create a fiduciary relationship between us. We will not be liable for any act, omission, contract, debt, tax, or any other obligation of yours. You shall prominently display at your place of business a certificate from us stating that your business is operated by you independent of and separate from Abbey Carpet Co., Inc. We and you shall refrain from making any representation or creating any impression upon any third party or the public that they are partners, associates, joint employers, joint venturers, subsidiaries, principal and agent, or are in any way the agents, fiduciaries or instrumentalities of each other in any sense. We and you shall not be construed to be jointly liable for any of your acts or omissions under any circumstances. We have no relationship with your employees, and you have no relationship with our employees.

7.8. Insurance. Prior to commencement of business with us, you shall procure, at your sole expense, an insurance policy or policies acceptable to us protecting you and us against any loss, liability, or expense whatsoever from personal injury, death, or product liability arising from, or occurring upon, or in connection with such premises, or by reason of your operation of your Showroom. You shall maintain such policy or policies in full force and effect during the term of this Agreement.

a. Your insurance policy shall cover those risks as usually insured against by persons operating like properties in localities where the property operated by you is located, including automobile insurance, in amounts sufficient to prevent you from becoming a coinsurer within the terms of the policy or policies in question.

b. The insurance afforded by the policy or policies respecting liability shall not be limited in any way by reason of any insurance that may be maintained by us.

c. A Certificate of Insurance showing compliance with the foregoing requirements shall be furnished by you to us at least annually.

d. Maintenance of such insurance and your performance of your obligations under Sections 7.1 through and including Section 7.8 shall not relieve you of any liability under the

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indemnity provisions set forth herein, nor shall it operate to render us liable for your acts, omissions, or other liabilities, either in conjunction with or independent of said insurance.

7.9. Indemnification. You agree to indemnify and hold us, our affiliates, successors, assigns and designees of each, and their respective officers, directors, employees, agents, attorneys, owners, designees and representatives, harmless from and against, and reimburse us for any and all claims, demands, losses, damages, judgments, orders, decrees, actions, lawsuits, proceedings, costs, liabilities, and expenses (including, but not limited to, reasonable attorneys' fees and costs of suit) of whatever kind or character (collectively "Claims"), on account of any actual or alleged loss, injury, or damage to any person, firm, or corporation, or to any property, arising out of or in connection with your membership, your Showroom, any and all Claims of your Showroom customers, or the exercise or purported exercise by you of your rights hereunder, except the foregoing does not apply to any Claims: (i) caused by our negligence; (ii) caused by the negligence of our employees, agents, or independent contractors; or (iii) for which we have indemnified you pursuant to Article 4. This indemnification shall survive the termination of this Agreement.

7.10. Litigation.

a. If you are sued by a third party in an action involving this Agreement, or us, or the Abbey Marks or any of our other legitimate business interests ("Covered Litigation"), the following shall occur:

1. Notice. You will notify us in writing within ten (10) days of commencement of the action, suit, or proceeding, or the issuance of any order, writ, injunction, award, or decree of any court, agency, or other judicial or governmental instrumentality.

2. Covered Litigation. Upon receipt of such notice, we will have the right, but not the obligation, to consult with you, unless our interests are adverse. If we wish to select your counsel for litigation involving the protection of our interests, we shall pay the costs of litigation, including, but not limited to, attorneys' fees so incurred; and you shall cooperate fully with us and such litigation counsel.

3. Your Obligation to Pay Judgment or Award. If you are ultimately found by a court of law or an arbitration panel to have been liable for the damages or other relief sought, then you shall promptly pay the amount of any judgment or award obtained against you, without reimbursement from us.

4. Settlement Agreements. We will not enter into a settlement agreement that would affect you in any way in a case where you are a defendant, co-defendant, or third party defendant without your consent. Should a settlement agreement be entered into with your consent, both of us, as part of that settlement agreement, shall negotiate responsibility for the attorneys' fees and expenses incurred to the date of the settlement agreement.

5. Attorney/Client Privilege. During the course of any Covered Litigation in which our interests are not adverse, both parties shall be deemed to be joint clients of the litigation counsel; and in that event, no attorney/client privilege shall attach to restrict either parties' right to communicate with and receive information relating to the Covered Litigation.

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6. Reservation of Rights. Should we exercise any of our rights under this Section, we hereby reserve any rights we might have to seek indemnification from you in any appropriate case.

7. Right to Intervene. We also reserve the right, in an appropriate case, to intervene in the Covered Litigation and/or file amicus briefs rather than exercising our rights pursuant to Subsection 7.12(a)(2) and paying our own attorney's fees and expenses then required.

b. If you intend to institute a lawsuit, the following shall occur:

1. Notice and Consent. You shall not institute any action related in any way to Abbey or the operation of your *Abbey Carpet & Floor* Showroom without prior notice to and consent from us, unless our interests are adverse.

2. Right to Take Action. We shall have the right upon such notice to take the action contemplated by you in your name, or if appropriate or possible, in our own name, if we determine it to be reasonably necessary in good faith for the continued protection of other members or the Abbey System.

3. Current Obligation for Costs and Fees. In the event we exercise such right, then except as provided below, if damages are recovered, we shall pay current the reasonable costs of any such action, including attorneys' fees.

4. Recovery of Damages and Costs and Fees. Any recovery of money damages shall be shared pro rata between the parties, as the parties' interests may appear; and in such case, the fees and expenses incurred in obtaining such recovery shall be paid first and shared between the parties on the same pro rata basis, with you reimbursing us for fees and expenses paid.

c. In the unlikely event a dispute arises between the parties relating to actions occurring under this Section 7.10 or to apportionment of fees, expenses, or recovery, such dispute shall be submitted to arbitration in accordance with Article 14 below.

7.11. No Liability; No Warranty. We will not be liable to you for any damages caused or alleged to be caused by: (i) the form of business records required to be kept; or (ii) any supplies or goods purchased from or specified by us. WE SHALL HAVE NO LIABILITY TO YOU FOR ANY DAMAGES CAUSED OR ALLEGED TO BE CAUSED BY ANY SHOWROOM SUPPLIES, FLOOR COVERING PRODUCTS, OR OTHER GOODS PURCHASED FROM OR SPECIFIED BY US. WE EXPRESSLY DISCLAIM ANY WARRANTY, EXPRESS OR IMPLIED, AS TO ANY SUPPLIES OR PRODUCTS PURCHASED FROM OR SPECIFIED BY US, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.

## **8. Your Records**

8.1. Record Maintenance and Reporting. In order for us to be able to ensure the accuracy of the money you are entitled to receive under the Abbey CashBack Program, you agree to (a) keep true, complete, and correct books of account and business records in accordance with generally accepted accounting principles; (b) provide us with financial statements upon our request; and (c) keep and

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maintain records of all purchases indicating which purchases were made through the Abbey System, and make such records available for inspection by our representatives upon request.

8.2. Inspection Rights. We shall have the right during reasonable business hours to audit your books and records relating to your commitment to purchase, for each of your Showrooms, \$350,000 or 80% of your total floor covering and window treatment purchases, whichever is greater, through the Abbey System during each calendar year following the opening of each such Showroom. If an inspection reveals that you have not purchased the requisite amount through the Abbey System, then we have the right to terminate you pursuant to Section 13.2(b)(4) of this Agreement. If an inspection discloses a deficiency of two percent (2%) or more, you agree to reimburse us for all costs and expenses connected with such audit (including, without limitation, reasonable accounting and attorneys' fees).

**9. Your Promises to Us**

9.1. Your Representations and Warranties. If you are a business entity or partnership, you and any individual member, or any partner, shareholder, member, or beneficiary of a non-individual member (each a "Principal") represent, warrant and covenant that:

a. You are duly organized and validly existing under the state law of your formation and you are duly qualified and authorized to do business in each jurisdiction in which your business activities or the nature of the properties require such qualification;

b. Your execution of this Agreement and the transactions contemplated hereby are within your corporate power, are permitted under all documents governing your organization and management, have been duly authorized, and the person executing this Agreement on your behalf has the requisite authority to bind you to this Agreement;

c. Your ownership interests are accurately described in the Principal Owner's Statement (see Section 11.3). In order to keep our records current, we require that you provide us with an updated Principal Owner's Statement if any change of ownership or beneficial interest occurs; and

d. In the event you become the subject of a voluntary or involuntary case commenced under any chapter of the Bankruptcy Code, upon the filing of an appropriate motion by us, you hereby consent to relief from the automatic stay imposed by 11 U.S.C. § 362(a) so we may exercise our right to setoff any funds we hold or owe to you in order to satisfy any and all claims we have or may have against you in such bankruptcy case.

You and your Principals acknowledge and agree that the representations, warranties, and covenants set forth above in Section 9.1(a)-(d) are continuing obligations of you and your Principals, and that any failure to comply with such representations, warranties, and covenants shall constitute a material event of default under this Agreement.

9.2. Obligations. You agree that you will (a) maintain high moral and ethical standards of conduct and shall neither engage in, nor allow others to engage in, deceptive, fraudulent, or unethical practices of any kind in connection with the "Abbey Carpet & Floor" name or Abbey System, nor suffer, nor allow any part thereof to be used for immoral or illegal purposes or in any illegal manner; (b) provide an efficient, courteous, and high quality service to the public; (c) operate your Showroom continuously and in compliance with this Agreement; (d) promote the Abbey System and not provide or participate in any other buying, merchandising, sales or marketing service, group, cooperative, system or franchise for floor covering or window treatment products or accessories which offers products similar to those

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offered by us while you are a member of the Abbey System; (e) take sole responsibility for the performance of all obligations arising out of the operation of your business, including, but not limited to, workers' compensation, real estate, sales, payroll, franchise, income, personal property, and gross receipt taxes levied or assessed by reason of such operation; (f) indicate clearly the independent ownership of your business in all public records, and that the operations of said business are separate and distinct from the operation of Abbey Carpet Co., Inc.; (g) use all reasonable means to promote and encourage the purchase of *Abbey Carpet & Floor* products by the public, and use your best efforts to create and maintain goodwill among the public towards the names "Abbey Carpet & Floor" and toward the Abbey System; and (h) promptly provide us with written notice of any infringement of, or challenge to, your use of the Abbey Marks.

9.3. Confidentiality.

a. You acknowledge that you are to receive information which we have developed over time at great expense, including but not limited to, our Proprietary Information, trade secrets, operating procedures, and approved suppliers, advertising and marketing materials, specifications, standards and proprietary methods of doing business (collectively the "Confidential Information") and all other material provided by us to you for use with the Abbey System, including without limitation, information you receive on our website located at [www.abbeyinfonet.com](http://www.abbeyinfonet.com). You also acknowledge that this information is not generally known in the industry and is beyond your own present skills and experience, and that to develop it independently would be expensive, time-consuming and difficult. You further acknowledge that the Confidential Information provides a competitive advantage and will be valuable in the development of your Showroom, and that gaining access to it is therefore a primary reason why you entered into this Agreement.

b. At all times, both during the Original Term of this Agreement, including any Renewal Term thereof, and after its expiration or termination for any reason, you agree to keep strictly confidential and in trust (except as we may otherwise consent to in writing) and not to disclose, or make any use of, the Confidential Information, in whole or in part, or any amendments, inserts or forms, including any revisions thereof, or any other trade secrets, business plans, marketing plans and strategies, customer lists or other subject matter pertaining to our business or the business of any of our members, affiliates, clients, customers or consultants which we provide pursuant to our obligations to you, except otherwise provided in this Agreement and the Confidential Information. You also agree not to deliver, reproduce or in any way allow any such trade secrets, confidential information, knowledge, data or other information, or any documentation relating thereto, to be delivered or used by any third parties without the specific prior written consent of a duly authorized representative of us.

c. You agree to limit the access of your employees to the Confidential Information and any other trade secrets, confidential information, knowledge, data or other proprietary materials on a need-to-know basis for performing your obligations pursuant to this Agreement.

d. You hereby represent that your performance of all the terms and conditions of this Agreement do not and will not breach any agreement or duty to keep in confidence any proprietary information, knowledge or data acquired by you in confidence or in trust prior to entering into this Agreement. You agree that you will not disclose to us, or induce us to use, any confidential or proprietary information or material belonging to any third party or enter any agreement, either written or oral, in conflict herewith.

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e. You acknowledge that in the event of a breach of this Section 9.3, we will be irreparably injured and without an adequate remedy at law. In such an event, we will therefore be entitled to seek a temporary, preliminary and/or permanent injunction without the need to show actual or threatened harm or to post a bond or other security. This remedy shall be in addition to any other remedies we may have under this Agreement, at law or in equity.

9.4. Covenant Not to Compete During Term of Agreement. You agree, that during the Original Term and any Renewal Term of this Agreement, you will not, within Your Territory or anywhere outside Your Territory, either directly or indirectly, individually or as a shareholder, director, officer, partner, lender, consultant, representative, agent or employee of any, firm, partnership, corporation or business entity:

a. Engage in or advise any business whose products or methods of operation are similar to ours, our subsidiaries' or affiliates' or any of our members';

b. Own, manage, operate, sell, control or participate in the ownership, management, operation, sales or control or be connected in any manner with any business competing with any business in which we now or may hereafter become engaged;

c. Canvass or solicit any business from any present, former or prospective customer of ours, any of our affiliates, or any of our members -- or advise any such customer to curtail or cancel their business with us, any of our affiliates, or any of our members;

d. Divert or attempt to divert any business of the *Abbey Carpet & Floor Showroom* licensed under this Agreement to any competitor by direct or indirect inducements or otherwise, or to do or perform directly or indirectly, any other act injurious or prejudicial to the goodwill associated with our Marks and the franchise system; or

e. Disclose to any person, firm or corporation the name of, or business arrangement with, any of our present, former, future or prospective suppliers or customers, or any of those of our subsidiaries, our affiliates or any of our members.

9.5. Legal Fees and Costs.

a. In the event we incur reasonable costs and expenses, including, without limitation, paralegal or attorneys' fees, in connection with your failure to comply with any term, condition or obligation under this Agreement, you shall promptly reimburse and pay us for such costs and expenses within ten (10) days of request for same.

b. The prevailing party in any litigation, arbitration or other dispute resolution proceeding shall be entitled to recover from the other party: (i) all of its reasonable costs and expenses, including, without limitation, paralegal and attorneys' fees, incurred prior to the commencement of such litigation, arbitration or other dispute resolution proceeding in connection with any failure of the other party to comply with any term, condition or obligation under this Agreement; and (ii) all of its reasonable costs and expenses, including, without limitation, any court fees or costs, any arbitration fees or costs (including any payable to the American Arbitration Association), research fees and costs (including any incurred with online research providers, such as Westlaw), investigation fees and costs, discovery costs, court reporter and transcription fees and costs, compensation payable to the arbitrators, and paralegal and

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attorneys' fees, whether incurred in connection with such litigation, arbitration or other dispute resolution proceeding, or in connection with any appellate, enforcement, collection or bankruptcy proceedings.

**10. Transfer Of Agreement By Us**

We may assign or transfer this Agreement, and if so, it shall be binding upon and inure to the benefit of our successors and assigns. We shall give you at least sixty (60) days' notice of any proposed assignment or transfer of this Agreement.

**11. Transfer Of Membership By You**

**11.1. Requirements for Transfer.**

a. Neither you nor any of your equity owners shall, without our prior written consent, by operation of law or otherwise, attempt to sell, assign, transfer, convey, give way or encumber to any person, this Agreement, your interest in your membership or your interest in any proprietorship, partnership or business entity which owns any interest in your membership. Any transfers shall be binding upon and inure to the benefit of your successors and assigns. An unauthorized transfer, however, shall be null and void and shall constitute a material default hereunder. We require the following in order to consent to your transfer:

1. You must provide us with written notification of such proposed transfer at least ninety (90) days in advance;

2. All accrued money obligations of yours owed to us, our subsidiaries, or our assigns shall be satisfied prior to the assignment or transfer;

3. The transferee(s) shall meet our standards of qualifications, including, but not limited to, financial strength and business experience;

4. The transferee(s) shall jointly and severally execute both or either (as we shall direct):

a. A membership agreement and other ancillary agreements with us on our then-current standard forms, which agreements shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement; and/or

b. A written assignment between you, transferee(s), and us (in a form satisfactory to us) with transferee(s) assuming all of your obligations;

5. You or the transferee(s) shall pay to us the Transfer Fee; and

6. Two representatives of the transferee(s) shall attend a two-day training program at our headquarters in Bonita Springs, Florida prior to our consent to transfer. We will reimburse transferee(s) for all reasonable costs relating to travel and lodging incurred by the two representatives for their attendance at this two-day program.

b. We will approve or disapprove the proposed transferee(s) within sixty (60) days after notification. If we fail to disapprove the proposed transferee(s) within this time, the transfer shall be deemed approved. Upon such transfer, transferee(s) shall assume the remaining term of the transferor's current membership agreement. Subsequent renewals can be made in accordance with the terms as set forth in transferee(s)' new agreement. Upon our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may

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have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees) regarding your previous participation in the Abbey System.

11.2. Transfer to Heirs Upon Your Death or Disability. In the event of your death or incapacity (or, if you are a partnership or business entity, the death or incapacity of a partner or equity owner), the executor, administrator, personal representative, guardian or other person acting in a like capacity shall have six (6) months from the date of death or judgment of incapacity to either: (i) assume and be bound by the terms of this Agreement; or (ii) sell and transfer the membership to another person under the conditions as set forth in Section 11.1 above. If your legal or personal representative elects to assume this Agreement, he/she shall comply, or cause your estate to comply, with Subsections 11.1(a)(2),(3),(4) and (5) above. Provided, however, that if your legal or personal representative has not assumed the obligations under this Agreement or sold the membership within such six (6) month period, we may terminate this Agreement.

11.3. Business Entity Member. If you are a business entity, a list of all of your shareholders, partners, or other investors who own or hold a direct or indirect equity interest and a description of the nature of their respective interests is set out in the Principal Owner's Statement attached as Schedule "C" to this Agreement. Each of the persons referenced as a Principal agree to execute the Principal Owner's Statement attached hereto as Schedule "C." You must notify us in writing within ten (10) days of any change in the information set forth in this Section.

11.4. Change of Your Form of Business. You shall promptly notify us of any changes in your form of business (i.e., from corporation to partnership, etc.) or in your ownership or management and provide us with the following: (i) a list of any new partners, shareholders, owners, or management for our approval; and (ii) your new entity and any partners, officers, directors, shareholders, owners, or managers of such new entity shall jointly and severally execute such documents as necessary (in a form satisfactory to us) to assume and continue all of your obligations under this Agreement.

11.5. Consent Does Not Constitute Waiver. Our consent to an assignment or transfer of any interest subject to the restrictions of this Section shall not constitute a waiver of any claims we may have against the transferring party, nor shall it be deemed a waiver of our right to demand compliance with any of the terms or conditions hereof by the assignee or transferee.

## **12. Relocation of Your Showroom**

For your convenience, you will have the right, during the term of this Agreement, to relocate your Showroom provided that: (i) you give us ninety (90) days' prior written notice of such proposed relocation; (ii) the new location for the Showroom is within Your Territory; and (iii) the new location of the Showroom otherwise complies with the terms of this Agreement and you agree to a revision of Your Territory as determined by us in our sole discretion. We must consent in writing to the change of location, which consent will not be unreasonably withheld. Upon your request, we may waive your Service Fee and Advertising Fee while you are in the process of relocating. Such payment waiver shall in no event extend beyond ninety (90) days.

## **13. Termination and Defaults**

13.1. Termination by You. You have the right to terminate this Agreement at any time upon doing the following: (a) giving us at least twelve (12) months' prior notice of the proposed termination; and (b) complying with the terms and conditions of Section 13.3. Upon the expiration or termination of

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this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees) regarding your previous participation in the Abbey System.

13.2. Termination by Us.

a. We may only terminate this Agreement prior to the expiration of your term for good cause or as specified in Subsection 13.2(b) below. Good cause shall include, but not be limited to, your failure to comply with any lawful requirement of this Agreement or any of the agreements that are attached as schedules to this Agreement, after being given notice of the failure and thirty (30) days to cure the failure. The description of any default in any notice given by us hereunder to you shall in no way preclude us from specifying additional or supplemental defaults in any action, arbitration, hearing or suit relating to this Agreement or the termination thereof.

b. Only in the following instances may we give you immediate notice of termination without opportunity to cure:

1. The parties agree in writing to terminate this Agreement;
2. You make a material misrepresentation relating to your acquisition of the membership, or you engage in conduct which reflects materially and unfavorably upon the goodwill and reputation of our business or the Abbey System, including, but not limited to, a failure to represent the Showroom as "Independent";
3. You fail to comply with any federal, state, or local law or regulation applicable to the operation of your Showroom for a period of ten (10) days after notification of noncompliance;
4. You fail to achieve the volume purchases through the Abbey System as agreed to in Subsection 7.1(a);
5. You fail to timely install the Showroom signage as required by Section 7.3;
6. You fail to obtain and maintain credit with merchandise vendors and manufacturers for the purchase of floor covering products and other supplies;
7. You, after curing any failure in accordance with Subsection 13.2(a), engage in the same noncompliance whether or not such noncompliance is corrected after notice;
8. You repeatedly fail to comply with one or more requirements of this Agreement, whether or not corrected after notice;
9. You disregard the requirements set forth in Section 7.2 by attempting to obtain direct payment of cash rebates from, and/or multiple account numbers with, any supplier;

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10. You or any person controlling, controlled by, or under common control with you shall be convicted of a felony or any other criminal misconduct which is relevant to the operation of your business;

11. You fail to pay any Service Fees, Advertising Fees, or other amounts due to us within five (5) days after receiving notice that such fees are overdue;

12. You fail to maintain the confidentiality of the Proprietary Information or any other documents or material provided by us, or you are found to have disclosed, disseminated, or otherwise made available such information to any other person or entity not directly employed by you at your Showroom, or you have breached any provisions of Sections 9.3 or 9.4;

13. You assign, attempt to assign, transfer, or convey the Marks or goodwill attached thereto, or if you use or permit the use of the Marks in a manner not permitted under this Agreement, or if you use or permit the use of the Marks in a manner or at a location not authorized by us under this Agreement;

14. You attempt to assign or transfer your rights under this Agreement, other than in accordance with Article 11;

15. You default under any of your obligations relating to any one of the Abbey Showrooms governed by this Agreement or any other agreement (the "Defaulting Showroom"), in which event we may, at our option, terminate either (i) your rights to operate the Defaulting Showroom or (ii) your rights to operate all of your Abbey Showrooms, whether or not such showrooms are governed by this Agreement;

16. Your Showroom ceases operations without our consent for any reason for five (5) consecutive business days under circumstances whereby we could reasonably conclude that you no longer intend to operate the Showroom. However, upon our written approval, you may discontinue operations for a reasonable period of time, which in no event shall exceed one hundred eighty (180) days, in the case of fire, condemnation, or acts of God; or

17. Except as prohibited by federal bankruptcy law, you or any person controlling, controlled by, or under common control with you shall become the subject of a voluntary or involuntary case commenced under the Bankruptcy Code; or a receiver, permanent or temporary, of the business, assets, or property of you or any such person, or any part thereof, is appointed by a court of competent authority; you or any such person shall request the appointment of a receiver or make a general assignment for the benefit of creditors; or there is a judgment against you or any such person in the amount of Ten Thousand Dollars (\$10,000) or more which, after all rights of appeal have been exhausted, is not satisfied or released within thirty (30) days; or the bank accounts, property, or receivables of you or any such person are attached and such attachment proceedings are not dismissed within thirty (30) days; or execution is levied against the business or property of you or any such person; or a suit to foreclose any lien or mortgage against your Showroom, the premises thereof, or equipment thereon is instituted and not dismissed within thirty (30) days. If you become the subject of a voluntary or involuntary case commenced under the Bankruptcy Code, upon the filing of an appropriate motion by us, you hereby consent to relief from the automatic stay imposed by 11 U.S.C. § 362(a) so we may, at our election, unilaterally terminate this Agreement post-petition in accordance with the terms and

***Abbey Carpet Co., Inc.***  
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provision of this Agreement. You agree to waive any and all rights you may have under 11 U.S.C. § 365 to challenge any such decision by us in the event of a bankruptcy filing.

c. Unless otherwise provided in Article 13, in the event any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this Agreement and the parties hereto shall limit our rights of termination hereunder or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions on termination required by such laws and regulations. We shall not, however, be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, arbitration, hearing or dispute relating to this Agreement or the termination thereof.

13.3. Rights and Duties of Parties Upon Expiration or Termination.

a. If this Agreement is terminated prior to completion of the Original Term, you must pay us an early termination fee equal to the amount associated with the Redesign of your Showroom less 20% for each full year from the Effective Date of this Agreement that you remained a member (the "Early Termination Fee"). For example, if you became a member on March 1, ~~2024~~2025, and the cost of your Redesign was \$30,000, and your membership was terminated on January 1, ~~2027~~2028, you would owe us a cash payment equal to \$18,000 ( $\$30,000 - [\$30,000 \times (20\% \times 2)] = \$12,000$ ) = \$18,000). The Early Termination Fee shall be due and payable to us in cash immediately on the date of any such early termination. This Early Termination Fee applies to each Showroom we Redesign.

b. Upon termination or expiration of this Agreement, you shall immediately cease to be a member and shall fully comply with the following conditions.

1. You shall promptly pay all sums owing to us under the terms of this Agreement and addenda or amendments hereto, including, but not limited to, the unpaid portion of your initial membership fee or any applicable Early Termination Fee. We retain the right to setoff any and all amounts owed to you by us, including any amounts due to you under the Abbey CashBack Program, against any and all amounts due to us by you. Said sums shall include all damages, costs, and expenses, including reasonable attorneys' fees, if any, incurred by us by reason of default on your part, whether or not such occurs prior to or subsequent to the termination or expiration of this Agreement; and said sums shall include all costs and expenses, including reasonable attorneys' fees, incurred by us in obtaining injunctive or other relief to enforce the provisions of this Agreement;

2. You shall promptly discontinue use of all floor covering samples, labels, display racks, Proprietary Information, advertisements, and any other items bearing the Abbey Marks or relating to the Abbey System (the "Proprietary Items") and shall promptly remove all such Proprietary Items from the Showroom and totally deidentify the Showroom premises as being or ever having been an Abbey Carpet & Floor Showroom. You must destroy all Proprietary Items and dispose of same within ten (10) days after termination or expiration of this Agreement for any reason. You shall be prohibited from copying, disseminating, or in any other manner disclosing or using any Proprietary Information and other proprietary materials, all of which you acknowledge to be our trade secrets;

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3. You shall remove the Abbey Marks from all Showroom signage, interior and exterior;

4. You shall cease to utilize the Abbey System;

5. You shall immediately cease to use, by advertising or in any manner whatsoever, the name "Abbey Carpet," "Abbey Carpet & Floor" and any forms, slogans, signs, marks, symbols, and devices used in connection with the operation of an *Abbey Carpet & Floor* independent Showroom. You shall not represent or advertise that we were formerly parties to this Agreement or that you did business under our trademarks or trade names; and

6. You shall take such action as shall be necessary to cancel any assumed name or equivalent registration which contains the name "Abbey Carpet," "Abbey Carpet & Floor," or any of our other trademarks, and you shall furnish to us evidence satisfactory to us of compliance with this obligation within thirty (30) days after said termination.

c. No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder.

d. Termination or expiration of this Agreement shall not affect your rights to operate other independently owned *Abbey Carpet & Floor* Showrooms in accordance with the terms of any other membership agreements until and unless such other membership agreements, or any of them, are terminated or expire in accordance with their terms.

e. Notwithstanding any provision herein contained providing for the termination of this Agreement, all obligations of the parties hereto which expressly arise upon or after the termination of this Agreement shall survive such termination.

#### **14. Arbitration**

Any dispute, controversy or claim arising out of, relating to or in connection with this Agreement, including any question regarding its validity, the termination thereof, or a breach thereof (in any such case, a "Dispute"), shall be resolved pursuant to the following:

14.1. Initiation. Any party wishing to initiate consideration of a Dispute hereunder shall first give written notice (a "First Notice") to the other party setting forth in reasonable detail the nature of the Dispute. Both parties shall then use their best efforts to negotiate in good faith to diligently resolve the Dispute within fifteen (15) days of the giving and receipt of the First Notice. If the Dispute remains unresolved after the expiration of this fifteen (15) day period, then the party that delivered the First Notice shall give written notice to the other (a "Dispute Notice"), which notice shall set forth a full disclosure of all factual evidence and a statement of the applicable legal basis of the dispute; *provided, however*, that (i) failure to provide such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right or claim which a party may then or thereafter possess; and (ii) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or proceeding without the prior written consent of the party making such disclosure and/or statement.

***Abbey Carpet Co., Inc.***  
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14.2. Negotiating Teams. Upon giving and receipt of a Dispute Notice, each party shall appoint a negotiating team consisting of not less than one and not more than three representatives (each a "Negotiating Team"). The Negotiating Teams shall commence meeting within ten (10) days of receipt of the Dispute Notice and shall thereafter meet and negotiate in good faith for a period of not less than thirty (30) days to attempt to resolve the Dispute. During such 30-day negotiation period, a party asserting a claim for damages or equitable relief or any defense thereto against any other party shall disclose to the other party all previously undisclosed factual evidence and legal basis of such claim or defense; *provided, however*, that (i) failure to provide any such disclosure or to state any such legal basis shall not operate as a waiver of such legal basis or operate to preclude the presentation or introduction of such factual evidence in any subsequent arbitration or proceeding or otherwise constitute a waiver of any right or claim which a party may then or thereafter possess; and (ii) any settlement proposal made or provided shall be deemed to have been made or provided as part of a settlement discussion and may not be introduced in any arbitration or legal proceeding without the prior written consent of the party making such disclosure and/or statement.

14.3. Arbitration. If the Negotiating Teams fail to resolve the Dispute within the 30-day negotiation period set forth above, any party may notify the other party of such failure by delivery of a written notice (a "Final Dispute Notice"). Upon the giving or receipt of a Final Dispute Notice, any unresolved Dispute, including without limitation, any disagreement regarding the interpretation or the operation of this Agreement, shall be determined by final and binding arbitration under the rules of the American Arbitration Association ("AAA"). The arbitration shall be conducted in the county in Florida in which we maintain our principal office, or such other mutually agreed upon location before a panel of three arbitrators. One arbitrator shall be selected by each of the parties, and the third arbitrator shall be selected by the two arbitrators designated by the parties. The arbitrators shall have the authority to award to the prevailing party all of its reasonable costs and expenses identified in Section 9.5 above, including, without limitation, paralegal and attorneys' fees. The arbitration award shall be final and binding on the parties, and judgment on the award may be entered in any court having jurisdiction. It is explicitly agreed by each of the parties hereto that no such arbitration shall be commenced except in conformity with this Article 14.

14.4. Interim Relief. Notwithstanding any provisions of Article 14 set forth above, any party to this Agreement may seek, at any time from any court having jurisdiction, any preliminary, interim or provisional relief or measures, including, without limitation, preliminary or temporary injunctive relief with respect to any violation of Sections 3.1(a), 4, 9.3, 9.4, 11.1(a), or 13.3(a)(2)-(a)(6), without violating the agreement to arbitrate set forth above, and without waiving the right to arbitrate.

**15. Notices**

15.1. Address for Notice. All notices hereunder shall be in writing and shall be duly given by hand delivery or sent by facsimile, registered or certified mail, via overnight delivery, postage prepaid, addressed:

If to us at:	Abbey Carpet Co., Inc. 3471 Bonita Bay Boulevard Bonita Springs, Florida 34134 Attention: Ted Dlugokienski Fax No. (239) 948-0990
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If to you at:	the address set forth on the signature page to this Agreement, or
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***Abbey Carpet Co., Inc.***  
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at such other address as such party shall have specified by notice to the other party hereunder. Any notice shall be deemed to have been given at the time of personal delivery or, in the case of facsimile, upon transmission (provided confirmation is sent as described above) or, in the case of expedited delivery service or registered or certified mail, three (3) business days after the date and time of mailing.

15.2. Notice to Your Employees. If we are unable to locate one of your authorized Principals at the current address(es) known to us, we are hereby authorized by you to send or give notices required by this Agreement to any manager employed to operate the Showroom, and you hereby appoint every such manager your agent to receive such notices.

**16. Interpretation, Modification, And Execution**

16.1. Governing Law. This Agreement shall be interpreted, construed and governed according to the internal laws of the State of Florida, and not the laws pertaining to choice or conflict of laws, thereof, except that:

a. The laws of the state in which the franchised business is to be located which govern the offer, sale, and registration of franchises, including, without limitation, any so-called "Little FTC Act" of such state, shall apply to the offer, sale, and registration of the *Abbey Carpet & Floor* membership granted by this Agreement and not such laws of the State of Florida (unless the franchised business is to be located in Florida);

b. The laws of the jurisdiction in which any action to enforce any covenants not to compete provided or referenced herein shall govern such covenants not to compete, without giving effect to the principles pertaining to choice or conflict of laws thereof.

c. The U.S. Trademark Act Of 1946 (Lanham Act, 15 U.S.C. §1051 *et seq.*) shall govern all matters related to your use of the Abbey Marks, and the Federal Arbitration Act (9 U.S.C. §1 *et seq.*) shall govern all matters related to arbitration. To the extent that the Federal Arbitration Act is found inapplicable for any reason, then the provisions of the Florida Arbitration Code (Fla. Stat. Chapter 682) shall govern all matters related to arbitration.

16.2. Venue. The parties hereby consent to the jurisdiction of the courts of the State of Florida, County of Lee, or, if it has or can acquire jurisdiction, in the United States District Court for the Middle District of Florida, and each of the parties consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any action or proceeding and waives any objection to venue laid there. You agree to and hereby designate the Secretary of State as your agent for receipt of service of process, provided that a copy of such service of process is mailed, return receipt requested, to your last known mailing address. Neither you nor any assignee, successor, heir or personal representative of yours will join together with any other franchisee of Abbey in bringing any litigation against Abbey, including Abbey's affiliates, successors, assigns and designees of each, and their respective officers, directors, employees, agents, attorneys, owners, designees and representatives of all of the foregoing (the "Abbey Parties"); nor will you maintain any claim against any of the Abbey Parties in a class action, whether as a representative or as a member of a class or purported class; nor will you seek to consolidate, or consent to the consolidation of, all or any part of any litigation by either of them against any of the Abbey Parties with any other litigation against any of the Abbey Parties.

***Abbey Carpet Co., Inc.***  
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16.3. Waiver of Jury Trial. Neither you, or any assignee, successor, heir or personal representative of yours, nor we shall seek a jury trial in any lawsuit, proceeding, counterclaim or any other litigation procedure based upon or arising out of this Agreement, or any related agreement, or the dealings or the relationship between or among such persons or entities, or any of them. Neither party nor any such other person or entity will seek to consolidate any such action, in which a jury trial has been waived, with any other action in which a jury trial cannot or has not been waived. The provisions of this Section have been fully discussed by the parties hereto, and the provisions hereof shall be subject to no exceptions. No party has in any way agreed with or represented to any other party that the provisions of this Section will not be fully enforced in all instances.

16.4. Gender and Number. All terms and words used in this Agreement, regardless of the number and gender in which they are used, shall be deemed and construed to include singular and plural and any other gender, masculine, feminine or neuter, as the context or sense of this Agreement or any section or clause herein may require the same, as if such words had been fully and properly written in the appropriate number or gender.

16.5. Entire Agreement. This Agreement and any agreement or document referenced herein, and any schedules attached hereto or thereto, constitutes the entire, full, and complete agreement between the parties concerning the subject matter hereof and supersedes all prior agreements. No other representation has induced you to execute this Agreement, and there are no representations, inducements, promises, or agreements, oral or otherwise, between the parties not embodied herein which are of any force or effect with reference to this Agreement or otherwise, except those which may be contained in this Agreement and any addenda thereto or in the disclosure document. Nothing in this Agreement is intended to disclaim or require, nor shall it disclaim or require, you to waive reliance on any representation made in the most recent disclosure document (including its exhibits and amendments) that we delivered to you or your representative, subject to your voluntary waiver of any specific contract terms or conditions set forth in the disclosure document and reflected in this Agreement (including any riders or addenda signed at the time of the Agreement) based on any agreed-upon changes. No amendment, change, or variance from this Agreement shall be binding on any party unless executed in writing by the parties. No field representative of ours has the right or authority to make oral or written amendment or modification to this Agreement, and any purported amendment or modification made by such field representative shall not be binding upon any of the parties hereto.

16.6. Joint and Several Obligations. If you consist of more than one individual or entity, your liability under this Agreement shall be deemed to be joint and several.

16.7. Severability. If any term or other provision of this Agreement is invalid, illegal, or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the extent possible.

16.8. Non-Waiver of Rights. Failure of either party to enforce any provision, or waiver by either party of any default, shall not operate as a waiver of successive defaults, and all the rights of the parties shall continue notwithstanding one or more such failures or waivers. The failure of either party to insist at any time upon strict performance or enforcement of any one or more of the terms, conditions, or

*Abbey Carpet Co., Inc.*  
**MEMBERSHIP AGREEMENT**

obligations herein, or the failure to exercise any rights hereunder, shall not be deemed an abandonment thereof, and the same shall continue in full force and effect notwithstanding one or more waivers.

Further, we shall have the right to waive, reduce, or defer any payments, fees, or charges due to us from you at our option without impairing our rights to collect any payments, fees, or charges accruing thereafter, nor shall it affect our right to collect full payments, fees, or charges from all other members. You shall be eligible for consideration of any such waiver, reduction, or deferral only if we are requested in advance to make such consideration, and we expressly grant any such waiver, reduction, or deferral in writing.

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.

16.9. Cost of Enforcement. In the event of any default on the part of either party hereto, in addition to any other remedies of the aggrieved party, the party in default shall pay to the aggrieved party all amounts due and all damages, costs, and expenses, including reasonable attorneys' fees, incurred by the aggrieved party as a result of any such default.

16.10. Remedies Cumulative. All rights and remedies of the parties enumerated in this Agreement shall be cumulative, and, except as specifically contemplated otherwise by this Agreement, none shall exclude any other right or remedy allowed at law or in equity, and said rights or remedies may be exercised and enforced concurrently.

16.11. Business Entities. Each reference in this Agreement to a corporation or partnership shall be deemed to also refer to a limited liability company and any other entity or organization similar thereto. Each reference to the organizational documents, equity owners, directors, and officers of a corporation in this Agreement shall be deemed to refer to the functional equivalents of such organizational documents, equity owners, directors, and officers, as applicable, in the case of a limited liability company or any other entity or organization similar thereto.

16.12. No Third Party Beneficiaries. Except as expressly provided to the contrary herein, nothing in this Agreement is intended, or shall be deemed, to confer upon any person or legal entity other than you, us, our officers, directors and personnel and such of either parties' respective successors and assigns as may be contemplated (and, as to you, authorized by Article 11), any rights or remedies under or as a result of this Agreement.

16.13. State Required Addendum. If the franchise regulatory authority for the state in which you are located requires certain terms and conditions to be included in this Agreement, such terms and conditions will be found on the state-required amendments attached hereto as Schedule "B" and incorporated herein by reference.

16.14. Employment Policies. You are solely responsible for all labor and employment related-matters and decisions related to your Abbey Showroom, including hiring, firing, promoting, demoting and compensation (including through wages, bonuses, or benefits) your employees. You must

*Abbey Carpet Co., Inc.*  
**MEMBERSHIP AGREEMENT**

ensure that your employees are qualified to perform their duties in accordance with our standards. We do not require you to implement any employment-related policies or procedures.

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***Abbey Carpet Co., Inc.***  
**MEMBERSHIP AGREEMENT**

Please sign the Agreement where indicated and it will become effective as of the date and year executed by us below.

ATTEST:

**MEMBER**

\_\_\_\_\_  
Witness

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

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

\_\_\_\_\_  
Witness

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

**NAME AND ADDRESS OF PERSON  
TO RECEIVE NOTICE**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

We have duly executed and delivered this Agreement to be effective as of the date and year executed by us below.

ATTEST:

**ABBHEY CARPET CO., INC.**  
a Florida corporation

\_\_\_\_\_  
Witness

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

Name: Ted Dlugokienski

\_\_\_\_\_  
Witness

Title: Chief Financial Officer, Executive Vice  
President of Operations and Secretary

Effective Date: \_\_\_\_\_

**SCHEDULE "A"**

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**SHOWROOM LOCATION and  
YOUR TERRITORY**

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## SCHEDULE "A"

### SHOWROOM LOCATION AND YOUR TERRITORY

Your *Abbey Carpet & Floor* Showroom (the "**Showroom**") shall be at the following street address:

The attached map delineates your protected geographic area ("**Your Territory**") in which the Showroom will be located, as mutually agreed upon prior to execution of the Membership Agreement. The following is a description of Your Territory:

If you are establishing an additional Showroom or Showrooms simultaneously with the execution of your Membership Agreement, you acknowledge and agree that, notwithstanding the number of Showrooms established, you shall be deemed to have executed a separate Membership Agreement for each such Showroom and your rights and obligations with respect to each such Showroom shall be governed by the Membership Agreement.

IN WITNESS WHEREOF, the parties have agreed to this Schedule on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**FRANCHISOR:**

**ABBAY CARPET CO., INC.**

**MEMBER(S):**

\_\_\_\_\_  
(signature of authorized officer)

Ted Dlugokienski

(name of authorized officer)

\_\_\_\_\_  
(printed name of business entity)

\_\_\_\_\_  
(authorized signature)

Chief Financial Officer, Executive Vice

President of Operations and Secretary

(title of authorized officer)

\_\_\_\_\_  
(printed name of authorized signatory)

\_\_\_\_\_  
(individual signature)

\_\_\_\_\_  
(printed name of individual)

**SCHEDULE "B"**

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**STATE SPECIFIC AMENDMENTS  
to  
THE MEMBERSHIP AGREEMENT**

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*Required by*

*HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA,  
NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, WASHINGTON and WISCONSIN*

**PLEASE SEE EXHIBIT "B" FOR STATE SPECIFIC AMENDMENTS**

**SCHEDULE "C"**

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**PRINCIPAL OWNER'S STATEMENT**

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**PLEASE SEE EXHIBIT "C" FOR PRINCIPAL OWNER'S STATEMENT**

**EXHIBIT "B"**

**ABBEEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**STATE SPECIFIC AMENDMENTS**

**TO**

**THE MEMBERSHIP AGREEMENT**

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***HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NORTH DAKOTA,  
RHODE ISLAND, SOUTH DAKOTA, WASHINGTON  
and WISCONSIN***

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**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-1**

**Hawaii Amendment**

In recognition of the requirements of the Hawaii Franchise Investment Law, Hawaii Rev. Stat. §§ 482E-1 *et seq.*, the parties to the attached Membership Agreement (the "Agreement") agree to amend the Agreement as follows:

1. Section 13 of the Agreement shall be supplemented by the addition of the following new Section 13.4, which shall be considered an integral part of the Agreement:

13.4 **Your Interest Upon Termination.**

Upon termination or refusal to renew or extend the franchise either by us or you for any reason, you will have no interest in the goodwill or intangibles of the franchised business or equity in the franchise, apart from the leasehold, fixtures, equipment and supplies you have purchased. We shall have the right (but not the duty unless required by Hawaii Rev. Stats. § 482E-6(3)), to be exercised by notice of intent to do so within thirty (30) days after termination or expiration of this Agreement, to purchase any and all improvements, equipment, advertising and promotional materials, products, supplies, inventory and any other items bearing our Marks at current fair market value. If we cannot agree with you upon a fair market value within a reasonable time, we shall designate an independent appraiser, and the appraiser's determination of fair market value shall be binding. If we elect to exercise any option to purchase herein provided, we shall have the right to set-off all amounts due to us from you under this Agreement and the cost of the appraisal, if any, against any payments to be made for any such purchase.

2. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Hawaii Amendment.

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**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-1**

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Hawaii Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

**ABBEY CARPET CO., INC.**

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-2**

**Illinois Amendment**

In recognition of the requirements of Illinois Franchise Disclosure Act (815 ILCS 705 §§ 1 - 44) and the Rules promulgated thereunder (4 Ill Admin Code §§ 200.100-901) the parties to the attached Membership Agreement (the "Agreement") agree to amend the Agreement as follows:

1. Notwithstanding anything in Section 16.1 of the Agreement or otherwise in the Agreement to the contrary, Illinois law governs the agreement(s) between the parties to this franchise.
2. Pursuant to the Illinois Franchise Disclosure Act (815 ILCS 705 § 4), any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, arbitration may take place outside of Illinois.
3. Notwithstanding anything in the Agreement to the contrary, pursuant to the Illinois Franchise Disclosure Act (815 ILCS 705 § 41), any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Sections 705/19 and 705/20 of the Illinois Franchise Act provide rights to Franchisees concerning nonrenewal and termination of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the Illinois Franchise Act, the Illinois Franchise Act will control.
5. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Illinois Amendment.
6. No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

***THE REMAINDER OF THE PAGE LEFT BLANK INTENTIONALLY***

**ABBAY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-2**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Illinois Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBAY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice

President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-3**

**Indiana Amendment**

In recognition of the requirements of the Indiana Franchise Acts, Ind. Code §§ 23-2-2.5 and 23-2-2.7, the parties to the attached Membership Agreement (the "Agreement") agree to amend the Agreement as follows:

1. Subsection (c) of Section 3.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

(c) As a member, you agree that we and our affiliates retain all rights not expressly granted to you under this Agreement (with respect to, among other things, Abbey Showrooms, the Abbey Marks (as defined in Subsection 4.1(a)), the sale of similar or dissimilar products and services, and any other activities we deem appropriate, whenever and wherever we desire), including, but not limited to, the right in our sole discretion:

1. to operate, and to grant others the right to operate, Abbey Showrooms located anywhere outside Your Territory;
2. to develop, use, and license the rights to any tradenames, trademarks, service marks, trade symbols, emblems, signs, slogans, insignia, or copyrights that we have not licensed to you under this Agreement;
3. to freely and unconditionally do business, or authorize others to do business, under the Abbey Marks, through alternative marketing plans or systems, alternative distribution methods or procedures, and different business formats, at any locations inside or outside Your Territory;
4. to establish, own and operate, or grant others the right to establish, own and operate, businesses offering dissimilar products and services, at any locations inside and outside Your Territory, under the Abbey Marks;
5. to establish, own and operate, or grant others the right to establish, own and operate, similar businesses or any other businesses offering similar or dissimilar products and services, through similar or dissimilar channels of distribution (including the Internet and similar electronic media), at any locations inside or outside Your Territory, under trademarks or service marks other than the Abbey Marks;
6. to acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Abbey Showrooms, and franchising, licensing or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating;
7. to be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction) by a business providing products and services similar to those provided at Abbey Showrooms, or by another business; and

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-3**

8. to engage in any other activities we and/or our affiliates desire within or outside of Your Territory that are not specifically prohibited under this Agreement.

Abbey Carpet Co., Inc. will not operate, or grant others the right to operate, a business substantially identical to yours within Your Territory under any other trade name. Otherwise, we are not required to pay you if we exercise any of the rights specified above inside Your Territory.

2. Section 7.11 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

You agree to indemnify and hold us harmless from and against, and reimburse us for any and all claims, demands, losses, damages, judgments, orders, decrees, actions, lawsuits, proceedings, costs, liabilities, and expenses (including, but not limited to, reasonable attorneys' fees and costs of suit) of whatever kind or character (collectively "Claims"), on account of any actual or alleged loss, injury, or damage to any person, firm, or corporation, or to any property, arising out of or in connection with the membership, your Showroom, any and all claims of your Showroom customers, or the exercise or purported exercise by you of your rights hereunder, except the foregoing does not apply to: (i) Claims caused by our negligence; or (ii) the negligence of our employees, agents, or independent contractors; (iii) any Claims for which we have indemnified you pursuant to Section 4; or (iv) Claims arising out of your proper reliance on or use of procedures or materials provided by us. This indemnification shall survive the termination of this Agreement.

3. The last sentence of Section 11.1(b) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the transfer), excluding only such claims as you may have based upon or arising from Indiana's Franchise Acts.

4. The last sentence of Section 13.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the expiration or termination of this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the expiration or termination), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the expiration or termination), excluding only such claims as you may have based upon or arising from Indiana's Franchise Acts.

5. Section 16.2 of the Agreement shall be supplemented by the following provision which shall be considered an integral part of the Agreement:

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-3**

This section shall not in any way abrogate or reduce any rights of franchisees as provided for under Indiana's Franchise Act (Indiana Code § 23-2-2.7-1(10)). A provision in a franchise agreement limiting litigation brought for breach of the franchise agreement in any manner whatsoever (e.g., restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state) is void with respect to a claim otherwise enforceable under this act.

6. Section 16.3 of the Agreement shall be deleted in its entirety and shall have no force or effect.
7. Each provision of this Indiana Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Indiana's Franchise Acts are met independently without reference to this Indiana Amendment.

***THE REMAINDER OF THE PAGE LEFT BLANK INTENTIONALLY***

**ABBAY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-3**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Indiana Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBAY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-4**

**Maryland Amendment**

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann. Bus. Reg. §§ 14-201 through 14-233, the parties to the attached Membership Agreement (the "Agreement") agree to amend the Agreement as follows:

1. The last sentence of Section 11.1(b) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the transfer), excluding only such claims as you may have based upon or arising from the Maryland Franchise Registration and Disclosure Law.

2. The last sentence of Section 13.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the expiration or termination of this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the expiration or termination), excluding only such claims as you may have based upon or arising from the Maryland Franchise Registration and Disclosure Law.

3. Section 16.2 of the Agreement shall be supplemented by the addition of the following sentence, which shall be considered an integral part of the Agreement:

We have filed an irrevocable consent to be sued in Maryland, and you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. Section 16.5 of the Agreement shall be supplemented by the addition of the following sentence, which shall be considered an integral part of the Agreement:

Franchisee's representations in this Section are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. Each provision of this Maryland Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to this Maryland Amendment.

**ABBAY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-4**

6. Any claims arising under Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Maryland Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBAY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-5**

**Michigan Amendment**

In recognition of the requirements of the Michigan Franchise Investment Law, Mich. Comp. Laws §§ 445.1501 through 445.1546, and of the Rules and Regulations promulgated thereunder by the Michigan Attorney General's Office, the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. The last sentence of Section 11.1(b) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the transfer), excluding only such claims as you may have based upon or arising from the Michigan Franchise Investment Law.

2. The last sentence of Section 13.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the expiration or termination of this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the expiration or termination), and against our subsidiaries or affiliates, (and their respective officers, directors, agents and employees as of the date of the expiration or termination), excluding only such claims as you may have based upon or arising from the Michigan Franchise Investment Law.

3. Each provision of this Michigan Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Michigan Franchise Investment Law or the Rules and Regulations promulgated thereunder by the Michigan Attorney General are met independently without references to this Michigan Amendment.

***THE REMAINDER OF THE PAGE LEFT BLANK INTENTIONALLY***

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-5**

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Michigan Amendment to the to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski  
\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary  
\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-6**

**Minnesota Amendment**

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 parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. The first sentence of Section 4.11 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

We shall protect and maintain all rights to the name and mark "Abbey Carpet & Floor" and all related names, marks, or logos against encroachment, misuse, or unauthorized use and against challenges to any rights of your use, to the extent required by Minnesota Statutes §80C.12, Subd. 1(g).

2. The first sentence of Section 4.12 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

We shall indemnify you against any claims for infringement arising out of your use of the Abbey Marks as authorized herein, to the extent required by Minnesota Statutes §80C.12, Subd. 1(g).

3. The second sentence of Section 9.3(e) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

In such an event, we may seek a temporary, preliminary and/or permanent injunction.

4. The last sentence of Section 11.1(b) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the transfer), excluding only such claims as you may have that have arisen under the Minnesota Franchise Act and/or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

5. The last sentence of Section 13.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the expiration or termination of this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the expiration or termination), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the expiration or termination),

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-6**

excluding only such claims as you may have that have arisen under the Minnesota Franchise Act and/or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

6. Section 13 of the Agreement shall be supplemented by the addition of the following new Section 13.4, which shall be considered an integral part of the Agreement:

13.4 Termination and Non-Renewal Rights Under Minnesota Law.

The parties acknowledge that Minnesota law provides franchisees with certain termination and non-renewal rights and that Minnesota Statutes §80C.14, Subds. 3, 4 and 5 require, 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 non-renewal of the Membership Agreement. To the extent that any provisions of Section 13 of the Membership Agreement are inconsistent therewith, the provisions and requirements of said Minnesota Law shall supersede Section 13.

7. Section 16.2 of the Agreement shall be supplemented by the following provision which shall be considered an integral part of the Agreement:

Minnesota Statutes §80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or membership agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided by the laws of the jurisdiction, or your rights to consent to liquidated damages, termination penalties or judgment notes, or waiving your rights to a jury trial.

8. Section 16.3 of the Agreement shall be deleted in its entirety.

9. Each provision of this Minnesota Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce are met independently without references to this Minnesota Amendment.

10. No statement, questionnaire, or acknowledgement 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 with the franchise.

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-6**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Minnesota Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-7**

**North Dakota Amendment**

In recognition of the requirements of the North Dakota Franchise Investment Law, N.D. Cent. Code, §§ 51-19-01 through 51-19-17, and the policies of the office of the State of North Dakota Securities Commission, the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. The last sentence of Section 11.1(b) of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon our approval of the transfer, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the transfer), and against our subsidiaries or affiliates (and their respective officers, directors, agents and employees as of the date of the transfer), excluding only such claims as you may have that have arisen under the North Dakota Franchise Investment Law.

2. The last sentence of Section 13.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Upon the expiration or termination of this Agreement, and without any further action by us or you, we shall be released and forever discharged of any and all claims you may have against us (and our respective officers, directors, agents and employees as of the date of the expiration or termination), and against our subsidiaries or affiliates, (and their respective officers, directors, agents and employees as of the date of the expiration or termination), excluding only such claims as you may have that have arisen under the North Dakota Franchise Investment Law.

3. Section 16.1 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

Except to the extent this Agreement or any particular dispute is governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C. §1051 *et seq.*), The Federal Arbitration Act (9 U.S.C. § 1 *et seq.*) or other federal law, this Agreement and the franchise shall be governed by the law of the State of North Dakota. References to any law or regulation also refer to any successor laws or regulations and any impending regulations for any statute, as in effect at the relevant time. References to a governmental agency also refer to any successor regulatory body that succeeds to the function of such agency.

4. Section 16.2 of the Agreement shall be deleted in its entirety and shall have no force or effect, and the following shall be substituted in lieu thereof:

With respect to any claims, controversies or disputes which are not finally resolved through arbitration, the parties hereby irrevocably submit themselves to the jurisdiction of the state and federal district courts of the state in which said arbitration was filed (and to the

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-7**

appropriate appellate courts within that state). The parties hereby waive all questions of personal jurisdiction for the purpose of carrying out this provision and hereby agree that service of process may be made upon any of them in any proceeding relating to or arising out of this Agreement by any means allowed by applicable state or federal law. The parties further agree that venue for any proceeding relating to or arising out of this Agreement shall be in the courts of appropriate jurisdiction in the state in which the underlying demand for arbitration was filed (and to the appropriate appellate courts within that state); provided, however, with respect to any action for injunctive or other extraordinary relief, any party may bring such action in any state or federal district court which has jurisdiction. The Commissioner has held that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Nothing in this Agreement can abrogate or reduce any of Franchisee's rights as provided for by the North Dakota Franchise Investment Law (N.D. Cent. Code, §§ 51-19-01 through 51-19-17), or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of North Dakota.

5. Section 16.3 of the Agreement shall be deleted in its entirety and shall have no force or effect.
6. Each provision of this North Dakota Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the North Dakota Franchise Investment Law are met independently, without references to this North Dakota Amendment.

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

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-7**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this North Dakota Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski  
\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary  
\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-8**

**Rhode Island Amendment**

In recognition of the requirements of the Rhode Island Franchise Investment Act, Rhode Island General Laws §§19-28.1-14, the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. Section 16.2 of the Agreement shall be supplemented by the following provision which shall be considered an integral part of the Agreement:

This section shall not in any way abrogate or reduce any rights of franchisees as provided for under the Rhode Island Franchise Investment Act (Rhode Island General Laws § 19-28.1-14). A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this act.

2. Each provision of this Rhode Island Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without references to this Rhode Island Amendment.

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Rhode Island Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-9**

**South Dakota Amendment**

In recognition of the requirements of the South Dakota Franchise Investment Law, S.D. Codified Laws §§ 37-5B-1 to 37-5B-53, the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. Section 13.2(c) of the Agreement shall be amended by the addition of the following language to the original language that appears therein:

Notwithstanding the foregoing, if the Showroom is located in South Dakota, we must give you thirty (30) days written notice of your defaults involving breach of the Membership Agreement, your failure to meet performance and quality standards, and/or your failure to pay any services fees or other amount due under the Membership Agreement. You have an opportunity to cure said defaults within thirty (30) days.

2. Section 13 of the Agreement shall be supplemented by the addition of the following new Section 13.4, which shall be considered an integral part of the Agreement:

13.4 Franchisor's Obligation to Comply with South Dakota Law.

Notwithstanding anything to the contrary herein, nothing in this Agreement shall be deemed to constitute a waiver of compliance with any provision of the South Dakota Franchise Investment Law.

3. Section 16.1(b) of the Agreement shall be supplemented by the addition of the following provision which shall be considered an integral part of the Agreement:

The law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but as to contractual and all other matters, this agreement and all provisions of this instrument will be and remain subject to the application, construction, enforcement and interpretation under the governing laws of the State of Florida.

4. Section 16.2 of the Agreement shall be supplemented by the addition of the following provision, which shall be considered an integral part of the Agreement:

Any provision in a franchise agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of South Dakota is void with respect to any cause of action which is otherwise enforceable in the State of South Dakota.

5. Section 16.3 of the Agreement shall be supplemented by the addition of the following provision, which shall be considered an integral part of the Agreement:

Any provision that provides that the parties waive their right to jury trial may not be enforceable under the laws of the State of South Dakota law.

**ABBAY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-9**

6. Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the South Dakota Franchise Investment Law are met independently, without references to this Amendment.

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this South Dakota Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBAY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice

President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-10**

**Washington Amendment**

In recognition of the requirements of the Washington Franchise Investment Protection Act, Wash. Rev. Code §§19.100.010 *et seq.*, the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Agreement or elsewhere are void and unenforceable in Washington.

8. 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

**ABBAY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-10**

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 LEFT BLANK INTENTIONALLY***

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-10**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Washington Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski

\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary

\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-11**

**Wisconsin Amendment**

In recognition of the requirements of the Wisconsin Fair Dealership Law, Wisconsin Statutes Chapter 135 (the "Wisconsin Fair Dealership Law"), the parties to the attached Membership Agreement (the "Agreement") agree as follows:

1. Section 2 of the Agreement shall be supplemented by the addition of the following new Section 2.4, which shall be considered an integral part of the Agreement:

2.4 Renewal Rights Under Wisconsin Law.

To the extent that the renewal provisions described in this Section 2 are inconsistent with the requirements of the Wisconsin Fair Dealership Law, said renewal provisions shall be superseded by the Wisconsin Fair Dealership Law's requirements and shall have no force or effect.

2. Section 13 of the Agreement shall be supplemented by the addition of the following new Section 13.4, which shall be considered an integral part of the Agreement:

13.4 Franchisor's Obligation to Comply With Wisconsin Law.

To the extent the repurchase provisions of this Agreement are inconsistent with the requirements of the Wisconsin Fair Dealership Law, said provisions of this Agreement shall be superseded by the Wisconsin Fair Dealership Law's requirements.

3. Section 13 of the Agreement shall be supplemented by the addition of the following new Section 13.5, which shall be considered an integral part of the Agreement:

13.5 Termination Rights Under Wisconsin Law.

To the extent that the termination provisions described in this Section 13 are inconsistent with the Wisconsin Fair Dealership Law, said termination provisions shall be superseded by the Wisconsin Fair Dealership Law's requirements and shall have no force or effect.

4. Each provision of this Wisconsin Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Wisconsin Fair Dealership Law are met independently, without references to this Wisconsin Amendment.

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

**ABBEY CARPET CO., INC.  
MEMBERSHIP AGREEMENT**

**Exhibit B-11**

**IN WITNESS WHEREOF**, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Wisconsin Amendment to the Agreement to be effective on the day and year executed by Abbey Carpet Co., Inc. below.

**FRANCHISOR:**

**MEMBER:**

ABBEY CARPET CO., INC.

\_\_\_\_\_  
(signature of authorized officer)

\_\_\_\_\_  
(name of member)

Ted Dlugokienski  
\_\_\_\_\_  
(name of authorized officer)

\_\_\_\_\_  
(signature)

Chief Financial Officer, Executive Vice  
President of Operations and Secretary  
\_\_\_\_\_  
(title of authorized officer)

\_\_\_\_\_  
(name of authorized signatory)

\_\_\_\_\_  
(effective date)

**EXHIBIT "C"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**PRINCIPAL OWNER'S STATEMENT**

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## PRINCIPAL OWNER'S STATEMENT MEMBERS

This form must be completed by the prospective member ("I," "me," or "my") if I have multiple owners or if I, or my franchised business, is owned by a business organization (like a corporation, partnership or limited liability company). Abbey Carpet Co., Inc. is relying on the truth and accuracy of this form in awarding the franchise to me.

1. **Form of Owner.** I am a (check one):

- |                               |                          |
|-------------------------------|--------------------------|
| (a) General Partnership       | <input type="checkbox"/> |
| (b) Corporation               | <input type="checkbox"/> |
| (c) Limited Partnership       | <input type="checkbox"/> |
| (d) Limited Liability Company | <input type="checkbox"/> |
| (e) Other                     | <input type="checkbox"/> |

Specify: \_\_\_\_\_

I was formed under the laws of \_\_\_\_\_.  
(state of formation or organization)

2. **Business Entity.** I was incorporated or formed on \_\_\_\_\_, \_\_\_\_\_, under the laws of the State of \_\_\_\_\_. I have not conducted business under any name other than the legal name of my business entity (corporation, limited liability company, partnership or other form of organization) and \_\_\_\_\_. The following is a list of all persons who have management rights and powers (e.g., officers, managers, partners, etc.) and their positions:

<u>Name of Person</u>	<u>Position(s) Held</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

3. **Owners.** The following list includes the full name and mailing address of each person who is one of my owners and fully describes the nature of each owner's interest (***Attach additional sheets if necessary***).

<u>Owners Name and Address</u>	<u>Description of Ownership Interest</u>
_____	_____
_____	_____
_____	_____

**PRINCIPAL OWNER'S STATEMENT  
MEMBERS**


4. **Governing Documents.** Attached are copies of the documents and contracts governing ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements).

**THIS STATEMENT** of Principal Owners is current and complete as of \_\_\_\_\_, \_\_\_\_\_.

**INDIVIDUAL OWNERS:**

(signature of owner)	(signature of owner)
(printed name of owner)	(printed name of owner)
(signature of owner)	(signature of owner)
(printed name of owner)	(printed name of owner)

**CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP:**

\_\_\_\_\_  
(printed name of business entity)

\_\_\_\_\_  
(signature of officer or managing partner)

\_\_\_\_\_  
(printed name and title of officer or managing partner)

**EXHIBIT "D"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**STATE SPECIFIC ADDENDA**

**TO**

**THE FRANCHISE DISCLOSURE DOCUMENT**

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## CALIFORNIA DISCLOSURE

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.

**In recognition of the requirements of the California Franchise Investment Law, California Corporations Code § 31000 *et seq.* the Abbey Carpet Co., Inc. Disclosure Document for the offer of Abbey Carpet & Floor Showroom franchises for use in California shall be amended as follows:**

1. Our website, [www.floorfranchise.com](http://www.floorfranchise.com), 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 Financial Protection and Innovation at [www.dfpi.ca.gov](http://www.dfpi.ca.gov).

2. The State Cover Page shall be amended by the addition of the following risk factor:

The Membership Agreement contains a provision that requires the member to waive his, her or its right to a jury trial.

Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. Note: maximum price agreements are not per se violations of the Sherman Act.

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the Commissioner.**

3. Item 3 shall be amended by the addition of the following:

No person or company identified in Items 1 or 2 of this 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 such association or exchange.

4. Item 17 shall be amended by the addition of the following:

California Business and Professions Code §§20000 through 20043 provides rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

ABBEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-1**

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under the federal bankruptcy law. (11 U.S.C.A. § 101 *et seq.*).

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The franchise agreement requires binding arbitration. The arbitration will occur in Lee County, Florida with the 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.

The franchise agreement requires application of the laws of Florida. This provision may not be enforceable under California law.

If you renew or transfer your franchise, you release us from any claims you may have. 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).

Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

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.

California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

## **CONNECTICUT DISCLOSURE**

### **DISCLOSURES REQUIRED BY CONNECTICUT LAW**

THE STATE OF CONNECTICUT DOES NOT APPROVE, RECOMMEND, ENDORSE OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT OR AGREEMENT.

IF THE SELLER FAILS TO DELIVER THE PRODUCTS, EQUIPMENT OR SUPPLIES OR FAILS TO RENDER THE SERVICES NECESSARY TO BEGIN SUBSTANTIAL OPERATION OF THE BUSINESS WITHIN FORTY-FIVE (45) DAYS OF THE DELIVERY DATE STATED IN YOUR CONTRACT, YOU MAY NOTIFY THE SELLER IN WRITING AND DEMAND THAT THE CONTRACT BE CANCELLED.

**SECTION 36B-63(B)(4) OF THE CONNECTICUT BUSINESS OPPORTUNITY INVESTMENT ACT REQUIRES THE FOLLOWING DISCLOSURE PROVISION WHICH SHALL SUPERSEDE THE CORRESPONDING DISCLOSURE PROVISION IN THE BODY OF THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE FEDERAL TRADE COMMISSION:**

#### **ITEM 3. LITIGATION.**

On September 23, 2019, Abbey voluntarily entered into an Assurance of Discontinuance with the State of Washington agreeing that it (i) will no longer include no-recruiting provisions in any of its future membership agreements, (ii) no longer enforce no-recruiting provisions in any of its existing membership agreements, (iii) will not seek to intervene or defend in any way the legality of any no-recruiting provision, and (iv) will endeavor to amend all existing membership agreements with members in the State of Washington to remove any no-recruiting provisions in those members' existing membership agreements.

No person or company identified in Items 1 or 2 of this Disclosure Document has any administrative, criminal or civil action pending against that person alleging: a felony; a violation of any franchise, business opportunity, antitrust or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; unfair or deceptive trade practices or comparable civil or misdemeanor allegations.

No person or company identified in Items 1 or 2 of this Disclosure Document has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the seven (7) year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, business opportunity, antifraud or securities law; fraud; embezzlement fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

ABBEEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-2**

Other than the above action, no person or company identified in Items 1 or 2 of this Disclosure Document is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under a federal, State or Canadian franchise, business opportunity, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or 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, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

## **HAWAII DISCLOSURE**

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE HAWAII FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THIS DISCLOSURE DOCUMENT TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

THE NAME AND ADDRESS OF THE FRANCHISOR'S REGISTERED AGENT IN THIS STATE IS: SECURITIES COMMISSIONER, THE STATE OF HAWAII, 335 MERCHANT STREET, ROOM 203, HONOLULU, HAWAII 96813.

**IN RECOGNITION OF THE REQUIREMENTS OF THE HAWAII FRANCHISE INVESTMENT LAW, HAWAII REV. STAT. §§ 482E-1 *ET SEQ.* THE ABBEEY CARPET CO., INC. DISCLOSURE DOCUMENT FOR THE OFFER OF *ABBEEY CARPET & FLOOR SHOWROOM* FRANCHISES FOR USE IN HAWAII SHALL BE AMENDED AS FOLLOWS:**

1. ITEM 20 SHALL BE AMENDED BY THE ADDITION OF THE FOLLOWING:

THE STATES IN WHICH THIS PROPOSED REGISTRATION IS OR WILL SHORTLY BE ON FILE OR EXEMPT IN, ARE: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON AND WISCONSIN. NO STATES HAVE REFUSED, BY ORDER OR OTHERWISE, TO REGISTER THESE FRANCHISES. NO STATES HAVE REVOKED OR SUSPENDED THE RIGHT TO OFFER THESE FRANCHISES (OTHER THAN UPON THE EXPIRATION OF THE REGISTRATION TERM). THE PROPOSED REGISTRATION OF THESE FRANCHISES HAS NOT BEEN INVOLUNTARILY WITHDRAWN IN ANY STATE.

2. EACH PROVISION OF THIS ADDENDUM TO THE DISCLOSURE DOCUMENT SHALL BE EFFECTIVE ONLY TO THE EXTENT, WITH RESPECT TO SUCH PROVISION, THAT THE JURISDICTIONAL REQUIREMENTS OF THE HAWAII FRANCHISE INVESTMENT LAW ARE

ABBAY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-3**

MET INDEPENDENTLY WITHOUT REFERENCE TO THIS ADDENDUM TO THE DISCLOSURE DOCUMENT.

## ILLINOIS DISCLOSURE

THE ILLINOIS FRANCHISE DISCLOSURE ACT OF 1987 MAKES IT UNLAWFUL FOR ANY PERSON TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE AT LEAST 14 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 14 DAYS PRIOR TO THE RECEIPT BY SUCH PERSON OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST, A COPY OF A DISCLOSURE STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

With respect to franchises governed by Illinois law, the franchisor will comply with Illinois Franchise Disclosure Act (815 ILCS 705 § 20) which states that a franchisor may not refuse to renew a franchise without compensating the franchisee by repurchase or by other means for the diminution in the value of the franchised business caused by the expiration of the franchise where (a) the franchisee is barred by the franchise agreement (or by the refusal of franchisor at least 6 months prior to the expiration date of the franchise to waive any portion of the franchise agreement which prohibits franchisee) from continuing to conduct substantially the same business under another trademark service mark, trade name or commercial symbol in the same area subsequent to the expiration of the franchise; or (b) franchisee has not been sent notice of the franchisor's intent not to renew the franchise at least 6 months prior to the expiration date or any extension thereof of the franchise.

### **ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.**

#### **(a) Item 17 Cross Reference and Summary Table.**

THE FOLLOWING TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT PERTAINING TO CHOICE OF FORUM AND CHOICE OF LAW WHICH MAY BE SUPERSEDED BY PROVISIONS OF ILLINOIS' FRANCHISE DISCLOSURE ACT:

	<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
v.	Choice of forum	Section 16.2	Florida, unless otherwise required by state laws of the State of Illinois.
w.	Choice of law	Section 16.1	Florida unless otherwise required by the laws of the State of Illinois.

Illinois law governs the Membership Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a membership agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a membership agreement may provide for arbitration to take place outside of Illinois.

ABBEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-4**

Your rights upon termination and non-renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire or acknowledgement 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 behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## INDIANA DISCLOSURE

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF THE STATE OF INDIANA.

THE FRANCHISE ACTS OF THE STATE OF INDIANA TITLE 23, ARTICLE 2, CHAPTERS 2.5 AND 2.7 MAY SUPERSEDE YOUR RELATIONSHIP WITH THE FRANCHISOR UNDER THE TERMS OF THE FRANCHISE AGREEMENT. THE FOLLOWING ADDITIONAL DISCLOSURE PROVISIONS ARE REQUIRED UNDER INDIANA LAW AND SUPERSEDE THE CORRESPONDING DISCLOSURE PROVISIONS IN THE BODY OF THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE FEDERAL TRADE COMMISSION.

### ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.

#### (a) Item 17 Cross Reference and Summary Table.

THE FOLLOWING TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT PERTAINING TO FRANCHISE TRANSFERS, CHOICE OF FORUM AND CHOICE OF LAW WHICH MAY BE SUPERSEDED BY PROVISIONS OF INDIANA'S FRANCHISE ACTS, IND. CODE §§ 23-2-2.5 AND 23-2-2.7

Provision	Section in Membership Agreement	Summary
m. Conditions for our approval of transfer	Section 11.1	Includes payment of monies owed and fee, no breach, release of liability, transferee suitability, execution of new agreement. Any release must exclude liabilities arising under Indiana Code § 23-2-2.7-1(5)
v. Choice of forum	Section 16.2	Florida, unless otherwise required by state law. Choice of an exclusive forum other than Indiana is prohibited pursuant to Indiana Code § 23-2-2.7-1(10).
w. Choice of law	Section 16.1	Florida unless otherwise required by the laws of the State of Indiana. This choice of law is subject to the superseding provisions of Indiana's Franchise Acts, Indiana Code §§ 23-2-2.5 and 23-2-2.7.

## MARYLAND DISCLOSURE

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law, Md. Code Ann. Bus. Reg. §§ 14-201 to 14-233, the Abbey Carpet Co., Inc. Franchise Disclosure Document for the offer of *Abbey Carpet & Floor* Showroom franchises for use in Maryland shall be amended to include the following:

### ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.

#### (a) Item 17 Cross Reference and Summary Table.

THE FOLLOWING TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT PERTAINING TO ASSIGNMENT AND CHOICE OF LAW WHICH MAY BE SUPERSEDED BY THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

Provision	Section in Membership Agreement	Summary
m. Conditions for our approval of transfer	Section 11.1	Includes payment of monies owed and fee, no breach, release of liabilities, transferee suitability, execution of new agreement. The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
w. Choice of law	Section 16.1	Florida, unless otherwise required by the laws of the State of Maryland. Abbey Carpet Co., Inc., has filed an irrevocable consent to be sued in Maryland and you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

The provision in the Membership Agreement that provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et. seq.)

Any claims arising under Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

ABBEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-6**

IF YOU DEFAULT UNDER THE MEMBERSHIP AGREEMENT FOR ONE OF YOUR ABBEY SHOWROOMS, FRANCHISOR HAS THE RIGHT TO TERMINATE YOUR RIGHTS TO OPERATE ALL OF YOUR ABBEY SHOWROOMS.

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.

## **MICHIGAN DISCLOSURE**

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU:

(A) A PROHIBITION ON THE RIGHT OF A FRANCHISEE TO JOIN AN ASSOCIATION OF FRANCHISEES.

(B) A REQUIREMENT THAT A FRANCHISEE ASSENT TO A RELEASE, ASSIGNMENT, NOVATION, WAIVER, OR ESTOPPEL WHICH DEPRIVES A FRANCHISEE OF RIGHTS AND PROTECTIONS PROVIDED IN THIS ACT. THIS SHALL NOT PRECLUDE A FRANCHISEE, AFTER ENTERING INTO A FRANCHISE AGREEMENT, FROM SETTLING ANY AND ALL CLAIMS.

(C) A PROVISION THAT PERMITS A FRANCHISOR TO TERMINATE A FRANCHISE PRIOR TO THE EXPIRATION OF ITS TERM EXCEPT FOR GOOD CAUSE. GOOD CAUSE SHALL INCLUDE THE FAILURE OF THE FRANCHISEE TO COMPLY WITH ANY LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND TO CURE SUCH FAILURE AFTER BEING GIVEN WRITTEN NOTICE THEREOF AND A REASONABLE OPPORTUNITY, WHICH IN NO EVENT NEED BE MORE THAN 30 DAYS, TO CURE SUCH FAILURE.

(D) A PROVISION THAT PERMITS A FRANCHISOR TO REFUSE TO RENEW A FRANCHISE WITHOUT FAIRLY COMPENSATING THE FRANCHISEE BY REPURCHASE OR OTHER MEANS FOR THE FAIR MARKET VALUE, AT THE TIME OF EXPIRATION, OF THE FRANCHISEE'S INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES AND FURNISHINGS. PERSONALIZED MATERIALS WHICH HAVE NO VALUE TO THE FRANCHISOR AND INVENTORY, SUPPLIES, EQUIPMENT, FIXTURES AND FURNISHINGS NOT REASONABLY REQUIRED IN THE CONDUCT OF THE FRANCHISED BUSINESS ARE NOT SUBJECT TO COMPENSATION. THIS SUBSECTION APPLIES ONLY IF: (i) THE TERM OF THE FRANCHISE IS LESS THAN 5 YEARS; AND (ii) THE FRANCHISEE IS PROHIBITED BY THE FRANCHISE OR OTHER AGREEMENT FROM CONTINUING TO CONDUCT SUBSTANTIALLY THE SAME BUSINESS UNDER ANOTHER TRADEMARK, SERVICE MARK, TRADE NAME, LOGOTYPE, ADVERTISING OR OTHER COMMERCIAL SYMBOL IN THE SAME AREA SUBSEQUENT TO THE EXPIRATION OF THE FRANCHISE OR THE FRANCHISEE DOES NOT RECEIVE AT LEAST 6 MONTHS ADVANCE NOTICE OF FRANCHISOR'S INTENT NOT TO RENEW THE FRANCHISE.

(E) A PROVISION THAT PERMITS THE FRANCHISOR TO REFUSE TO RENEW A FRANCHISE ON TERMS GENERALLY AVAILABLE TO OTHER FRANCHISEES OF THE SAME CLASS OR TYPE UNDER SIMILAR CIRCUMSTANCES. THIS SECTION DOES NOT REQUIRE A RENEWAL PROVISION.

(F) A PROVISION REQUIRING THAT ARBITRATION OR LITIGATION BE CONDUCTED OUTSIDE THIS STATE. THIS SHALL NOT PRECLUDE THE FRANCHISEE FROM ENTERING

ABBEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-7**

INTO AN AGREEMENT, AT THE TIME OF ARBITRATION, TO CONDUCT ARBITRATION AT A LOCATION OUTSIDE THIS STATE.

(G) A PROVISION WHICH PERMITS A FRANCHISOR TO REFUSE TO PERMIT A TRANSFER OF OWNERSHIP OF A FRANCHISE, EXCEPT FOR GOOD CAUSE. THIS SUBDIVISION DOES NOT PREVENT A FRANCHISOR FROM EXERCISING A RIGHT OF FIRST REFUSAL TO PURCHASE THE FRANCHISE. GOOD CAUSE SHALL INCLUDE, BUT IS NOT LIMITED TO:

(i) THE FAILURE OF THE PROPOSED TRANSFEREE TO MEET THE FRANCHISOR'S THEN CURRENT REASONABLE QUALIFICATIONS OR STANDARDS.

(ii) THE FACT THAT THE PROPOSED TRANSFEREE IS A COMPETITOR OF THE FRANCHISOR OR SUBFRANCHISOR.

(iii) THE UNWILLINGNESS OF THE PROPOSED TRANSFEREE TO AGREE IN WRITING TO COMPLY WITH ALL LAWFUL OBLIGATIONS.

(iv) THE FAILURE OF THE FRANCHISEE OR PROPOSED TRANSFEREE TO PAY ANY SUMS OWING TO THE FRANCHISOR OR TO CURE ANY DEFAULT IN THE FRANCHISE AGREEMENT EXISTING AT THE TIME OF THE PROPOSED TRANSFER.

(H) A PROVISION THAT REQUIRES THE FRANCHISEE TO RESELL TO THE FRANCHISOR ITEMS THAT ARE NOT UNIQUELY IDENTIFIED WITH THE FRANCHISOR. THIS SUBDIVISION DOES NOT PROHIBIT A PROVISION THAT GRANTS TO A FRANCHISOR A RIGHT OF FIRST REFUSAL TO PURCHASE THE ASSETS OF A FRANCHISE ON THE SAME TERMS AND CONDITIONS AS A BONA FIDE THIRD PARTY WILLING AND ABLE TO PURCHASE THOSE ASSETS, NOR DOES THIS SUBDIVISION PROHIBIT A PROVISION THAT GRANTS THE FRANCHISOR THE RIGHT TO ACQUIRE THE ASSETS OF A FRANCHISE FOR THE MARKET OR APPRAISED VALUE OF SUCH ASSETS IF THE FRANCHISEE HAS BREACHED THE LAWFUL PROVISIONS OF THE FRANCHISE AGREEMENT AND HAS FAILED TO CURE THE BREACH IN THE MANNER PROVIDED IN SUBDIVISION (C).

(I) A PROVISION WHICH PERMITS THE FRANCHISOR TO DIRECTLY OR INDIRECTLY CONVEY, ASSIGN, OR OTHERWISE TRANSFER ITS OBLIGATIONS TO FULFILL CONTRACTUAL OBLIGATIONS TO THE FRANCHISEE UNLESS PROVISION HAS BEEN MADE FOR PROVIDING THE REQUIRED CONTRACTUAL SERVICES.

\* \* \* \*

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

\* \* \* \*

ABBAY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-7**

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO:

DEPARTMENT OF THE ATTORNEY GENERAL'S OFFICE

ABBEEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-7**

CONSUMER PROTECTION DIVISION  
525 WEST OTTAWA STREET  
G. MENNEN WILLIAMS BUILDING, 1<sup>st</sup> FLOOR  
LANSING, MICHIGAN 48913  
TELEPHONE NUMBER: 517-335-7567

## **MINNESOTA DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, WHICHEVER OCCURS FIRST.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580, AND THE OFFICE OF THE COMMISSIONER OF COMMERCE OF MINNESOTA, DEPARTMENT OF COMMERCE, 85 7<sup>TH</sup> PLACE EAST, SUITE 280, ST. PAUL, MINNESOTA 55101.

**ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF THE STATE OF MINNESOTA OR A FINDING BY THE COMMISSIONER OF COMMERCE OF THE STATE OF MINNESOTA THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.**

WITH RESPECT TO FRANCHISES GOVERNED BY MINNESOTA LAW, THE FRANCHISOR WILL COMPLY WITH MINNESOTA STATUTES §80C.14, SUBDS. 3, 4, AND 5 WHICH REQUIRE, EXCEPT IN CERTAIN SPECIFIED CASES, THAT A FRANCHISEE BE GIVEN 90 DAYS NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS NOTICE FOR A NON-RENEWAL OF THE FRANCHISE AGREEMENT.

MINNESOTA STATUTES §80C.21 AND MINNESOTA RULE 2860.4400J PROHIBIT US FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. IN ADDITION, NOTHING IN THE DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS

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**Exhibit D-8**

OF THE JURISDICTION, OR CONSENTING TO LIQUIDATED DAMAGES, TERMINATION PENALTIES OR JUDGMENT NOTES OR WAIVING YOUR RIGHTS TO A JURY TRIAL.

ITEM 13 SHALL BE AMENDED BY THE ADDITION OF THE FOLLOWING:

With respect to franchises governed by Minnesota law, we will comply with Minnesota Statutes §80C.12, Subd. 1(g) which requires us to indemnify you from any loss, costs or expenses arising out of claims, suits or demands regarding your use of the Marks.

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

**(a) Item 17 Cross Reference and Summary Table.**

THE FOLLOWING TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT PERTAINING TO FRANCHISE TERMINATIONS, TRANSFERS, CHOICE OF FORUM AND CHOICE OF LAW WHICH MAY BE SUPERSEDED BY PROVISIONS OF THE MINNESOTA FRANCHISE ACT, MINNESOTA STATUTES §80C, SUBDS. 3, 4, AND 5, MINNESOTA STATUTES §80C.21 AND MINNESOTA RULE 2860.4400J.

	<b>Provision</b>	<b>Section in Membership Agreement</b>	<b>Summary</b>
b.	Renewal or extension of the term	Section 2.1; Section 2.2	<p>Renewal terms of 5 years each, subject to contractual requirements.</p> <p>Under Minnesota law, if we determine not to renew your Abbey membership, (i) we must provide you with written notice of our intention not to renew at least 180 days in advance of the expiration of your Abbey membership, and (ii) you must be given an opportunity to operate your Showroom over a sufficient period of time to enable you to recover the fair market value of the Showroom as a going concern, as determined and measured from the date of the failure to renew.</p> <p>We may not refuse to renew your Abbey membership for the purpose of converting your Showroom to an operation that we will own for our own account.</p>
f.	Termination by	Section 13.2	Failure to comply with Membership Agreement

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franchisor  
with cause

Except where termination is due to (i) your voluntary abandonment, (ii) your conviction of an offense directly related to your business, or (iii) your failure to cure a default under the Membership Agreement that materially impairs the goodwill associated with the Marks (after you have received written notice to cure of at least 24 hours in advance thereof), in each of which instances notice of termination shall be effective immediately upon receipt, we may not terminate your Abbey membership unless we (A) give you written notice, setting forth all the reasons for the termination at least 90 days in advance of termination, and (B) you fail to correct the reasons stated for termination in the notice within 60 days of receipt of the notice.

m.    Conditions    Section 11.1  
      for  
      franchisor  
      approval of  
      transfer

Includes payment of monies owed and fee; no breach; release of liability; transferee suitability; and execution of new agreement.

Any release required as a condition of transfer shall not apply to any claims you may have under the Minnesota Franchise Act and/or the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce.

v.     Choice of        Section 16.2  
      forum

Florida unless otherwise required by another state law. Choice of an exclusive forum other than Minnesota is prohibited pursuant to Minnesota Statutes § 80C.21 and Minnesota Rule 2860.4400J.

w.     Choice of        Section 16.1  
      law

Florida unless otherwise required by another state law. This choice of law is subject to the superseding provisions of Minnesota Statutes § 80C.21 and Minnesota Rule 2860.4400J.

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No statement, questionnaire, or acknowledgement 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 with the franchise.

## NEW YORK DISCLOSURE

~~UNDER NEW YORK LAW, WE MUST PROVIDE THIS DISCLOSURE DOCUMENT TO YOU AT THE EARLIER OF (A) THE FIRST PERSONAL MEETING BETWEEN THE FRANCHISOR OR ITS AGENT AND THE PROSPECTIVE FRANCHISEE, (B) AT LEAST TEN (10) BUSINESS DAYS PRIOR TO THE EXECUTION OF A BINDING FRANCHISE OR OTHER AGREEMENT, OR (C) AT LEAST TEN (10) DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION IN CONNECTION WITH THE SALE OR PROPOSED SALE OF A FRANCHISE.~~

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT ~~"F"~~ OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ~~THAT~~ ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY.

THE FRANCHISOR MAY, IF IT CHOOSES ~~TO DO SO~~, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR ~~CANNOT~~ CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS ~~WHICH~~ THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

~~THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK, ARTICLE 33, SECTIONS 680 THROUGH 695, AND THE CODES, RULES AND REGULATIONS OF THE STATE OF NEW YORK, TITLE 13, CHAPTER VII, SECTIONS 200.1 THROUGH 200.13 AND 201.1 THROUGH 201.16 MAY SUPERSEDE THE FRANCHISE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR. THE FOLLOWING ADDITIONAL DISCLOSURE PROVISIONS ARE REQUIRED UNDER NEW YORK LAW AND SUPERSEDE THE CORRESPONDING DISCLOSURE PROVISIONS IN THE BODY OF THE FRANCHISE DISCLOSURE DOCUMENT REQUIRED BY THE FEDERAL TRADE COMMISSION.~~

~~WE REPRESENT THAT THIS FRANCHISE DISCLOSURE DOCUMENT DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE STATEMENT OF MATERIAL FACT.~~

2. ITEM 3. LITIGATION.

On September 23, 2019, Abbey voluntarily entered into an Assurance of Discontinuance with the State of Washington agreeing that it (i) will no longer include no-recruiting provisions in any of its future membership agreements, (ii) no longer enforce no-recruiting provisions in any of its existing membership agreements, (iii) will not seek to intervene or defend in any way the

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**Exhibit D-9**

legality of any no-recruiting provision, and (iv) will endeavor to amend all existing membership agreements with members in the State of Washington to remove any no-recruiting provisions in those members' existing membership agreements.

3. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

- A. No ~~person or company identified in Items 1 or 2 of this Disclosure Document has any~~such party has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of ~~any~~a franchise, antitrust, or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations.
- B. No such ~~person or company identified in Items 1 or 2 of this Disclosure Document has any~~party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.
- C. No ~~person or company identified in Items 1 or 2 of this Disclosure Document~~such party has been convicted of a felony or pleaded *nolo contendere* to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded *nolo contendere* to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.
- D. ~~Other than the above action, no person or company identified in Items 1 or 2 of this Disclosure Document~~No such party is subject to ~~any~~a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

**ITEM 4. BANKRUPTCY.**

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~~No person or company previously identified in Items 1 or 2 of the Disclosure Document nor any of their current or former officers, directors or principals has, during the ten (10) year period immediately preceding the date of this Disclosure Document, been adjudged bankrupt or reorganized due to insolvency, nor was any person identified in Item 2 of the Disclosure Document a director or principal officer of any company or a general partner in any partnership that was adjudged bankrupt or reorganized due to insolvency either during or within one (1) year after the period that such person was an officer, director or partner of such company or partnership, nor have any such bankruptcy or reorganization proceedings been commenced under the U.S. Bankruptcy Code.~~

4. ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.

(a) Item 17 Cross Reference and Summary Table.

THE FOLLOWING TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE FRANCHISE AGREEMENT PERTAINING TO TERMINATION, ASSIGNMENT AND CHOICE OF LAW WHICH MAY BE SUPERSEDED BY THE GENERAL BUSINESS LAW OF THE STATE OF NEW YORK.

Provision	Section in Membership Agreement	Summary
c. Requirements for franchisee to renew or extend	Section 2.2	<p>Notice, compliance with Membership Agreement, sign new Membership Agreement, and pay renewal fee</p> <p>If you seek to renew your franchise at the expiration of the initial term or any renewal term, you may be asked to sign a new membership agreement that contains terms and conditions materially different from those in your previous membership agreement, such as different fee requirements and territorial rights.</p> <p>However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.</p>

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Provision	Section in Membership Agreement	Summary
d. Termination by you	Section 13.1	Notice, compliance with Membership Agreement, release of liability. You may terminate the Membership Agreement on any grounds available by law.
m. Conditions for franchisor approval of transfer	Section 11.1	<p>Includes payment of monies owed and fee; no breach; release of liability; transferee suitability; and execution of new agreement.</p> <p>However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.</p>
v. Choice of forum	Section 16.2	Florida, unless otherwise required by the laws of the State of New York. The foregoing choice of forum should not be considered a waiver of any right conferred upon you or us by Article 33 of the General Business Law of the State of New York.
w. Choice of law	Section 16.1	Florida, unless otherwise required by the laws of the State of New York. The foregoing Choice of Law should not be considered a waiver of any right conferred upon you or us by Article 33 of the General Business Law of the State of New York.

**~~ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS.~~**

~~REPRESENTATIONS REGARDING EARNINGS CAPABILITY~~

5. [Franchise Questionnaires and Acknowledgements:](#)

ABBEY CARPET CO., INC.  
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**Exhibit D-9**

~~THE FRANCHISOR DOES NOT FURNISH OR AUTHORIZE ITS SALESPERSONS TO FURNISH ANY ORAL OR WRITTEN INFORMATION CONCERNING THE ACTUAL OR POTENTIAL SALES, COSTS, INCOME OR PROFITS OF AN ABBEY FRANCHISE. ACTUAL RESULTS VARY FROM UNIT TO UNIT AND WE CANNOT ESTIMATE THE EARNINGS OF ANY PARTICULAR FRANCHISE.~~

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.

6. Receipts:

Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

## **NORTH DAKOTA DISCLOSURE**

THIS ADDENDUM AND THE DISCLOSURE DOCUMENT ARE PROVIDED FOR YOUR OWN PROTECTION AND CONTAIN A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS ADDENDUM, THE DISCLOSURE DOCUMENT, AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE RECEIPT OF ANY CONSIDERATION, WHICHEVER OCCURS FIRST.

IF THIS ADDENDUM AND THE DISCLOSURE DOCUMENT ARE NOT DELIVERED ON TIME, OR IF THEY CONTAIN A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, D.C. 20580 AND THE SECURITIES COMMISSIONER, 600 EAST BOULEVARD, FIFTH FLOOR, BISMARCK, NORTH DAKOTA 58505.

**ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE NORTH DAKOTA FRANCHISE INVESTMENT LAW, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE SECURITIES COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.**

THE NAME AND ADDRESS OF THE FRANCHISOR'S AGENT IN THIS STATE AUTHORIZED TO RECEIVE SERVICE OF PROCESS IS: THE SECURITIES COMMISSIONER, 600 EAST BOULEVARD, FIFTH FLOOR, BISMARCK, NORTH DAKOTA 58505.

## **OREGON DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST SEVEN (7) CALENDAR DAYS PRIOR TO THE SIGNING OF THE FRANCHISE AGREEMENT. DELIVERY OF THIS DISCLOSURE DOCUMENT AND PROPOSED AGREEMENTS IS ACCOMPLISHED ONLY WHEN THE PROSPECTIVE FRANCHISEE OR ITS AUTHORIZED REPRESENTATIVE ACTUALLY RECEIVES THESE DOCUMENTS.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND THE OREGON DEPARTMENT OF CONSUMER & BUSINESS SERVICES, DIVISION OF FINANCE AND CORPORATE SECURITIES, 350 WINTER STREET NE, ROOM 410, SALEM, OREGON 97301-3881.

## **RHODE ISLAND DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT THE EARLIER OF: (1) THE PROSPECTIVE FRANCHISEE'S FIRST PERSONAL BUSINESS MEETING WITH THE FRANCHISOR WHICH IS HELD FOR THE PURPOSE OF DISCUSSING THE SALE OR POSSIBLE SALE OF A FRANCHISE; OR (2) TEN (10) BUSINESS DAYS PRIOR TO THE EXECUTION OF AN AGREEMENT OR PAYMENT OF ANY CONSIDERATION RELATING TO THE FRANCHISE RELATIONSHIP.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND TO THE STATE OF RHODE ISLAND, DEPARTMENT OF BUSINESS REGULATION, SECURITIES DIVISION, 1511 PONTIAC AVENUE, BUILDING 69-1, CRANSTON, RHODE ISLAND 02920.

ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE RHODE ISLAND FRANCHISE AND DISTRIBUTORSHIP INVESTMENT REGULATIONS ACT, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION OR A FINDING BY THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

EVEN THOUGH THE FRANCHISE AGREEMENT PROVIDES THAT "HOME STATE" LAW APPLIES, LOCAL LAW MAY SUPERSEDE IT IN YOUR STATE. PLEASE REFER TO THE STATE-SPECIFIC AMENDMENTS THAT ARE ATTACHED TO THE DISCLOSURE DOCUMENT AS EXHIBIT "B" FOR DETAILS.

## **SOUTH DAKOTA DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST SEVEN (7) CALENDAR DAYS PRIOR TO THE SIGNING OF THE FRANCHISE AGREEMENT.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND THE DIVISION OF INSURANCE, SECURITIES REGULATION, 124 S. EUCLID, SUITE 104, PIERRE, SOUTH DAKOTA 57501.

ALTHOUGH THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE SOUTH DAKOTA FRANCHISE LAW, REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF THE DIVISION OF SECURITIES OF THE STATE OF SOUTH DAKOTA THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

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*Franchise Disclosure Document*

**Exhibit D-14**

**VIRGINIA DISCLOSURE**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Abbey Carpet Co., Inc. for use in the Commonwealth of Virginia shall be amended as follows:

Additional disclosure. The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause or to use undue influence to induce a franchisee to surrender any right given to him by any provision contained in the franchise agreement. If any ground 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 enforceable.

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.

## **WASHINGTON DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND THE DEPARTMENT OF FINANCIAL INSTITUTIONS, SECURITIES DIVISION, 150 ISRAEL ROAD SW, TUMWATER, WASHINGTON 98501.

ON SEPTEMBER 23, 2019, ABBEY VOLUNTARILY ENTERED INTO AN ASSURANCE OF DISCONTINUANCE WITH THE STATE OF WASHINGTON AGREEING THAT IT (I) WILL NO LONGER INCLUDE NO-RECRUITING PROVISIONS IN ANY OF ITS FUTURE MEMBERSHIP AGREEMENTS, (II) NO LONGER ENFORCE NO-RECRUITING PROVISIONS IN ANY OF ITS EXISTING MEMBERSHIP AGREEMENTS, (III) WILL NOT SEEK TO INTERVENE OR DEFEND IN ANY WAY THE LEGALITY OF ANY NO-RECRUITING PROVISION, AND (IV) WILL ENDEAVOR TO AMEND ALL EXISTING MEMBERSHIP AGREEMENTS WITH MEMBERS IN THE STATE OF WASHINGTON TO REMOVE ANY NO-RECRUITING PROVISIONS IN THOSE MEMBERS' EXISTING MEMBERSHIP AGREEMENTS.

IN THE EVENT OF A CONFLICT OF LAWS, THE PROVISIONS OF THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, CHAPTER 19.100 RCW WILL PREVAIL.

RCW 19.100.180 MAY SUPERSEDE THE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE. THERE MAY ALSO BE COURT DECISIONS WHICH MAY SUPERSEDE THE AGREEMENT IN YOUR RELATIONSHIP WITH THE FRANCHISOR INCLUDING THE AREAS OF TERMINATION AND RENEWAL OF YOUR FRANCHISE.

IN ANY ARBITRATION OR MEDIATION INVOLVING A FRANCHISE PURCHASED IN WASHINGTON, THE ARBITRATION OR MEDIATION SITE WILL BE EITHER IN THE STATE OF WASHINGTON, OR IN A PLACE MUTUALLY AGREED UPON AT THE TIME OF THE ARBITRATION OR MEDIATION, OR AS DETERMINED BY THE ARBITRATOR OR MEDIATOR AT THE TIME OF ARBITRATION OR MEDIATION. IN ADDITION, IF LITIGATION IS NOT PRECLUDED BY THE AGREEMENT, A FRANCHISEE MAY BRING AN ACTION OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THE SALE OF FRANCHISES, OR A VIOLATION OF THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, IN WASHINGTON.

ABBHEY CARPET CO., INC.  
*Franchise Disclosure Document*

**Exhibit D-15**

A RELEASE OR WAIVER OF RIGHTS EXECUTED BY A FRANCHISEE MAY NOT INCLUDE RIGHTS UNDER THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT OR ANY RULE OR ORDER THEREUNDER EXCEPT WHEN EXECUTED PURSUANT TO A NEGOTIATED SETTLEMENT AFTER THE AGREEMENT IS IN EFFECT AND WHERE THE PARTIES ARE REPRESENTED BY INDEPENDENT COUNSEL. PROVISIONS SUCH AS THOSE WHICH UNREASONABLY RESTRICT OR LIMIT THE STATUTE OF LIMITATIONS PERIOD FOR CLAIMS UNDER THE ACT, OR RIGHTS OR REMEDIES UNDER THE ACT SUCH AS A RIGHT TO A JURY TRIAL, MAY NOT BE ENFORCEABLE.

TRANSFER FEES ARE COLLECTABLE TO THE EXTENT THAT THEY REFLECT THE FRANCHISOR'S REASONABLE ESTIMATED OR ACTUAL COSTS IN EFFECTING A TRANSFER.

PURSUANT TO RCW 49.62.020, A NONCOMPETITION COVENANT IS VOID AND UNENFORCEABLE AGAINST AN EMPLOYEE, INCLUDING AN EMPLOYEE OF A FRANCHISEE, UNLESS THE EMPLOYEE'S EARNINGS FROM THE PARTY SEEKING ENFORCEMENT, WHEN ANNUALIZED, EXCEED \$100,000 PER YEAR (AN AMOUNT THAT WILL BE ADJUSTED ANNUALLY FOR INFLATION). IN ADDITION, A NONCOMPETITION COVENANT IS VOID AND UNENFORCEABLE AGAINST AN INDEPENDENT CONTRACTOR OF A FRANCHISEE UNDER RCW 49.62.030 UNLESS THE INDEPENDENT CONTRACTOR'S EARNINGS FROM THE PARTY SEEKING ENFORCEMENT, WHEN ANNUALIZED, EXCEED \$250,000 PER YEAR (AN AMOUNT THAT WILL BE ADJUSTED ANNUALLY FOR INFLATION). AS A RESULT, ANY PROVISIONS CONTAINED IN THE AGREEMENT OR ELSEWHERE THAT CONFLICT WITH THESE LIMITATIONS ARE VOID AND UNENFORCEABLE IN WASHINGTON.

RCW 49.62.060 PROHIBITS A FRANCHISOR FROM RESTRICTING, RESTRAINING, OR PROHIBITING A FRANCHISEE FROM (I) SOLICITING OR HIRING ANY EMPLOYEE OF A FRANCHISEE OF THE SAME FRANCHISOR OR (II) SOLICITING OR HIRING ANY EMPLOYEE OF THE FRANCHISOR. AS A RESULT, ANY SUCH PROVISIONS CONTAINED IN THE AGREEMENT OR ELSEWHERE ARE VOID AND UNENFORCEABLE IN WASHINGTON.

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.

## **WISCONSIN DISCLOSURE**

THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS OR AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL FOR YOU TO SIGN A BINDING AGREEMENT WITH, OR MAKE A PAYMENT TO, THE FRANCHISOR OR THE FRANCHISOR'S AFFILIATES IN CONNECTION WITH THE PROPOSED FRANCHISE SALE IF THE FRANCHISOR HAS NOT PROVIDED YOU WITH THIS DISCLOSURE DOCUMENT AT LEAST FOURTEEN (14) CALENDAR DAYS BEFOREHAND. THE PROSPECTIVE FRANCHISEE MUST ALSO RECEIVE A FRANCHISE AGREEMENT CONTAINING ALL MATERIAL TERMS AT LEAST SEVEN (7) CALENDAR DAYS PRIOR TO THE SIGNING OF THE FRANCHISE AGREEMENT.

REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF SECURITIES OF THE STATE OF WISCONSIN.

IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON D.C. 20580 AND THE WISCONSIN DEPARTMENT OF FINANCIAL INSTITUTIONS, DIVISION OF SECURITIES, FRANCHISE REGISTRATION, 201 WEST WASHINGTON AVENUE, 5TH FLOOR, MADISON, WISCONSIN 53703.

IN RECOGNITION OF THE REQUIREMENTS OF THE WISCONSIN FRANCHISE INVESTMENT LAW, WISCONSIN STATUTES §§ 553.01 TO 553.78, AND THE WISCONSIN FAIR DEALERSHIP LAW, WISCONSIN STATUTES, CHAPTER 135 (THE "WISCONSIN FAIR DEALERSHIP LAW"), THE ABBAY CARPET CO., INC. FRANCHISE DISCLOSURE DOCUMENT FOR THE OFFER OF *ABBAY CARPET & FLOOR* SHOWROOM FRANCHISES FOR USE IN WISCONSIN SHALL BE AMENDED TO INCLUDE THE FOLLOWING:

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 WISCONSIN FAIR DEALERSHIP LAW ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS ADDENDUM.

**EXHIBIT "E"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated December 31, ~~2023~~2024*

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**AUDITED FINANCIAL STATEMENTS OF ABBAY FOR THE YEARS ENDED DECEMBER  
31, ~~2023~~2024, DECEMBER 31, ~~2022~~2023, AND DECEMBER 31, ~~2021~~2022**

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Abbey Carpet  
Co., Inc.



Years Ended  
December 31,  
2024 and 2023

Financial  
Statements

**Rehmann**

**ABBEEY CARPET CO., INC.**

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## INDEPENDENT AUDITORS' REPORT

March 12, 2025

Board of Directors and Shareholder  
Abbey Carpet Co., Inc.  
Bonita Springs, Florida

### ***Opinion***

We have audited the accompanying financial statements of **Abbey Carpet Co., Inc.** (the "Company"), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of income, shareholder's equity, and cash flows for the years then ended, and the related notes to the financial statements (the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Abbey Carpet Co., Inc.** as of December 31, 2024 and 2023, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

A handwritten signature in black ink that reads "Rehmann Lohman LLC". The signature is written in a cursive, flowing style.

# **ABBEY CARPET CO., INC.**

## **Balance Sheets**

	December 31	
	2024	2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 2,363,425	\$ 1,790,656
Accounts receivable, less allowance for credit losses of approximately \$153,000 (\$134,000 in 2023)	1,534,156	1,484,900
Current portion of related party note receivable	365,000	365,000
Prepaid expenses	308,733	326,685
<b>Total current assets</b>	<b>4,571,314</b>	<b>3,967,241</b>
Net property and equipment	3,730,705	3,903,141
Net intangible assets	850,533	617,647
Note receivable related party, less current portion	1,460,000	1,825,000
<b>Total assets</b>	<b>\$ 10,612,552</b>	<b>\$ 10,313,029</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 193,576	\$ 153,530
Deferred revenue	291,963	218,117
Current portion of long-term debt	257,683	256,598
Due to franchisees - cashback program	182,802	235,075
Accrued expenses	902,829	753,221
<b>Total current liabilities</b>	<b>1,828,853</b>	<b>1,616,541</b>
Long-term debt, less current portion	4,608,382	4,851,745
<b>Total liabilities</b>	<b>6,437,235</b>	<b>6,468,286</b>
<b>Shareholder's equity</b>		
Common stock, \$1 par value; 100,000 shares authorized, 1,000 shares issued and outstanding	1,000	1,000
Additional paid-in capital	1,929,379	1,929,379
Retained earnings	2,244,938	1,914,364
<b>Total shareholder's equity</b>	<b>4,175,317</b>	<b>3,844,743</b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ 10,612,552</b>	<b>\$ 10,313,029</b>

The accompanying notes are an integral part of these financial statements.

## ABBEEY CARPET CO., INC.

### Statements of Income

	Year Ended December 31	
	2024	2023
<b>Revenues</b>		
Operating	\$ 13,155,218	\$ 12,924,485
Management fee - related party	800,000	800,000
Sale of franchise licenses	26,911	17,262
<b>Total revenues</b>	<b>13,982,129</b>	<b>13,741,747</b>
<b>Operating expenses</b>		
Salaries and fringe benefits	6,235,612	6,281,257
Franchise-related costs	2,455,519	2,318,555
General office	1,022,863	1,082,363
Depreciation	405,743	409,291
Travel, meals and entertainment	390,008	314,166
Professional services	205,410	122,820
Commissions	76,474	104,595
Amortization	71,010	37,819
Credit losses	65,446	41,432
<b>Total operating expenses</b>	<b>10,928,085</b>	<b>10,712,298</b>
<b>Operating income</b>	<b>3,054,044</b>	<b>3,029,449</b>
<b>Other income (expense)</b>		
Interest income	22,293	25,941
Interest expense	(215,435)	(225,891)
<b>Other expense, net</b>	<b>(193,142)</b>	<b>(199,950)</b>
<b>Net income</b>	<b>\$ 2,860,902</b>	<b>\$ 2,829,499</b>

The accompanying notes are an integral part of these financial statements.

## ABBEY CARPET CO., INC.

### Statements of Shareholder's Equity

	Common Stock		Additional Paid-in Capital	Retained Earnings	Total Shareholder's Equity
	Shares	Amount			
<b>Balances, January 1, 2023</b>	<b>1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,929,379</b>	<b>\$ 2,148,833</b>	<b>\$ 4,079,212</b>
Net income	-	-	-	2,829,499	2,829,499
Shareholder distributions	-	-	-	(3,063,968)	(3,063,968)
<b>Balances, December 31, 2023</b>	<b>1,000</b>	<b>1,000</b>	<b>1,929,379</b>	<b>1,914,364</b>	<b>3,844,743</b>
Net income	-	-	-	2,860,902	2,860,902
Shareholder distributions	-	-	-	(2,530,328)	(2,530,328)
<b>Balances, December 31, 2024</b>	<b>1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,929,379</b>	<b>\$ 2,244,938</b>	<b>\$ 4,175,317</b>

The accompanying notes are an integral part of these financial statements.

## ABBEEY CARPET CO., INC.

### Statements of Cash Flows

	Year Ended December 31	
	2024	2023
<b>Cash flows from operating activities</b>		
Net income	\$ 2,860,902	\$ 2,829,499
Adjustments to reconcile net income to net cash from operating activities		
Credit losses	65,446	41,432
Depreciation	405,743	409,291
Net (gain) loss on sale and disposal of property and equipment	(26,570)	42,041
Amortization	71,010	37,819
Changes in operating assets and liabilities which (used) provided cash		
Accounts receivable	(114,702)	(135,683)
Prepaid expenses	17,952	(247,830)
Accounts payable	40,046	61,707
Deferred revenue	73,846	(207,540)
Due to franchisees - cashback program	(52,273)	(254,121)
Accrued expenses	149,608	(73,665)
<b>Net change in cash from operating activities</b>	<b>3,491,008</b>	<b>2,502,950</b>
<b>Cash flows from investing activities</b>		
Reimbursement of related party note receivable	365,000	365,000
Purchases of property and equipment	(206,737)	(409,711)
Purchases of intangible assets	(303,896)	-
<b>Net change in cash from investing activities</b>	<b>(145,633)</b>	<b>(44,711)</b>
<b>Cash flows from financing activities</b>		
Repayments of long-term debt	(242,278)	(238,614)
Shareholder distributions	(2,530,328)	(3,063,968)
<b>Net change in cash from financing activities</b>	<b>(2,772,606)</b>	<b>(3,302,582)</b>
<b>Net change in cash</b>	<b>572,769</b>	<b>(844,343)</b>
Cash, beginning of year	1,790,656	2,634,999
<b>Cash, end of year</b>	<b>\$ 2,363,425</b>	<b>\$ 1,790,656</b>

The accompanying notes are an integral part of these financial statements.

# ABBEY CARPET CO., INC.

## Notes to Financial Statements

### 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Business*

**Abbey Carpet Co., Inc.**, a Florida corporation ("the Company"), is in the business of selling franchise licenses and providing various support services to franchisees operating in the retail floor covering industry located throughout the United States and Canada.

#### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting year. Actual results could differ from those estimates. Significant estimates include, but are not limited to, the franchisee cashback program accruals.

#### *Entities Under Common Control*

Accounting principles generally accepted in the United States of America permit the Company to elect, when certain conditions exist, not to apply variable interest entity guidance to an entity operating under common control with the Company. Management has determined that these conditions were met by the Company and, as a result, the Company has elected not to apply the VIE guidance to entities affiliated through common control.

#### *Cash*

Cash consists of demand deposits in banks. The Company maintains its deposits in amounts which, at times, may exceed federally insured limits, in one financial institution. Management does not believe the Company is exposed to any significant interest rate or other financial risk as a result of these deposits.

#### *Revenue Recognition*

Revenues are primarily derived from service fees, member advertising fees, and brokerage fees from certain floor and window covering manufacturers utilized by the franchisees. The performance obligation related to these services is met over the terms of the franchise agreement. In certain circumstances fees collected are deferred and recognized over time as the related performance obligations are satisfied.

We identified the following services as one performance obligation in connection with the franchise contracts:

- Intellectual Property (IP) license to the Company's programs, registered trademarks and name.
- Service fees are monthly charges for training and other support services recognized when invoiced.
- Member advertising fees consist of annual charges for advertising and marketing materials.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

The Company also recognizes a portion of revenue from the sale of franchisee licenses at the time a contract between the Company and the franchisee is executed; additional license revenue is received in installments over a period of up to five years. The performance obligation related to the sale of a franchisee license is met over the terms of the franchise agreement.

Brokerage fees from certain floor and window covering manufacturers utilized by the franchisees are recognized monthly based on the total amount of purchases made by the member franchisees and the terms of the contract. The performance obligation for the franchisees and manufacturers are considered to be met over the terms of the franchise agreement.

#### ***Accounts Receivable***

Accounts receivable are customer obligations due under normal trade terms generally requiring payment within 30 to 60 days from the invoice date. No collateral or other security is required to support accounts receivable, which are stated at the amounts billed and due from customers less an allowance for expected credit losses. None of the Company's contracts have a significant financing component. Management estimates an allowance for expected credit losses based on the amount it expects to collect from customers, based on the length of time the receivables have been outstanding, historical collection experience, current market conditions and forecasted economic and business environments. Amounts that are deemed to be uncollectible are written off against the allowance for credit losses. The expense associated with the allowance for credit losses of \$65,446 and \$41,432 for the years ended December 31, 2024 and 2023, respectively, is recognized in operating expenses.

#### ***Deferred Revenue***

Deferred revenue represents amounts received from both franchisees and manufacturers for participation in an annual convention, which is sponsored by the Company. These amounts will be recognized as revenue when the convention is held and the related expenses incurred. The Company also records deferred revenue for amounts received from franchisees for member advertising fees. Revenue for these services will be recognized over the terms of the franchise agreement as the related expenses are incurred.

The balances of accounts receivable and deferred revenue are as follows:

	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable	\$ 1,534,156	\$ 1,484,900	\$ 1,390,649
Deferred revenue	291,963	218,117	425,657

#### ***Property and Equipment***

Property and equipment is stated at cost. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

# ABBEY CARPET CO., INC.

## Notes to Financial Statements

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 40 years.

### ***Intangible Assets***

Intangible assets, including internally developed software with definite useful lives are amortized over a period of 3 years. Management annually reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable.

### ***Cashback Program***

The Company administers a manufacturer's cashback program on behalf of its franchisees consisting of various incentives provided to purchase selected products. Each participating franchisee receives a cash rebate, ranging from .5% to 8%, based on the amount and type of products purchased. Cash rebates, which are received by the Company on behalf of each franchisee, generally on a semi-annual basis, are recorded as a liability on the accompanying balance sheets until paid to the franchisees.

### ***Income Taxes***

The shareholder has elected for the Company to be taxed as an "S" Corporation under the provisions of Internal Revenue Code Section 1362, whereby federal taxable income and certain tax credits are passed directly to the shareholder for inclusion in their personal income tax returns. Some states and localities assess income taxes at the entity level for "S" Corporations. Though federal income taxes are not provided in these financial statements, applicable state and local income taxes are provided.

Management has analyzed the Company's income tax filing positions in the state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify potential uncertain tax positions. The Company reports interest and penalties attributable to income taxes, to the extent they arise, as a component of its operating expenses. As of December 31, 2024, there are no uncertain income tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. While the Company is subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress.

### ***Advertising Expenses***

The costs of advertising and product promotion, which are expensed as incurred, are recognized in franchise-related costs on the statements of income. Such costs totaled \$1,039,681 and \$966,083 in 2024 and 2023, respectively.

### ***Reclassification***

Certain amounts as reported in the 2023 financial statements have been reclassified to conform with the 2024 presentation. Certain assets included in prepaid expenses in 2023 were reclassified to intangible assets in 2024.

# **ABBEEY CARPET CO., INC.**

## **Notes to Financial Statements**

### ***Subsequent Events***

In preparing these financial statements, management has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to the most recent balance sheet presented herein, through the date these financial statements were available to be issued.

## **2. RELATED PARTY NOTE RECEIVABLE**

Related party note receivable consists of the following at December 31:

	2024	2023
Note receivable from an affiliated entity by virtue of common ownership, due in annual principal payments of \$365,000; interest is charged at 1.0%. The note is guaranteed by the shareholder and matures December 31, 2029.	\$ 1,825,000	\$ 2,190,000
Less current portion	<u>365,000</u>	<u>365,000</u>
<b>Related party note receivable, less current portion</b>	<b><u>\$ 1,460,000</u></b>	<b><u>\$ 1,825,000</u></b>

Interest income earned on the aforementioned note was \$18,250 and \$21,900 in 2024 and 2023, respectively.

The Company has presented these amounts as assets rather than as a component of shareholder's equity because management believes, and the shareholder asserts, that there is a positive intent and ability to fully reimburse the Company in accordance with the terms of the agreement.

The following is a summary of scheduled annual future principal payments anticipated to be received on the related party note receivable for each of the five years succeeding December 31, 2024:

Year	Amount
2025	\$ 365,000
2026	365,000
2027	365,000
2028	365,000
2029	<u>365,000</u>
<b>Total</b>	<b><u>\$ 1,825,000</u></b>

# **ABBEY CARPET CO., INC.**

## **Notes to Financial Statements**

### **3. PROPERTY AND EQUIPMENT**

Net property and equipment consists of the following amounts at December 31:

	2024	2023
<b>Property and equipment</b>		
Land	\$ 587,976	\$ 587,976
Buildings and improvements	3,958,853	3,958,853
Furniture and office equipment	3,288,971	3,169,216
Vehicles and other	1,860,578	1,798,170
	<u>9,696,378</u>	<u>9,514,215</u>
Total	9,696,378	9,514,215
Less accumulated depreciation	<u>5,965,673</u>	<u>5,611,074</u>
<b>Net property and equipment</b>	<u><b>\$ 3,730,705</b></u>	<u><b>\$ 3,903,141</b></u>

### **4. INTANGIBLE ASSETS**

Intangible assets consist of the following amounts at December 31:

	2024	2023
Software development costs	\$ 2,378,473	\$ 1,506,115
Software development cost in progress	-	568,462
	<u>2,378,473</u>	<u>2,074,577</u>
Total software development costs	2,378,473	2,074,577
Less accumulated amortization	<u>1,527,940</u>	<u>1,456,930</u>
<b>Net intangible assets</b>	<u><b>\$ 850,533</b></u>	<u><b>\$ 617,647</b></u>

### **5. ACCRUED EXPENSES**

Accrued expenses are comprised of the following amounts at December 31:

	2024	2023
Franchise-related costs	\$ 728,207	\$ 638,960
Payroll and employee benefits	<u>174,622</u>	<u>114,261</u>
<b>Total accrued expenses</b>	<u><b>\$ 902,829</b></u>	<u><b>\$ 753,221</b></u>

# ABBEY CARPET CO., INC.

## Notes to Financial Statements

### 6. DEBT

Long-term debt consists of the following obligations at December 31:

	2024	2023
Note payable to a financial institution, collateralized by real property and guaranteed by the Company's shareholder and an entity affiliated by virtue of common ownership, due in monthly installments of \$30,894 including interest at a fixed rate of 4.10%. A balloon payment is due October 2029.	\$ 4,144,566	\$ 4,338,134
Note payable to a financial institution, collateralized by real property and guaranteed by the Company's shareholder and an entity affiliated by virtue of common ownership, due in monthly installments of \$6,447 including interest at a fixed rate of 4.92%. A balloon payment is due April 2027.	721,499	761,675
Note payable to a financial institution, repaid in 2024.	-	8,534
Total long-term debt	4,866,065	5,108,343
Less current portion	257,683	256,598
<b>Long-term debt, less current portion</b>	<b>\$ 4,608,382</b>	<b>\$ 4,851,745</b>

The Company is a co-borrower with a company related through common ownership that entered into a line of credit up to \$1,000,000 with a financial institution. Interest on the line of credit is charged at the Secured Overnight Financing Rate (SOFR) plus 2.75% (effective rate of 7.13% and 5.38% at December 31, 2024 and 2023, respectively). The outstanding debt obligations totaled \$1,000,000 at December 31, 2024 and 2023. The debt is recorded on the related company as there is a corporate resolution for the related party to pay this debt obligation. Should the related party company become unable to repay the loan, the Company would be responsible for repayment. In January 2025, the related company repaid the balance in full.

The Company is named as a guarantor on a debt obligation of a company related through common ownership, with an outstanding balance of \$1,061,517 and \$1,116,446 at December 31, 2024 and 2023, respectively. Interest on this loan is charged at 7.35%. The Company is not named as a co-borrower, but should the related party company become unable to repay the obligation, the Company would be responsible for repayment.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

The Company is named as a guarantor on a debt obligation of a company related through common ownership, with an outstanding balance of \$7,388,206 and \$6,399,830 at December 31, 2024 and 2023, respectively. Interest on this loan is charged at 6.8%. The Company is not named as a co-borrower, but should the related party company become unable to repay the obligation, the Company would be responsible for repayment.

The Company is named as a guarantor on a debt obligation of a company related through common ownership, with an outstanding balance of \$2,592,326 and \$0 at December 31, 2024 and 2023, respectively. Interest on this loan is charged at 7.43%. The Company is not named as a co-borrower, but should the related party company become unable to repay the obligation, the Company would be responsible for repayment.

Scheduled annual principal maturities of long-term debt for each of the five years succeeding December 31, 2024 are summarized as follows:

Year	Amount
2025	\$ 257,683
2026	258,598
2027	853,166
2028	231,689
2029	<u>3,264,929</u>
<b>Total</b>	<b><u>\$ 4,866,065</u></b>

The borrowing agreements contain certain customary affirmative and restrictive covenants which require the Company and its related company guarantors to, among other stipulations, maintain a combined fixed charge coverage ratio of not less than 1.10:1.00, maintain a ratio of total liabilities to tangible net worth of not more than 4.00:1.00 and to maintain a combined minimum annual debt service coverage ratio of 1.20:1.00.

#### 7. RETIREMENT PLAN

The Company sponsors a deferred compensation plan qualified under Section 401(k) of the Internal Revenue Code ("Code"). Under this plan, eligible employees are permitted to contribute up to the maximum specified by the Code of gross compensation into the retirement plan; the Company matches each employee contribution at a rate of up to 100% of the first 3% contributed by the employee. The Company matches an additional 50% of the next 2% contributed by employees. Contributions to this plan were \$171,018 and \$165,037 for 2024 and 2023, respectively.

#### 8. OTHER RELATED PARTY TRANSACTIONS

The Company provided accounting and management services to a related entity wholly-owned by the Company's shareholder. Management fees charged for these services totaled \$800,000 in both 2024 and 2023.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

#### 9. SUPPLEMENTAL CASH FLOWS INFORMATION

Cash paid for interest amounted to \$215,435 and \$225,891 in 2024 and 2023, respectively.

During 2024, the Company traded an existing asset toward the purchase of a new asset. The trade-in value of the existing asset was in excess of its net book value, resulting in a gain on sale.

■ ■ ■ ■ ■

Abbey Carpet  
Co., Inc.



Years Ended  
December 31,  
2023 and 2022

Financial  
Statements

**Rehmann**

# ABBEY CARPET CO., INC.

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## INDEPENDENT AUDITORS' REPORT

March 13, 2024

Board of Directors and Shareholder  
Abbey Carpet Co., Inc.  
Bonita Springs, Florida

### ***Opinion***

We have audited the accompanying financial statements of **Abbey Carpet Co., Inc.** (the "Company"), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, shareholder's equity, and cash flows for the years then ended, and the related notes to the financial statements (the "financial statements").

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Abbey Carpet Co., Inc.** as of December 31, 2023 and 2022, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Change in Accounting Principle***

As described in Note 1 to the financial statements, effective January 1, 2023, the Company adopted Accounting Standards Codification Topic 326, *Financial Instruments - Credit Losses*. Our opinion is not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Rehmann Robson LLC*

# **ABBEY CARPET CO., INC.**

## **Balance Sheets**

	December 31	
	2023	2022
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,790,656	\$ 2,634,999
Accounts receivable, less allowance for credit losses of \$134,425 (\$99,436 in 2022)	1,484,900	1,390,649
Prepays and other current assets	895,147	647,317
Current portion of related party notes receivable	365,000	365,000
<b>Total current assets</b>	<b>4,535,703</b>	<b>5,037,965</b>
Related party notes receivable, less current portion	1,825,000	2,190,000
Net premises and equipment	3,952,326	4,031,766
<b>Total assets</b>	<b>\$ 10,313,029</b>	<b>\$ 11,259,731</b>
<b>LIABILITIES AND SHAREHOLDER'S EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 153,530	\$ 91,823
Accrued payroll and employee benefits	114,261	128,571
Accrued expenses and other liabilities	638,960	698,315
Due to franchisees - cashback program	235,075	489,196
Deferred revenue	218,117	425,657
Current portion of long-term debt	256,598	254,133
<b>Total current liabilities</b>	<b>1,616,541</b>	<b>2,087,695</b>
Long-term debt, less current portion	4,851,745	5,092,824
<b>Total liabilities</b>	<b>6,468,286</b>	<b>7,180,519</b>
<b>Shareholder's equity</b>		
Common stock, \$1 par value: authorized 100,000 shares, issued and outstanding 1,000 shares	1,000	1,000
Additional paid-in capital	1,929,379	1,929,379
Retained earnings	1,914,364	2,148,833
<b>Total shareholder's equity</b>	<b>3,844,743</b>	<b>4,079,212</b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ 10,313,029</b>	<b>\$ 11,259,731</b>

The accompanying notes are an integral part of these financial statements.

## ABBEY CARPET CO., INC.

### Statements of Income

	Year Ended December 31	
	2023	2022
<b>Revenues</b>		
Operating	\$ 12,966,526	\$ 13,883,935
Management fee - related party	800,000	800,000
Sale of franchise licenses	17,262	16,508
<b>Total revenues</b>	<b>13,783,788</b>	<b>14,700,443</b>
<b>Operating expenses</b>		
Salaries and fringe benefits	6,281,257	5,971,467
Franchise related costs	2,318,555	2,142,138
General office	1,082,363	938,496
Depreciation	447,110	476,753
Travel, meals and entertainment	314,166	271,849
Professional services	122,820	118,918
Commissions	104,595	122,000
Credit losses	41,432	51,695
<b>Total operating expenses</b>	<b>10,712,298</b>	<b>10,093,316</b>
<b>Operating income</b>	<b>3,071,490</b>	<b>4,607,127</b>
<b>Other income (expense)</b>		
Interest income	25,941	29,502
Interest expense	(225,891)	(242,666)
Loss on disposal of equipment	(42,041)	(105,641)
<b>Other expense, net</b>	<b>(241,991)</b>	<b>(318,805)</b>
<b>Net income</b>	<b>\$ 2,829,499</b>	<b>\$ 4,288,322</b>

The accompanying notes are an integral part of these financial statements.

## ABBEY CARPET CO., INC.

### Statements of Shareholder's Equity

	Common Stock		Additional Paid-in Capital	Retained Earnings	Total Shareholder's Equity
	Shares	Amount			
<b>Balances, January 1, 2022</b>	<b>1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,929,379</b>	<b>\$ 3,678,343</b>	<b>\$ 5,608,722</b>
Net income	-	-	-	4,288,322	4,288,322
Distributions	-	-	-	(5,817,832)	(5,817,832)
<b>Balances, December 31, 2022</b>	<b>1,000</b>	<b>1,000</b>	<b>1,929,379</b>	<b>2,148,833</b>	<b>4,079,212</b>
Net income	-	-	-	2,829,499	2,829,499
Distributions	-	-	-	(3,063,968)	(3,063,968)
<b>Balances, December 31, 2023</b>	<b>1,000</b>	<b>\$ 1,000</b>	<b>\$ 1,929,379</b>	<b>\$ 1,914,364</b>	<b>\$ 3,844,743</b>

The accompanying notes are an integral part of these financial statements.

## ABBEY CARPET CO., INC.

### Statements of Cash Flows

	Year Ended December 31	
	2023	2022
<b>Cash flows from operating activities</b>		
Net income	\$ 2,829,499	\$ 4,288,322
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation	447,110	476,753
Credit losses	41,432	51,695
Loss on disposal of equipment	42,041	105,641
Net changes in operating assets and liabilities which provided (used) cash		
Accounts receivable	(135,683)	1,283,175
Prepays and other current assets	(247,830)	(242,101)
Accounts payable	61,707	(54,579)
Accrued payroll and employee benefits	(14,310)	19,962
Accrued expenses and other liabilities	(59,355)	13,408
Due to franchisees - cashback program	(254,121)	(931,970)
Deferred revenue	(207,540)	113,857
<b>Net cash provided by operating activities</b>	<b>2,502,950</b>	<b>5,124,163</b>
<b>Cash flows from investing activities</b>		
Collection of related party note receivable	365,000	627,520
Purchases of premises and equipment	(409,711)	(482,567)
<b>Net cash (used in) provided by investing activities</b>	<b>(44,711)</b>	<b>144,953</b>
<b>Cash flows from financing activities</b>		
Repayments of long-term debt	(238,614)	(363,326)
Distributions	(3,063,968)	(5,817,832)
<b>Net cash used in financing activities</b>	<b>(3,302,582)</b>	<b>(6,181,158)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(844,343)</b>	<b>(912,042)</b>
Cash and cash equivalents, beginning of year	2,634,999	3,547,041
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,790,656</b>	<b>\$ 2,634,999</b>

The accompanying notes are an integral part of these financial statements.

# ABBEY CARPET CO., INC.

## Notes to Financial Statements

### 1. NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### *Nature of Business*

**Abbey Carpet Co., Inc.**, a Florida corporation ("the Company"), is in the business of selling franchise licenses and providing various support services to franchisees operating in the retail floor covering industry located throughout the United States and Canada.

#### *Risks and Economic Uncertainties*

The extent of the impact of the global events on the Company's operational and financial performance will depend on various factors, including the duration and its effect on customers, suppliers, and employees, all of which cannot be reasonably predicted at this time. The impact of global events on the Company's financial position, operating results, and the timing and amounts of cash flows continue to be highly uncertain.

#### *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include, but are not limited to, determining the franchisee cashback program accruals.

#### *Cash*

Cash consists of demand deposits in banks and cash on hand. The Company maintains its deposits in amounts, which at times may exceed federally insured limits, in several financial institutions. Management does not believe the Company is exposed to any significant interest rate or other financial risk as a result of these deposits.

#### *Revenue Recognition*

Revenue is generally recognized as services are provided. Revenues are primarily derived from service fees, member advertising fees, and brokerage fees from certain floor and window covering manufacturers utilized by the franchisees. The performance obligation related to these services is met over the terms of the franchise agreement. In certain circumstances fees collected are deferred and recognized over time as the related performance obligations are satisfied.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

We identified the following services as one performance obligation in connection with the franchise contracts:

- Intellectual Property (IP) license to the Company's programs, registered trademarks and name.
- Service fees are monthly charges for training and other support services recognized when invoiced.
- Member advertising fees consist of annual charges for advertising and marketing materials.

The Company also recognizes a portion of revenue from the sale of franchisee licenses at the time a contract between the Company and the franchisee is executed; additional license revenue is received in installments over a period of up to five years. The performance obligation related to the sale of a franchisee license is met over the terms of the franchise agreement.

Brokerage fees from certain floor and window covering manufacturers utilized by the franchisees are recognized monthly based on the total amount of purchases made by the member franchisees and the terms of the contract. The performance obligation for the franchisees and manufacturers are considered to be met over the terms of the franchise agreement.

#### ***Deferred Revenue***

Deferred revenue represents amounts received from both franchisees and manufacturers for participation in an annual convention, which is sponsored by the Company. These amounts will be recognized as revenue when the convention is held and the related expenses incurred. The Company also records deferred revenue for amounts received from franchisees for member advertising fees. Revenue for these services will be recognized over the terms of the franchise agreement and the related expenses are incurred.

Deferred revenue were as follows for the year ended December 31:

	2023	2022
Deferred revenue, beginning of year	\$ 425,657	\$ 311,800
Deferred revenue, end of year	218,117	425,657

#### ***Accounts Receivable***

Accounts receivable are customer obligations due under normal trade terms generally requiring payment within 30 to 60 days from the invoice date. No collateral or other security is required to support accounts receivable, which are stated at the amount management expects to collect from outstanding balances. None of the Company's contracts have a significant financing component. Management estimates an allowance for expected credit losses based on the amount it expects to collect from customers, based on the length of time the receivables have been outstanding, historical collection experience, current market conditions and forecasted economic and business environments. Amounts that are deemed to be uncollectible are written off against the allowance for credit losses. The expense associated with the allowance for credit losses of \$41,432 and \$51,695 for the years ended December 31, 2023 and 2022, respectively, is recognized in operating expenses.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

Accounts receivable were as follows for the years ended December 31:

	2023	2022
Accounts receivable, beginning of year	\$ 1,390,649	\$ 2,645,172
Accounts receivable, end of year	1,484,900	1,390,649

#### ***Premises and Equipment and Depreciation***

Land is stated at cost. Premises and equipment are stated at cost less accumulated depreciation. Major improvements and renewals are capitalized while ordinary maintenance and repairs are expensed. Management reviews these assets for impairment whenever events or changes in circumstances indicate the related carrying amount may not be recoverable. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 3 to 40 years.

#### ***Cashback Program***

The Company administers a manufacturer's cashback program on behalf of its franchisees consisting of various incentives provided to purchase selected products. Each participating franchisee receives a cash rebate, ranging from .5% to 10%, based on the amount and type of products purchased. Cash rebates, which are received by the Company on behalf of each franchisee, generally on a semi-annual basis, are recorded as a liability on the accompanying balance sheets until paid to the franchisees.

#### ***Income Taxes***

The shareholder has elected for the Company to be taxed as an "S" Corporation under the provisions of Internal Revenue Code Section 1362, whereby taxable income and certain tax credits are passed directly to the shareholder for inclusion in the personal income tax returns. Some states and localities assess income taxes at the entity level for "S" Corporations. Though federal income taxes are not provided in these financial statements, applicable state and local income taxes, due to their relative insignificance, are provided as operating expenses.

Management analyzes its income tax filing positions in the state jurisdictions where it is required to file income tax returns, for all open tax years in these jurisdictions, to identify potential uncertain tax positions. As of December 31, 2023, there are no uncertain income tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. While the Company is subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress. Generally, the Company is no longer subject to income tax examinations for years prior to 2020.

#### ***Advertising Expenses***

The costs of advertising and product promotion, which are expensed as incurred, were \$966,083 and \$950,922 in 2023 and 2022, respectively.

# ABBEY CARPET CO., INC.

## Notes to Financial Statements

### *Change in Accounting Principle*

The Financial Accounting Standards Board issued Accounting Standards Update 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (ASC 326)*, in June 2016. The standard replaced the incurred loss impairment methodology with a new methodology that reflects current expected credit losses ("CECL") on financial assets, including receivables, available-for-sale securities, and certain off-balance sheet commitments. The new methodology requires the measurement of all expected credit losses based on historical experience, current economic conditions, and reasonable and supportable forecasts. The standard also expands the required quantitative and qualitative disclosures for expected credit losses. On January 1, 2023, the Company adopted the standard using a modified retrospective method. The adoption of this standard did not have a material impact on our financial statements and disclosures.

### *Reclassification*

Certain amounts as reported in the 2022 financial statements have been reclassified to conform with the 2023 presentation.

### *Subsequent Events*

In preparing these financial statements, the Company has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to December 31, 2023, the most recent balance sheet presented herein, through March 13, 2024, the date these financial statements were available to be issued. No such significant events or transactions were identified.

## 2. RELATED PARTY NOTE RECEIVABLE

Related party note receivable consists of the following at December 31:

	2023	2022
Note receivable from an affiliated entity by virtue of common ownership, due in annual principal payments of \$365,000; interest is charged at 1.0%. The Company note is guaranteed by the shareholder and matures December 31, 2029.	\$ 2,190,000	\$ 2,555,000
Less current portion	<u>365,000</u>	<u>365,000</u>
<b>Related party note receivable, less current portion</b>	<b><u>\$ 1,825,000</u></b>	<b><u>\$ 2,190,000</u></b>

Interest income earned on the aforementioned note was \$21,900 and \$25,550 in 2023 and 2022, respectively.

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

The Company has presented these amounts as assets rather than as a component of shareholder's equity because management believes, and the shareholder asserts, that there is a positive intent and ability to fully reimburse the Company in accordance with the terms of the agreements.

The following is a summary of scheduled annual future principal payments anticipated to be received on related party note receivable for each of the five years succeeding December 31, 2023, and thereafter:

Year	Amount
2024	\$ 365,000
2025	365,000
2026	365,000
2027	365,000
2028	365,000
Thereafter	<u>365,000</u>
<b>Total</b>	<b><u>\$ 2,190,000</u></b>

### 3. PREMISES AND EQUIPMENT

Net premises and equipment consists of the following assets as of December 31:

	2023	2022
<b>Premises and equipment</b>		
Land	\$ 587,976	\$ 587,976
Buildings and improvements	3,958,853	3,958,853
Furniture and office equipment	4,675,331	4,574,274
Vehicles and other	<u>1,798,170</u>	<u>1,733,313</u>
Total	11,020,330	10,854,416
Less accumulated depreciation	<u>7,068,004</u>	<u>6,822,650</u>
<b>Net premises and equipment</b>	<b><u>\$ 3,952,326</u></b>	<b><u>\$ 4,031,766</u></b>

Depreciation expense was \$447,110 and \$476,753 in 2023 and 2022, respectively.

# **ABBEY CARPET CO., INC.**

## **Notes to Financial Statements**

### **4. RETIREMENT PLAN**

#### ***Defined Contribution Plan***

The Company sponsors a 401(k) profit sharing plan, which covers substantially all employees who have completed one year of service. Participants may contribute up to the maximum percentage allowable as defined in the Internal Revenue Code. The Company has adopted a safe harbor matching contribution structure of 100% of the first 3% deferral and 50% of the next 2% deferral. Related contributions charged to operating expense were \$165,037 in 2023 and \$162,445 in 2022.

### **5. DEBT (INCLUDING RELATED PARTY) AND GUARANTEES**

Long-term debt consists of the following obligations at December 31:

	2023	2022
Note payable to a financial institution, collateralized by real property and guaranteed by the Company's shareholder and an entity affiliated by virtue of common ownership, due in monthly installments of \$30,894 including interest at a fixed rate of 4.10%. A balloon payment is due October 2029.	\$ 4,338,134	\$ 4,524,320
Note payable to a financial institution, collateralized by real property and guaranteed by the Company's shareholder and an entity affiliated by virtue of common ownership, due in monthly installments of \$6,447 including interest at a fixed rate of 4.92%. A balloon payment is due May 2027.	761,675	800,002
Note payable to a financial institution, due through January 2025 in monthly installments of \$704, including interest at 16.25%. Note is collateralized by equipment.	8,534	15,803
Notes payable to financial institutions, repaid during 2023.	-	6,832
Total long-term debt	5,108,343	5,346,957
Less current portion	256,598	254,133
<b>Long-term debt, less current portion</b>	<b>\$ 4,851,745</b>	<b>\$ 5,092,824</b>

## ABBEY CARPET CO., INC.

### Notes to Financial Statements

The Company is a co-borrower with a related company who entered into a line of credit up to \$1,000,000 with a financial institution. Interest on the line of credit is charged at a calculation based on the Secured Overnight Financing Rate (SOFR) (effective rate of 5.38% at December 31, 2023). The outstanding debt obligations totaled \$1,000,000 as of December 31, 2023. The debt is recorded on the related company, as there is a corporate resolution for the related party to pay this debt obligation. Should the related party company become unable to repay the loan, the Company would be responsible for repayment.

The Company is named as a guarantor on a related company debt obligation with an outstanding balance of \$1,116,446 and \$1,162,217 at December 31, 2023 and 2022, respectively. Interest on this loan is charged at 7.35%. The Company is not named as a co-borrower, but should the related party company become unable to repay the obligation, the Company would be responsible for repayment.

The Company named as a guarantor on related company debt obligations with an outstanding balance of \$6,399,830 and \$2,586,288 at December 31, 2023 and 2022, respectively. Interest on this loan is charged at 7.86%. The Company is not named as a co-borrower, but should the related party company become unable to repay the obligation, the Company would be responsible for repayment.

Scheduled principal due on long-term debt for each of the five years following December 31, 2023, and thereafter are summarized as follows:

Year	Amount
2024	\$ 256,598
2025	248,057
2026	258,788
2027	852,305
2028	231,844
Thereafter	<u>3,260,751</u>
<b>Total</b>	<b><u>\$ 5,108,343</u></b>

#### 6. OTHER RELATED PARTY TRANSACTIONS

The Company provided accounting and management services to a related entity wholly-owned by the Company's shareholder. Management fees charged for these services totaled \$800,000 in both 2023 and 2022.

#### 7. SUPPLEMENTAL CASH FLOWS INFORMATION

Cash paid for interest amounted to \$225,891 and \$242,666 in 2023 and 2022, respectively.

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**EXHIBIT "F"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**LIST OF STATE ADMINISTRATORS**

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**ABBHEY CARPET CO., INC.**  
List of State Administrators

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We intend to register this disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in that state:

CALIFORNIA

Department of Financial Protection and  
Innovation  
THE STATE OF CALIFORNIA  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
Telephone: (213) 576-7500  
(866) 275-2677  
Website: [www.dfpi.ca.gov](http://www.dfpi.ca.gov)  
Email: [Ask.DFPI@dfpi.ca.gov](mailto:Ask.DFPI@dfpi.ca.gov)

CONNECTICUT

~~Banking Commissioner~~  
~~STATE OF CONNECTICUT~~  
DEPARTMENT OF BANKING  
[Securities and Business Investments Division](#)  
260 Constitution Plaza  
Hartford, Connecticut 06103-1800  
Telephone: (860) ~~240-8299~~[240-8230](#)

FLORIDA

Florida Department of Agriculture  
and Consumer Services  
~~Plaza Level 10, The Capitol~~  
[Attn: Finance and Accounting](#)  
[Mayo Building, Room 121](#)  
~~400 S. Monroe~~[407 South Calhoun](#) Street  
Tallahassee, Florida 32399-0800  
Telephone: (850) 410-3800

HAWAII

Department of Commerce and Consumer  
Affairs  
Business Registration Division  
~~THE STATE OF HAWAII~~  
[Commissioner of Securities](#)  
King Kalakaua Building

ILLINOIS

Franchise Bureau  
Office of the Attorney General  
THE STATE OF ILLINOIS  
500 South Second Street  
Springfield, Illinois ~~62706~~[62701](#)  
Telephone: (217) 782-1090

INDIANA

Franchise Section  
INDIANA SECURITIES DIVISION  
302 West Washington Street, Room E-111  
Indianapolis, Indiana 46204  
Telephone: (317) 232-6681

IOWA

~~Regulated Industries Unit~~[Iowa Insurance](#)  
[Division](#)  
[1963 Bell Avenue, Suite 100](#)  
~~IOWA SECURITIES BUREAU~~  
~~601 Locust Street, 4th Floor~~  
Des Moines, Iowa ~~50309-3738~~[50315](#)  
Telephone: (515) ~~281-5705~~[654-6600](#)

MARYLAND

Office of Attorney General  
SECURITIES DIVISION  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
Telephone: (410) 576-6360

# ABBEEY CARPET CO., INC.

## List of State Administrators

335 Merchant Street, Room ~~201~~205  
Honolulu, Hawaii 96813  
Telephone: (808) ~~586-2722~~586-2744

### MICHIGAN

Franchise Administrator  
THE STATE OF MICHIGAN  
Consumer Protection Division  
~~525 West Ottawa Street~~  
G. Mennen Williams Building, ~~1<sup>st</sup> Floor~~  
525 West Ottawa Street  
Lansing, Michigan ~~48913~~48906  
Telephone: (~~517~~877) ~~335-7567~~765-8388

### MINNESOTA

Securities Unit - Franchise Examiner  
MINNESOTA DEPARTMENT OF  
COMMERCE  
85 7<sup>th</sup> Place East  
Suite 280  
St. Paul, Minnesota 55101  
Telephone: (651) ~~539-1638~~539-1500

### NEBRASKA

Department of Banking and Finance  
THE STATE OF NEBRASKA  
1526 "K" Street, Suite 300  
Lincoln, Nebraska 68508-2732  
Telephone: (402) 471-3445

### NEW YORK

NYS Department of Law

### ~~OREGON~~NORTH DAKOTA

Franchise Examiner  
OFFICE OF SECURITIES COMMISSIONER  
600 East Boulevard Avenue  
~~Department of Consumer & Business Services~~  
~~Division of Finance and Corporate Securities~~  
~~350 Winter Street NE~~  
~~Fourth State Capitol, 14<sup>th</sup> Floor~~  
~~Salem, Oregon 97301-3881~~  
Bismarck, North Dakota 58505  
Telephone: (~~503~~701) ~~378-4100~~  
328-2910

### ~~RHODE ISLAND~~OREGON

Department of Consumer & Business Services  
Division of Finance and Corporate Securities  
~~Examiner~~  
350 Winter Street NE  
STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
SECURITIES DIVISIONFourth Floor  
Salem, Oregon 97301-3883  
~~1511 Pontiac Avenue~~  
~~Building 68-2~~  
Cranston, Rhode Island 02920  
Telephone: (~~401~~503) ~~462-9527~~378-4140

### ~~SOUTH DAKOTA~~RHODE ISLAND

~~Division of Insurance~~  
Securities ~~Regulation~~Examiner  
STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
SECURITIES DIVISION  
~~124 S. Euclid~~1511 Pontiac Avenue, 2<sup>nd</sup> Floor  
~~Pierre, South Dakota 57501~~  
Building 68-2  
Cranston, Rhode Island 02920  
Telephone: (~~605~~401) ~~773-3563~~462-9527

### SOUTH DAKOTA

Division of Insurance

# ABBEEY CARPET CO., INC.

## List of State Administrators

Investor Protection Bureau  
28 Liberty Street, 21<sup>st</sup> Floor  
New York, New York 10005  
Telephone: (212) 416-8222

[Securities Regulation](#)  
[124 S. Euclid Avenue, 2<sup>nd</sup> Floor](#)  
[Pierre, South Dakota 57501](#)  
[Telephone: \(605\) 773-3563](#)

### TEXAS

### [FEDERAL TRADE COMMISSION](#)

Statutory Documents Section  
TEXAS SECRETARY OF STATE  
Registrations Unit  
~~The~~[James Earl](#) Rudder [Office](#) Building  
1019 Brazos Street  
Austin, Texas 78701  
Telephone: (512) 475-0775

[Bureau of Consumer Protection](#)  
[FEDERAL TRADE COMMISSION](#)  
[600 Pennsylvania Avenue, NW](#)  
[Washington, D.C. 20580](#)  
[Telephone: \(202\) 326-2222](#)

### ~~NORTH DAKOTA~~[UTAH](#)

### ~~UTAH~~

~~Franchise Examiner~~  
[Division of Consumer Protection](#)  
~~OFFICE~~[UTAH](#) [DEPARTMENT](#)  
~~SECURITIES-~~  
~~COMMISSIONER~~[COMMERCE](#)  
~~600 East Boulevard Avenue-~~  
[Herber M. Wells Building](#)  
~~State Capitol, Fifth~~[2<sup>nd</sup>](#) Floor  
~~Bismarck, North Dakota 58505~~  
[160 East 300 South](#)  
[Salt Lake City, Utah 84114-6704](#)  
Telephone: (~~701~~[801](#)) ~~328-4712~~[530-6601](#)

~~Division of Consumer Protection~~  
~~UTAH DEPARTMENT OF COMMERCE~~  
~~160 East Three Hundred South~~  
~~Salt Lake City, Utah 84114-6704~~  
~~Telephone: (801) 530-6601~~

OF

### VIRGINIA

State Corporation Commission  
Division of Securities and Retail  
Franchising  
1300 East Main Street, Ninth Floor  
Richmond, Virginia 23219  
Telephone: (804) 371-9051

### ~~WISCONSIN~~

~~Franchise Registration, Division of Securities~~  
~~WISCONSIN DEPARTMENT OF FINANCIAL-~~  
~~INSTITUTIONS~~  
~~4822 Madison Yards Way~~  
~~North Tower~~  
~~Madison, Wisconsin 53705~~  
~~Telephone: (608) 261-9555~~

### WASHINGTON

Department of Financial Institutions  
SECURITIES DIVISION  
150 Israel Road SW  
Tumwater, Washington 98501  
Telephone: (360) 902-8760

ABBEEY CARPET CO., INC.

List of State Administrators

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~~FEDERAL~~ ~~TRADE~~  
~~COMMISSION~~ WISCONSIN

~~Bureau of Consumer Protection~~  
~~FEDERAL TRADE COMMISSION~~  
~~600 Pennsylvania Avenue~~ Franchise  
Registration, NW Division of Securities  
~~Washington, D.C. 20580~~ WISCONSIN  
DEPARTMENT OF FINANCIAL  
INSTITUTIONS  
4822 Madison Yards Way  
North Tower  
Madison, Wisconsin 53705  
Telephone: (~~202~~ 2608) ~~326-2222~~ 266-0448

**EXHIBIT "G"**

**ABBHEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**ABBHEY'S REGISTERED AGENTS**

**FOR SERVICE OF PROCESS**

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**ABBHEY CARPET CO., INC.**  
Abbey's Registered Agents for Service of Process

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We intend to register this disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in those states:

CALIFORNIA

Commissioner of Financial Protection and  
Innovation  
THE STATE OF CALIFORNIA  
320 West 4<sup>th</sup> Street, Suite 750  
Los Angeles, California 90013-2344  
Telephone: (213) 576-7500  
(866) 275-2677  
Website: [www.dfpi.ca.gov](http://www.dfpi.ca.gov)  
Email: [Ask.DFPI@dfpi.ca.gov](mailto:Ask.DFPI@dfpi.ca.gov)

INDIANA

Secretary of State  
STATE OF INDIANA  
302 West Washington Street, Room E018  
Indianapolis, Indiana 46204  
Telephone: (317) 232-6531

CONNECTICUT

CONNECTICUT  
DEPARTMENT OF BANKING  
260 Constitution Plaza  
Hartford, Connecticut 06103-1800  
Telephone: (860) 240-8230

MARYLAND

Securities Commissioner  
MARYLAND DIVISION OF SECURITIES  
200 St. Paul Place  
Baltimore, Maryland 21202-2020  
Telephone: (410) 576-6360

~~CONNECTICUT~~HAWAII

~~Banking~~ Commissioner of Securities  
~~THE STATE OF CONNECTICUT~~HAWAII  
~~DEPARTMENT OF BANKING~~King Kalakaua  
Building  
335 Merchant Street, Room 205  
Honolulu, Hawaii 96813  
~~260 Constitution Plaza~~  
~~Hartford, Connecticut 06103-1800~~  
Telephone: (~~860~~808) ~~240-8299~~586-2744

MICHIGAN

Attorney General  
THE STATE OF MICHIGAN  
Consumer Protection, Franchise Section  
~~525 West Ottawa~~  
G. Mennen Williams Building, ~~1<sup>st</sup> Floor~~  
525 West Ottawa Street  
Lansing, Michigan ~~48913~~48906  
Telephone: (~~517~~877) ~~335-7567~~765-8388

~~HAWAII~~ILLINOIS

~~Commissioner of Securities~~Illinois Attorney  
General  
~~THE STATE OF HAWAII~~  
~~King Kalakaua Building~~  
~~335 Merchant~~500 South Second Street, ~~Room 205~~  
~~Honolulu, Hawaii 96813~~  
Springfield, Illinois 62701  
Telephone: (~~808~~217) ~~586-2744~~782-1090

~~ILLINOIS~~NEW YORK

Office of the New York Department of State  
One Commerce Plaza

MINNESOTA

State of Minnesota  
Department of Commerce  
Securities Division  
85 7<sup>th</sup> Place East, Suite 280  
St. Paul, Minnesota 55101  
Telephone: (651) ~~539-1638~~539-1500

VIRGINIA

NEW YORK  
The Clerk of the

**ABBNEY CARPET CO., INC.**  
Abbey's Registered Agents for Service of Process

99 Washington Avenue  
~~Illinois Attorney General~~ 6<sup>th</sup> Floor  
Albany, New York 12231  
~~500 South Second Street~~  
~~Springfield, Illinois 62706~~  
Telephone: (217) 518-782-1090 473-2492

NORTH DAKOTA  
INDIANA  
~~Secretary of State~~ Commissioner of Securities  
STATE OFFICE OF INDIANA SECURITIES  
COMMISSIONER  
600 East Boulevard Avenue  
~~201 State House~~ Capitol, 14<sup>th</sup> Floor  
Bismarck, North Dakota 58505  
~~200 West Washington Street~~  
~~Indianapolis, Indiana 46204~~  
Telephone: (317) 701-232-6531 328-2910

OREGON

Director  
OREGON DEPARTMENT OF CONSUMER &  
BUSINESS SERVICES  
Division of Finance and Corporate Securities  
350 Winter Street NE, ~~Room 410~~  
Fourth Floor  
Salem, Oregon ~~97301-3881~~ 97301-3883  
Telephone: (503) 378-4100

RHODE ISLAND

Director  
STATE OF RHODE ISLAND  
DEPARTMENT OF BUSINESS REGULATION  
SECURITIES DIVISION  
1511 Pontiac Avenue  
Building 68-2  
Cranston, Rhode Island 02920  
Telephone: (401) 462-9527

~~Secretary of State~~ STATE CORPORATION  
COMMISSION  
1300 East Main Street, 1<sup>st</sup> Floor  
Richmond, Virginia 23219  
~~99 Washington Avenue~~  
~~Albany, New York 12231~~  
Telephone: (518) 804-473-2492  
371-9051

NORTH DAKOTA  
WASHINGTON  
~~Commissioner of Securities~~  
Department of Financial Institutions  
~~OFFICE OF~~ SECURITIES  
COMMISSIONER DIVISION  
150 Israel Road SW  
Tumwater, Washington 98501  
~~600 East Boulevard Avenue~~  
~~State Capitol, Fifth Floor~~  
~~Bismarck, North Dakota 58505~~  
Telephone: (701) 360-328-2910

902-8760  
VIRGINIA  
WISCONSIN  
~~The Clerk of the~~  
Franchise Registration, Division of Securities  
WISCONSIN DEPARTMENT OF FINANCIAL  
INSTITUTIONS  
4822 Madison Yards Way  
~~STATE CORPORATION COMMISSION~~ North  
Tower  
Madison, Wisconsin 53705  
~~1300 East Main Street, 1<sup>st</sup> Floor~~  
~~Richmond, Virginia 23219~~  
Telephone: (804) 608-371-9051 266-0448

WASHINGTON

~~Department of Financial Institutions~~  
SECURITIES DIVISION  
~~150 Israel Road SW~~  
~~Tumwater, Washington 98501~~  
Telephone: (360) 902-8760

**ABBAY CARPET CO., INC.**  
Abbey's Registered Agents for Service of Process

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SOUTH DAKOTA

Division of Insurance  
Securities Regulation  
124 S. Euclid Avenue, 2<sup>nd</sup> Floor  
Pierre, South Dakota 57501  
Telephone: (605) 773-3563

WISCONSIN

~~Franchise Registration, Division of Securities~~  
~~WISCONSIN DEPARTMENT OF FINANCIAL~~  
~~INSTITUTIONS~~  
~~4822 Madison Yards Way~~  
~~North Tower~~  
~~Madison, Wisconsin 53705~~  
~~Telephone: (608) 266-8557~~

**EXHIBIT "H"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated December 31, ~~2023~~2024*

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**ABBAY'S CURRENTLY OPERATING MEMBERS**

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**ABBAY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

The following is a list of members who, as of December 31, ~~2023~~2024 had executed membership agreements and were operating Abbey Showrooms:

**Alabama**

~~Abbey Carpet of Anniston~~  
~~JTG Enterprises~~  
~~1008 Highway 431 North~~  
~~Anniston, AL 36206~~

~~Ted Gregerson~~  
~~Matthew Ellis~~  
~~256-231-0008~~

Abbey Carpet & Floor of Madison  
Wolde Flooring  
7559 Highway 72 West, Suite B  
Madison, AL 35758  
Leon & Joy Wink  
256-325-8453

Abbey Carpet of Phenix City  
Huckaby Brothers Floor Coverings  
3755 Highway 431 North  
Phenix City, AL 36867  
Stanley K. Huckaby  
Cleven L. Huckaby  
334-291-1457

**Alaska**

Abbey Carpet & Floor of Anchorage  
Aurora Flooring  
7650 Old Seward Hwy  
Anchorage, AK 99518  
Dennis Casagrande  
907-561-7766

**Arizona**

Abbey Carpet Lake Havasu  
Oasis Floors  
621 N. Lake Havasu Ave.  
Lake Havasu City, AZ 86403  
Keith Williams  
Anna Anderson  
928-680-0550

Abbey Carpet & Floor of Prescott  
Prescott Floors, Inc.  
1239-1241 W. Iron Springs Road  
Prescott, AZ 86305  
Peggy Hurst  
928-771-9121

Abbey Carpet & Floor of Scottsdale  
Craftsman Court Ceramics  
4237 N. Craftsman Court  
Scottsdale, AZ 85251  
Cale Clayton  
480-970-6611

Abbey Carpet & Floor of NW Scottsdale  
Clayton Floor Covering & Design  
6991 E. Camelback Rd., Ste #C152  
Scottsdale, AZ 85251  
Cale Clayton  
480-584-5025

Abbey Carpet & Floor of Scottsdale  
Discount Carpet Brokers SW, LLC  
14455 N. 79th Street, Suite G/H  
Scottsdale, AZ 85260  
Margo M. Meux-Cibella  
Mark A. Cibella  
480-998-5633

Abbey Carpet & Floor of Tucson  
Flooring Direct  
4844 E. Speedway Blvd.  
Tucson, AZ 85712  
Navid Abedian  
520-318-0009

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

**Arkansas**

Abbey Carpet of Rogers  
Abbey Carpet & Floor  
Abbey Carpet & Interiors  
2812 S. Walton Boulevard  
Bentonville, AR 72712  
Lori Robinson Kumar  
479-464-9292

Abbey Carpet & Floor of S. Bentonville  
Abbey Carpet & Floor  
ARC2 LLC  
2812 S. Walton  
Bentonville, AR 72712  
Ravi Kumar  
479-464-4411

Abbey Carpet & Floor of Berryville  
Superior Floor Co.  
Apache Enterprise, Inc.  
910 West Trimble Ave., Suite 6  
Berryville, AR 72616  
Mark Houser  
870-423-6075

~~Abbey Carpet of Ft. Smith~~  
~~Davis Abbey Carpet & Floor~~  
~~Davis Floor Covering, Inc.~~  
~~3401 S. 79<sup>th</sup> Street~~  
~~Ft. Smith, AR 72903~~  
~~John Davis~~  
~~479-452-4808~~

Abbey Carpet of Hot Springs  
Clarks Building Materials  
419 Westinghouse Drive  
Hot Springs, AR 71901  
Alan Clark & Mista Henry  
501-262-2262

Abbey Carpet of Jonesboro  
Laws Abbey Flooring Center  
2100 West Washington Avenue  
Jonesboro, AR 72401  
Michelle Laws & James Laws  
870-932-5297

**California**

[Abbey Carpet & Floor of Albany](#)  
[Floor Dimensions, Inc.](#)  
[1081 Eastshore Hwy](#)  
[Albany, CA 94710](#)  
[Brian Miller](#)  
[510-525-5656](#)

Abbey Carpet of Anaheim  
State College Distributor  
1620 S. State College Blvd.  
Anaheim, CA 92806  
Alvan Silverberg  
714-935-0533

Abbey Carpet of Antioch  
Fashion Floors  
1802 Verne Roberts Circle  
Antioch, CA 94509  
Steve & Shirley Siegfried  
925-754-7006

Abbey Carpet of Arcadia  
Ragers Abbey Floor & Window Covering  
I. J. Rager Floor Covering  
918 S. Myrtle Ave.  
Monrovia, CA 91016  
Irven (Irv) Rager  
Kathleen Harrison  
626-446-6753

Abbey Carpet of Arcata  
Arcata Pro Floor Abbey Design Center  
Arcata Pro Floor, Inc.  
613 H Street  
Arcata, CA 95521  
Jeff Schmitt  
Lisa Townsend-Schmitt  
707-822-2838

Abbey Carpet & Floor of Auburn  
Floortex Design Abbey Floors  
1775 Grass Valley Highway  
Auburn, CA 95603  
Rudy Hassid  
530-888-8889

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Benicia  
~~Albertson's Abbey Carpet & Floor~~  
BJM Construction Inc.  
~~511~~621 First Street  
Benicia, CA 94510  
~~Mark Albertson~~Brian Miller  
707-746-0324

Abbey Carpet of Camarillo  
Abbey Carpet Hardwood Tilz  
Soebbing, Inc.  
1764 Ventura Boulevard  
Camarillo, CA 93010  
Russell Soebbing  
805-445-4700

Abbey Carpet & Floor of San Fernando  
Valley  
The Floor Club of San Fernando Valley  
Floor Scene, Inc.  
8431 Canoga Avenue, Suite A  
Canoga Park, CA 91304  
Dave Compton  
818-885-0844

Abbey Carpet of Chula Vista  
Sid's Carpet Barn Inc.  
Discount Flooring 2U  
635 Oxford St  
Chula Vista, CA 91911  
Jared Ziman  
619-614-5600

Abbey Carpet of Cerritos  
Steven's Abbey Carpet & Floor  
Steven's Carpet & More  
19104 South Norwalk Blvd.  
Cerritos, CA 90701  
Fernando Ruvalcaba  
562-924-9248

Abbey Carpet & Floor of Concord  
Contra Costa Flooring  
1150-B Burnett Avenue  
Concord, CA 94520  
Lucas Root

Damian Mutulo  
925-686-9901

Abbey Carpet of Corona  
Sid's Carpet Barn  
Curtis Allan Floor Covering  
3035 Palisades Drive  
Corona, CA 92880  
Allan Ziman  
951-898-1600

Abbey Carpet of Costa Mesa  
Hart's Rugs & Carpets  
Cymru Trading, Inc.  
101 Kalmus  
Costa Mesa, CA 92626  
Becky Wright  
Christian Morwood  
714-434-8440

Abbey Carpet of Danville  
Floortex Design First Choice Abbey  
101 G Town & Country Drive  
Danville, CA 94526  
Rudy Hassid  
925-838-5580

~~Abbey Carpet & Floor of El Cerrito~~  
~~Bohm Group, LLC~~  
~~10351 San Pablo Avenue~~  
~~El Cerrito, CA 94530~~  
~~Kevin Bohm~~  
~~510-527-4262~~

Abbey Flooring Design Center of Elk  
Grove  
Capital Commercial Flooring  
7621 Laguna Blvd. #130  
Elk Grove, CA 95758  
Jim Hensley  
Spike Gilley  
916-428-8800

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Fairfield  
Gillespie's Abbey Carpet & Floor  
360 Chadbourne Road  
Fairfield, CA 94534  
Rudy Hassid  
707-427-3773

Abbey Carpet & Floor of Gardena  
Fancy Floors, Inc.  
3535 Lomita Blvd.  
Torrance, CA 90505  
Shaun Esmaili  
310-464-8694

Abbey Carpet & Floor of Hayward  
Century Carpet, Inc.  
703 A Street  
Hayward, CA 94541  
Simon Chey  
510-886-7555

Abbey Carpet & Floor of Healdsburg  
Healdsburg Floor Covering  
1423 Grove Street  
Healdsburg, CA 95448  
George Diebold  
707-433-8008

Abbey of Huntington Beach  
Boyer-Ambrose Abbey Carpet & Floor  
16632 Gemini Lane  
Huntington Beach, CA 92647  
Paul Boyer  
Ralph Ambrose  
Vena Sloan  
714-841-9676

Abbey Carpet of Lafayette  
Blodgett's Abbey Carpet & Flooring  
Blodgett's Linoleum  
3291 Mt. Diablo Court  
Lafayette, CA 94549  
Larry & Karen Blodgett  
925-284-4807

Abbey Carpet & Floor of Laguna Beach  
Sawdust Flooring & Kitchen  
1920 S. Coast Hwy  
Laguna Beach, CA 92651  
Alireza Savoji  
949-715-1517

Abbey Carpet of Livermore  
G & K Carpet, Inc.  
34 South P Street  
Livermore, CA 94550  
Gary Wolfe  
925-443-8300

Abbey Carpet & Floor of Lodi  
Classic Design Interiors  
2303 S. Stockton St.  
Lodi, CA 95240  
Tiffany Gomes  
Ron Lynch  
209-334-4060

Abbey Carpet of Menlo Park  
San Mateo Carpets, Inc.  
626 Santa Cruz Avenue  
Menlo Park, CA 94025  
Lewis Stanton  
Nancy Stanton  
650-462-0800

Abbey Carpet & Floor of Murrieta  
Urbane Flooring and Designs  
29930 Hunter Road, #105  
Murrieta, CA 92563  
Sarah Harding  
951-691-8777

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Napa  
Abbey Carpets Unlimited Design Center  
Carpets & Furniture Unlimited  
1145 Jordan Lane  
Napa, CA 94559  
Janice Clifton  
Jon Clifton  
707-252-6695

Abbey of National City  
Sid's Carpet Barn, Inc.  
132 W. 8th Street  
National City, CA 91950  
Allan Ziman  
619-477-7000

Abbey Carpet & Floor of Norco  
Compare Carpets & Hardfloors  
2075 Tandem Way  
Norco, CA 92860  
Joel Bouman  
Mark McCall  
951-371-7717

Abbey Carpet of Oakdale  
Abbey Carpets & Interiors  
C & L Interiors  
1530 West F Street  
Oakdale, CA 95361  
Scott Larson  
209-847-7656

Abbey Carpet of Oceanside  
Oceanside Abbey Carpet & Floor  
Phillips Carpets  
4001 Avenida De La Plata, #101  
Oceanside, CA 92056  
Martha Martinez  
760-757-5033

Abbey Carpet & Floor of Palm Springs  
Modern Home Design Showroom  
611 S. Palm Canyon Dr., #2  
Palm Springs, CA 92264  
Mark Davis  
760-320-8422

Abbey Carpet & Floor of Petaluma  
BJM Construction, Inc.  
450 Lakeville Street #F  
Petaluma, CA 94952  
Brian Miller  
707-762-5514

Abbey Carpet & Floor of West Petaluma  
Tri County Design Center  
821 N. Petaluma Blvd.  
Petaluma, CA 94952  
Brian Miller  
707-769-1010

Abbey Carpet & Floor of Rancho Cordova  
Rancho Cordova Floors, Inc.  
11351 Folsom Blvd. Suite #200  
Rancho Cordova, CA 95742  
Lucas Root  
347-387-4992

Abbey Carpet & Floor of Redlands  
Mars Carpet & Flooring  
~~1737B Orange Tree Lane~~  
~~24601 Redlands Blvd~~  
~~Redlands~~ Loma Linda, CA ~~92374~~ 92354  
~~Jim Forester~~ Katherine Polasek  
909-792-7022

Abbey Carpet of Riverside  
Abbey Carpet & Floor  
6680 Van Buren Blvd  
Riverside, CA 92503  
James E. Reeves  
951-354-9800

Abbey Carpet & Floor of Roseville  
Floors Designes & More, Inc.  
199 Cirby Way, Suite 10  
Roseville, CA 95678  
Charlie Aoun  
916-782-1303

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Flooring Design  
Center of Sacramento  
Abbey Flooring, Inc.  
1307 Striker Avenue, Suite 105  
Sacramento, CA 95834  
Jim Hensley  
916-928-4420

Abbey Flooring Design  
Center of Natomas  
Abbey Flooring, Inc.  
Capital Commercial Flooring  
1307 Striker Avenue, Suite 105  
Sacramento, CA 95834  
Jim Hensley & Thomas Irwin  
916-928-4477

Abbey Carpet of Salinas  
Oldtown Abbey Carpet & Floor  
Oldtown Carpets Inc.  
118 E. Gabilan Street  
Salinas, CA 93901  
Brad Griffin  
831-754-2036

Abbey Carpet of San Carlos  
Watson's Floor Coverings  
990 Industrial Road, Suite 103  
San Carlos, CA 94070  
Antonia Rodas  
Waldo Rodas  
650-593-0631

Abbey Carpet & Floor of San Diego  
Ultamate Luxe Design, Inc.  
9446 Miramar Road  
San Diego, CA 92126  
Frank Lopez  
Shaheen Navab  
858-566-2950

Abbey Carpet & Floor of San Francisco  
Floortex Design Abbey Floors  
2900 Geary Boulevard  
San Francisco, CA 94118  
Rudy Hassid  
415-752-6620

Abbey Carpet of San Jose  
Blossom Valley Interiors  
1191 Meridian Avenue  
San Jose, CA 95125  
Steve Delamore  
408-269-2966

Abbey Carpet of SLO County  
SLO Carpet Outlet  
161 High Street  
San Luis Obispo, CA 93401  
Kalen George  
805-541-5154

Abbey Carpet San Luis Obispo  
Coast Carpet  
161 High Street  
San Luis Obispo, CA 93405  
Kalen George  
805-541-5153

Abbey Carpet of San Mateo  
San Mateo Carpets, Inc.  
101 N. Amphlett Blvd.  
San Mateo, CA 94401  
Nancy Stanton  
Lewis Stanton  
650-347-0800

Abbey Carpet of San Rafael  
Rafael Floors-Abbey Carpet  
Rafael Floor Covering & Appliance Inc.  
822 Francisco Boulevard West  
San Rafael, CA 94901  
Ron Leach  
Steven Villa  
415-456-3656

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet Santa Barbara  
Abbey's Carpet City  
Goleta Carpet Town, Inc.  
317 Chapala Street  
Santa Barbara, CA 93101  
Pablo Gallardo  
805-966-1606

Abbey Carpet of Santee  
Ra Yo Wholesale  
11495 Woodside Avenue  
Santee, CA 92071  
Edward Young  
Ghayda Young  
619-448-7144

Abbey Carpet of Saugus  
Wicall's Carpet & Vinyl  
26635 Valley Center Dr. #104  
Santa Clarita, CA 91350  
Bill & Lisa Wicall  
661-259-6040

~~Abbey Carpet & Floor of Scotts Valley~~  
~~San Lorenzo Floors Abbey Carpet~~  
~~San Lorenzo Floors & Interiors~~  
~~3113 Scotts Valley Drive~~  
~~Scotts Valley, CA 95066~~  
~~John Arbogast~~  
~~831-461-1300~~

Abbey Carpet of Santa Fe  
Universal Metro, Inc.  
12253 East Florence Avenue  
Santa Fe Springs, CA 90670  
David Springer  
David Triepke  
562-906-8484

Abbey Carpet & Floor of Shasta Lake  
Shasta Lake Floors  
4052 Shasta Dam Blvd.  
Shasta Lake, CA 96019  
Pete & Joy Corcoran  
530-275-8530

Abbey Carpet & Floor of Santa Maria  
Abbey Carpet & Floor  
2051 South Broadway  
Santa Maria, CA 93454  
Johanne Corteguera  
805-347-1121

Abbey Carpet & Floor of Sherman Oaks  
Carpet Showcase  
13960 Ventura Blvd  
Sherman Oaks, CA 91423  
Tony Kopalian  
Harry Kopalian  
818-789-7149

Abbey Carpet & Floor of Santa Monica  
Carpet Showcase  
734 Santa Monica Blvd.  
Santa Monica, CA 90401  
Tony Kopalian  
Harry Kopalian  
818-789-7149

Abbey Carpet of Simi Valley  
Hawse Abbey Carpet  
R & D, Inc.  
4166 E. Los Angeles Avenue  
Simi Valley, CA 93063  
Robert Hawse  
805-527-3716

Abbey Carpet & Floor of Santa Rosa  
Floortex Design  
3780 Santa Rosa Ave.  
Santa Rosa, CA 95407  
Rudy Hassid  
707-542-4981

Abbey Carpet & Floor of Sonora  
Abbey Carpet by Perea  
G&K Flooring, LLC  
14869 Mono Way  
Sonora, CA 95370  
Kristina Perea  
Guy Perea  
209-532-5666

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Sutter Creek  
HT Construction, Inc.  
Barron's Flooring & Design  
100 Ridge Road  
Sutter Creek, CA 95685  
Chadd Ristrom  
Taylor Ristrom  
209-267-0200

Abbey Carpet of Thousand Oak  
Thousand Oaks Carpet Tyme  
620 E. Thousand Oaks Blvd  
Thousand Oaks, CA 91360  
Thomas Costigan  
805-495-0809

Abbey Carpet of Torrance  
American Carpet, Inc.  
23837 Hawthorne Blvd  
Torrance, CA 90505  
Mehdi & Hehdi Bozorgzad  
310-375-4545

Abbey Carpet & Floor of Tracey  
Spencer Flooring & Paint  
475 W. Grant Line Road  
Tracy, CA 95376  
Kipp Skelton  
209-835-5537

Abbey Carpet of Truckee  
Bassett Flooring, Inc.  
10800 Pioneer Trail, Unit 3  
Truckee, CA 96161  
Tyler Nyby  
Steve Bassett  
530-582-7428

Abbey Carpet & Floor of Vacaville  
Floortex Design  
Action Carpet Sales, Inc.  
900 Merchant Street  
Vacaville, CA 95688  
Rudy Hassid  
707-451-6660

**Canada**

Abbey Carpet of Montreal  
Carpette Multi Design  
8136 A Boulevard Decarie  
Montreal, QC H4P2S8  
Maha  
Benoit Bouchard  
Lorne Blumer  
514-344-8877

**Colorado**

Go Green Flooring-  
An Abbey Showroom  
The Carpet Line, Ltd.  
5485 Western Avenue  
Boulder, CO 80301  
Brenda Steele  
303-440-4442

Abbey Carpet & Floor of Colorado Springs  
Aviles Holdings, LLC  
Interior/Exteriors  
995 Garden of the Gods Rd  
Colorado Springs, CO 80907  
Miguel Aviles  
719-593-9390

Abbey Carpet of Craig  
Abbey Carpets By Braia  
Get Down Carpets  
408 E. Victory Way  
Craig, CO 81625  
Dennis Braia  
970-826-0888

Abbey Carpet & Floor of Denver  
B&T Inc. - The Floor Club of Denver  
741 South Huron Street  
Denver, CO 80223  
Bill Fowler  
303-777-6277

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Fort Collins  
Advanced Interiors, Inc.  
Northern Colorado  
7287 Greenridge Rd., Unit 1  
Windsor, CO 80550  
Chris Carney  
Shawn Matz  
970-482-6242

Abbey Carpet of Grand Junction  
Abbey Carpet & Floor  
Diamond Carpets, Inc.  
2565 American Way  
Grand Junction, CO 81501  
Jeff Jacobson  
970-241-8284

Abbey Carpet & Floor of Lakewood  
Bretz Interiors  
1585 Allison Street  
Lakewood, CO 80214  
Pat Fear  
Dale Bretz  
303-234-1727

Abbey Carpet of Northglenn  
Abbey Carpet & Tile  
Aurora Tile, Inc.  
11455 Washington Street, #G  
Northglenn, CO 80233  
Kevin Fullmer  
303-457-8668

**Connecticut**

Abbey Carpet of Stamford  
Classic Carpet & Rug  
Commercial Carpet & Rug  
84 Commerce Road  
Stamford, CT 06902  
Jack Breiner  
Dan Breiner  
203-359-3622

Abbey Carpet of Waterbury  
Carpets Plus, Inc.  
24 Falls Avenue  
Waterbury, CT 06708  
Jeff Dell  
203-753-8235

Abbey Carpet of W. Hartford  
Epstein Bros. Abbey Carpet & Floor  
Epstein Bros. Carpet, Inc.  
1128 New Britain Ave.  
West Hartford, CT 06110  
Gary Epstein  
Mark Epstein  
860-236-1281

Abbey Carpet & Floor of Wilton  
Westwood Flooring & Design Center  
643 Danbury Road  
Wilton, CT 06897  
Pat McCarney  
914-762-5600

**Delaware**

Abbey Carpet & Floor of Wilmington  
Floor Concepts, Inc.  
4315 Kirkwood Highway  
Wilmington, DE 19808  
Sean Henry  
302-994-5002

**Florida**

Abbey Carpet & Floor of Bonita Springs  
Abbey Carpet & Floor Outlet  
25321 Bernwood Drive  
Bonita Springs, FL 34135  
Phillip Gutierrez  
239-947-3172

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Brandon  
Naffco Abbey Floors & Blinds  
Naffco Palma Ceia  
1912 West Brandon Boulevard  
Brandon, FL 33511  
Mary Baker  
813-413-8313

[Abbey Carpet & Floor of Cantonment](#)  
[Faith and Grace Flooring of Florida, LLC](#)  
[Creative Flooring of Pensacola](#)  
[3154 Gateway Lane](#)  
[Cantonment, FL 32533](#)  
[Buffy Stancill](#)  
[850-477-4362](#)

Abbey Carpet & Floor of Cape Coral  
Abbey Carpet & Floor at Patricia's  
Interiors by Patricia  
4524 SE 16<sup>th</sup> Place  
Cape Coral, FL 33904  
Jeff Houfek  
Sam Terzagian  
239-549-4524

Abbey Carpet of Clermont  
Best Flooring Center  
833 West Highway 50  
Clermont, FL 34711  
William Barnes  
352-394-6940

Abbey Carpet & Floor of Crystal River  
Best Flooring Center of Citrus County  
6633 W. Gulf To Lake Hwy  
Crystal River, FL 34429  
Mike Thomas  
352-726-4465

Abbey of Fernandina Beach  
Classic Carpets & Interiors  
802 S. 8th St.  
Fernandina Beach, FL 32034  
Herbert Kellum  
Gayle Kellum  
904-261-0242

Abbey Carpet of Lee County  
Bendele Abbey Carpet & Floor  
DCB Flooring  
11998 S. Cleveland Avenue  
Fort Myers, FL 33907  
Craig Bendele  
239-936-7176

Abbey Carpet of Fruitland Park  
Best Flooring Center  
W.H. Barnes, Inc.  
3480 US Hwy 441/27  
Fruitland Park, FL 34731  
William Barnes  
352-728-4443

Abbey Carpet & Floor of Hallandale  
Not Just Carpet  
3020 SW 30th Avenue  
Hallendale, FL 33009  
Ignacio Loterstein  
Christian Castiglia  
954-454-6993

Abbey Carpet & Floor of Inverness  
Best Flooring Center of Citrus County  
138 N. Florida Ave.  
Inverness, FL 34453  
Mike Thomas  
352-726-4465

Abbey Carpet & Floor of Jacksonville  
The Floor Club  
11840 Beach Blvd., Suite #7  
Jacksonville, FL 32246  
Collen Barnett  
Tim Barnett  
904-646-4400

Abbey Carpet & Floor of Lady Lake  
Best Flooring An Abbey Carpet &  
Floor Dealer  
8590 East County Road #466, Suite C  
Lady Lake, FL 32162  
Bo Barnes  
352-753-1739

**ABBAY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Lake City  
Wayne's Carpet Plus  
3325 South US Hwy. 441  
Suite 101  
Lake City, FL 32025  
J. Wayne Adams  
386-719-4200

Abbey Carpet of Largo  
Abbey Carpet & Floor of Largo  
13120 66th Street  
Largo, FL 33773  
Mark Munjone  
Arthur Munjone  
727-524-1445

Abbey Carpet of Marathon  
D'Asign Source  
11500 Overseas Highway  
Marathon, FL 33050  
Franco D'Ascanio  
305-743-7130

Abbey Carpet & Floor of Naples  
Abbey Carpet & Floor  
13250 Tamiami Trail North  
Naples, FL 34110  
Philip Gutierrez  
239-596-5959

Abbey Carpet & Floor of Naples  
Abbey Carpet & Floor Downtown Naples  
670 9th Street North  
Naples, FL 34102  
Phillip Gutierrez  
239-596-5959

Abbey Carpet & Floor of Ocala  
Abbey Flooring and More  
1645 SE 58<sup>th</sup> Ave #6  
Ocala, FL 34480  
Fatine Bendriss  
352-624-3002

~~Abbey Carpet & Floor of Orlando~~  
~~Blackton, Inc.~~  
~~1714 Alden Rd~~  
~~Orlando, FL 32803~~  
~~Micky Blackton~~  
~~407-898-2661~~

Abbey Carpet of Panama City  
Sharp Carpet & Ceramic Tile  
2617 Martin Luther King Jr. Blvd.  
Panama City, FL 32405  
Herb Sharp  
Terri Rhodes  
850-769-8505

Abbey Carpet & Floor of Port Charlotte  
Friendly Floors  
~~M. Benson Consulting, Inc.~~  
[Elite Flooring by Dan LLC](#)  
3785 Tamiami Trail  
Port Charlotte, FL 33952  
~~Marjorie Benson~~ [Dan Collins](#)  
941-624-0077

Abbey Carpet of Port St. Joe  
Carpet Country  
Pliers Floor Covering  
2760 Highway 98 West  
Port St. Joe, FL 32456  
Kenny Peak  
850-227-7241

Floor Specialists,  
An Abbey Design Center  
Floor Specialists of Wellington  
11101 South Crown Way #5  
Wellington, FL 33414  
Tom Ferris  
561-514-1912

Abbey Carpet & Floor of Sanford  
Sanford Carpet and Flooring  
2553 Park Drive  
Sanford, FL 32773  
Sandy King  
Lawrence King  
407-322-3241

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Sarasota  
Carpet Inn of Sarasota, Inc.  
4107 Clark Road  
Sarasota, FL 34233  
Anthony Colonna (Tony)  
941-923-2381

Abbey Carpet & Floor of Sebastian  
Jerry Smith Flooring & Design Center  
915 US Highway 1  
Sebastian, FL 32958  
Mickie Willaman  
772-589-6818

~~Abbey Carpet & Floor E. Sebring  
Slash Pines Construction, Inc.  
207 Mini Ranch Road  
Sebring, FL 33870  
Brannon Sparks  
886-381-9017~~

Abbey Carpet & Floor of S. Daytona  
Wadsworth Carpet Warehouse  
2012 So. Ridgewood Avenue  
South Daytona, FL 32119  
David Wadsworth  
386-767-1114

Abbey Carpet of St. Augustine  
Hester's Abbey Floor Coverings  
Freedom Lake, Inc.  
3220 US Highway 1 South  
St. Augustine, FL 32086  
Scott Kophamer  
904-797-2929

Abbey Carpet & Floor of Stuart  
Flooring USA  
Design Wholesale, Inc.  
2587 SE Federal Hwy.  
Stuart, FL 34994  
Robert (Bob) Cummings  
772-463-6400

Abbey Carpet & Floor of Sun City  
John Moore Floor Covering, Inc.  
1629 Sun City Center Plaza  
Sun City, FL 33573  
John Moore  
813-633-7116

Abbey Carpet of Tallahassee  
ABC Abbey Carpet & Floor of Tallahassee  
Apartment Owners Best Carpet  
1516-B Capital Circle SE  
Tallahassee, FL 32301  
Johnny Johnson  
850-877-6600

Abbey Carpet of East Tampa  
Szold's Modern Floor Covering  
4602 East 7<sup>th</sup> Avenue  
Tampa, FL 33605  
Steve Krasinski  
813-248-4989

Abbey Carpet of Palma Ceia  
Naffco Abbey Floors & Blinds  
Bay to Bay Design, Inc.  
1510 S. MacDill Ave.  
Tampa, FL 33629  
Mary Baker  
813-254-4066

Abbey Carpet of North Tampa  
Naffco Abbey Floors & Blinds  
Celebrity Carpets  
14306 N. Dale Mabry Road  
Tampa, FL 33618  
Mary Baker  
813-961-1362

Abbey Carpet of Tavares  
Best Flooring Center  
W H Barnes, Inc.  
324 W Burleigh Blvd  
Tavares, FL 32778  
William Barnes  
352-343-0027

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

**Georgia**

Abbey Carpet & Floor of Leesburg  
Katz Floor Covering  
260 Cedric Street  
Leesburg, GA 31763  
Chuck Katz  
229-889-0082

Abbey Carpet & Floor of Martinez  
A&D Carpets Inc. & Hardwood  
320 S. Belair Rd.  
Martinez, GA 30907  
Angela Key  
Becky Critell  
706-863-8879

Abbey Carpet of Thomson  
Thomson Carpet Center  
1280 Washington Road  
Thomson, GA 30824  
Raymond Swann  
Mark Swann - Mgr.  
706-595-6123

**Hawaii**

Abbey Carpet of Aiea  
Abbey Carpet & Floor of Hawaii  
Carpet Masters  
98-761 Oihana Place #D-3  
Aiea, HI 96701  
Roy Tokuhama  
Gary Martin (Manager)  
808-487-6667

Abbey Carpet of Maui  
Maui Carpet & Drapery  
25 South Kahuli Beach Road  
Kahului, HI 96732  
Warren Orikasa  
808-871-5825

**Idaho**

Abbey Carpet of Meridian  
Meridian Floor Covering  
30 East Franklin Road  
Suite 70  
Meridian, ID 83642  
Joe Waite  
208-888-9103

Abbey Carpet of Post Falls  
Fairway Floor, Inc.  
Fairway Floor & Design  
4149 E. 16th Avenue  
Post Falls, ID 83854  
Ron Trenkle  
Gary Frost  
208-777-7711

**Illinois**

~~Abbey Carpet of Chicago~~  
~~Rexx Rug & Linoleum, Inc.~~  
~~3312 N. Lincoln Avenue~~  
~~Chicago, IL 60657~~  
~~Neil Schaye~~  
~~773-281-8800~~

Abbey Carpet & Floor of Dixon  
Brothers Flooring  
1419 N. Galena Avenue  
Dixon, IL 61021  
Keith Grell  
805-882-1928

Abbey Carpet of N. Elgin  
Advantage Contractor Solutions, Inc.  
1750 Todd Farm Drive, Unit C  
Elgin, IL 60123  
Carolyn Defano  
Stephen Drake  
847-841-8905

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Elmhurst  
Carpets of Elmhurst, Inc.  
105 W. Second Street  
Elmhurst, IL 60126  
Kenneth Yeager  
630-833-6550

Abbey Carpet of Shelbyville  
Short Furniture Company  
114 West Main Street  
Shelbyville, IL 62565  
Stephen G. Burrell  
217-774-3977

Abbey Carpet of Fulton  
~~Van's Carpet Korner, Inc.~~  
Grand Bella Interiors  
1430 10th Avenue  
Fulton, IL 61252  
~~John Mueller~~Stephanie Pillers  
815-208-7020

Abbey Carpet & Floor of Springfield  
Flooring of Springfield, Inc.  
510 Bruns Ln  
Springfield, IL 62702  
Jagdish Singh  
217-698-1100

Abbey Carpet of Alton  
Buck's Decorating Center  
5411 Godfrey Road  
Godfrey, IL 62035  
Pat Parker  
Mary Parker  
618-466-2581

Abbey Carpet & Floor of Taylorville  
Neikes Floor Covering  
919 W. Spresser Street  
Taylorville, IL 62568  
Blake Richardson  
217-824-2555

Abbey Carpet of Litchfield  
Short Furniture Company  
319 North State  
Litchfield, IL 62056  
William Short  
217-324-2117

**Indiana**

Abbey Carpet of Anderson  
Denney's Carpet, Inc.  
1415 East 53<sup>rd</sup> Street  
Anderson, IN 46013  
Steven Denney  
James Denney  
765-644-1397

Abbey Carpet of Naperville  
Olde Towne Floors  
12344 South Industrial Drive East  
Plainfield, IL 60544  
Daniel Burdzinski  
815-230-3200

Abbey Carpet of Decatur  
Habegger Flooring Distributors  
1337 Village Green Drive  
Decatur, IN 46733  
Eldon Habegger II  
260-724-2180

Abbey Carpet & Floor of Rock Falls  
Brothers Flooring  
1111 1<sup>st</sup> Avenue  
Rock Falls, IL 61071  
Keith Grell  
815-535-9226

Abbey Carpet of Fort Wayne  
Contract Interiors, Inc.  
Contract Ceramic & Stone  
140 East Jacobs Avenue  
Fort Wayne, IN 46805  
Stacey Bushey  
Larry Hansen  
260-423-3674

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet W. Greensburg  
Custom Floors of Greensburg  
Domingo Family, Inc.  
921 E. State Road 46  
Greensburg, IN 47240  
Rick Meadows  
Ray Domingo  
812-663-2404

Abbey Carpet & Floor of Highland  
Cover-Rite  
9400 Indianapolis Boulevard  
Highland, IN 46322  
Kevin Kolodziej  
Larry Kolodziej  
Mary Kolodziej  
219-922-6800

Abbey Carpet of Indianapolis  
Indiana Seamless Floors  
Carpets Mostly  
3230 W. Southport Road  
Indianapolis, IN 46217  
Powers Hapgood  
317-881-3265

Abbey Carpet & Floor of North Ft. Wayne  
Carpet Discount of Ft. Wayne  
817 Union Street  
New Haven, IN 46774  
Michael Pape  
260-484-9042

Abbey Carpet of South Bend  
South Bend Carpetland USA  
50760 U.S. 31 North  
South Bend, IN 46637  
Chip Aschenbrenner  
Wini Aschenbrenner  
574-272-4500

Abbey Carpet of Terre Haute  
Robinson's Abbey Carpet & Floor  
Robinson's Floor Covering Center  
218 Maple Avenue  
Terre Haute, IN 47804  
William Robinson  
812-232-3163

**Iowa**

Abbey Carpet of Cedar Falls  
BK Tile Abbey Flooring Center  
BK Tile, Inc.  
1922 Main Street  
Cedar Falls, IA 50613  
Bob Klein  
319-553-3933

Abbey Carpet of Cedar Rapids  
Phelan's Interiors  
728 3rd Ave. SE  
Cedar Rapids, IA 52401  
Paul Phelan  
319-363-9634

Abbey Carpet of Davenport  
Abbey Carpet Gallery  
4811 North Brady Street  
Davenport, IA 52806  
Bill Daley  
563-391-2593

Abbey Carpet & Floor of Dubuque  
Widmeier Flooring & Furniture  
4390 Dodge St.  
Dubuque, IA 52003  
Joe Widmeier  
563-690-2211

Abbey Carpet of Ft. Madison  
Floors Decor & More Abbey Carpet  
2331 Avenue L  
Fort Madison, IA 52627  
Dave Holtkamp  
Sandy Holtkamp  
319-372-7103

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carept & Floor of Indianola  
Phillips Floors, Inc.  
2714 N Jefferson  
Indianola, IA 50125  
Scott Laube  
515-961-7300

Abbey Carpet of Iowa City  
Sobaski Abbey Flooring Center  
Sobaski Carpet  
600 Hwy 1 West  
Iowa City, IA 52246  
Joe Sobaski  
319-337-4054

**Kansas**

Abbey Carpet of Garden City  
J&M Paint & Decorating Center, Inc.  
J&M Paint & Wallcovering  
1615 Buffalo Jones Avenue  
Garden City, KS 67846  
Jim Koerperich  
Maurita Koerperich  
620-276-3811

Abbey Carpet of Great Bend  
Best Buy Carpet Outlet  
Abbey Carpet and Floor  
Al Smith Enterprises  
1500 U.S. Hwy 281 Bypass  
Great Bend, KS 67530  
Al G. Smith  
Patricia L. Smith  
620-793-6845

Abbey Carpet of Overland Park  
Designers Choice Wholesale Flooring  
9102 Nieman Road  
Overland Park, KS 66214  
Kim Noe  
913-492-3800

Abbey Carpet of Wichita KS  
Bell Carpet & Floors, Inc.  
801 W. Douglas  
Wichita, KS 67213  
Mark Bell  
Wanda Robertson  
316-265-9629

**Louisiana**

Lacour's Abbey Carpet World  
Lacour's Carpet World  
7421 Tom Drive  
Baton Rouge, LA 70806  
David Lacour  
225-927-4130

Abbey Carpet of Chalmette  
Weeco, Inc.  
Flooring Showcase  
600 West Judge Perez Drive  
Chalmette, LA 70043  
Charles Williams, Jr.  
504-279-3864

Abbey Carpet & Floor of Covington  
Southern Flooring, LLC  
501 Winward Dr.  
Covington, LA 70433  
Chalan Scherer  
Kyle McDanell  
985-893-8699

Abbey Carpet & Floor of Kenner  
Integrity Carpet, Inc.  
2835 Virginia St.  
Kenner, LA 70062  
Heysi & Richardo Fuentes  
504-712-5485

Abbey Carpet & Floor of NE Monroe  
Custom Carpet & Interiors  
1001 Sterlington Road  
Monroe, LA 71201  
AJ Siggers  
318-323-6094

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Westwego  
Wego Abbey Floors  
1515 Westbank Expressway  
Westwego, LA 70094  
John Giardina  
504-340-5000

**Maine**

Abbey Carpet & Floor of Portland  
Port City Flooring  
Maine Real Estate Services, LLC  
277 Marginal Way  
Portland, ME 04101  
Liam McCoy  
207-775-2434

**Maryland**

Abbey Carpet of Columbia  
C.B. Flooring LLC  
9515 Gerwig Lane, Suite 130  
Columbia, MD 21046  
Chuck Bode  
410-381-5400

Abbey Carpet & Floor of N. Columbia  
C.B. Flooring LLC  
6770 Oak Hall Lane, Suite 104  
Columbia, MD 21045  
Chuck Bode  
410-381-5900

Abbey Carpet & Floor of Easton  
Kent Island Abbey Floor Coverings of  
Easton  
Wright Interiors  
106 Marlboro Avenue  
Easton, MD 21601  
Eugene Beville  
Kevin & Laura Wright  
410-822-0090

Abbey Carpet & Floor of Edgewood  
K.C. Flooring  
2109 Emmorton Park Rd., Suite 105  
Edgewood, MD 21040  
Kevin Scheihing  
410-670-3929

Abbey Carpet & Floor of Ellicott City  
C.B. Flooring LLC  
9469 Baltimore National Pike  
Ellicott City, MD 21042  
Chuck Bode  
410-750-6080

Abbey Carpet of Gaithersburg  
Floor Rio Abbey Carpet  
Floor Rio & Carpets  
54 Market Street  
Gaithersburg, MD 20878  
Ray Tabarzadi  
301-921-6611  
Abbey Carpet & Floor of Hampstead  
Towne Pride Interiors  
1214 North Main Street  
Hampstead, MD 21074  
Kenneth Wright  
Craig Wright  
Donna Wright  
410-239-7500

Abbey Carpet of Great Mills  
Doyle's Abbey Carpet  
Doyle's Carpet, Inc.  
20041 Point Lookout Road  
Lexington Park, MD 20653  
Norman G. Doyle, Sr.  
301-994-3650

Abbey Carpet of Kent Island  
Kent Island Abbey Carpet & Floor  
Village at Bentons Crossing  
220 St. Claire Place  
Stevensville, MD 21666  
Eugene Beville  
410-643-6752

Abbey Carpet & Floor of White Plains

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Southern Maryland Floor Company  
10505 Theodore Green Boulevard  
White Plains, MD 20695  
Bob Thompson  
301-392-9211

**Massachusetts**

Abbey Carpet & Floor of Ashland  
Abbey Carpet & Floor  
JARBO  
78 Union Street  
Ashland, MA 01721  
Craig Bogardus  
508-881-5700

Abbey Carpet & Floor of Lawrence  
Superior Rug Services Corp.  
223 Winthrop Ave.  
Lawrence, MA 01843  
Aaron Sokolov  
978-682-7651

Abbey Carpet of Weymouth  
Abbey Carpet & Tile  
Metro Carpet & Tile  
238 Washington Street  
Weymouth, MA 02188  
Ed Mcphee  
781-337-4800

**Michigan**

Abbey Carpet of Adrian  
DWK Interiors, LLC  
3292 N. Adrian Highway  
Adrian, MI 49221  
Dennis Kemerer  
517-263-2377

Abbey Carpet of Cadillac  
Nixon Carpet & Lumber  
912 West 13th Street  
Cadillac, MI 49601  
James B. Nixon  
231-775-1312

Abbey Carpet & Floor of Flint  
Glenn Tile & Carpet, Inc.  
5361 Fenton Road  
Flint, MI 48507  
Harry Ashbaugh & Tammy Taipalus  
810-234-0759

Abbey Carpet & Floor of Holt  
American Flooring, LLC  
4655 E. Willoughby Road  
Holt, MI 48842  
Doug Daigle  
517-694-7415

Abbey Carpet & Floor of Howard City  
The Abbey Decorating Department  
7910 Federal Road  
Howard City, MI 49329  
Derick & Krystal Dewey  
231-937-4206

Abbey Carpet of Jackson  
Collins Bros Floor Covering  
154 W. Pearl Street  
Jackson, MI 49201  
Kent Kleinschmidt  
Dave Blank  
517-782-0298

Abbey Carpet & Floor of Sylvan Lake  
Telesco Abbey Carpet & Floor  
Telesco Floor & Interiors  
2705 Orchard Lake Road  
Keego Harbor, MI 48320  
Jeff Telesco  
248-682-5600

Abbey Carpet of Livonia  
Abbey Flooring & Design  
PFC Sales, LLC  
17200 Farmington Road  
Livonia, MI 48152  
Edward Barann  
734-427-7120

**ABBEEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Mattawan  
West Michigan Carpet and Tile  
53109 N. Main Street  
Mattawan, MI 49071  
Vince Marsilio  
269-668-5378

Abbey Carpet of Midland  
A.T. Frank Co.  
2218 N. Saginaw  
Midland, MI 48640  
Robert Frank  
989-839-0022

Abbey Carpet of Monroe  
Runyon's Carpet Sales & Interiors  
1975 N. Monroe Street  
Monroe, MI 48162  
Tony Runyon  
734-242-2836

Abbey Carpet of Saginaw  
A.T. Frank Co., Inc.  
3135 Boardwalk  
Saginaw, MI 48603  
Greg Frank  
Ken Kramer  
989-497-1900

Abbey Carpet of W. Saginaw  
Ed Lynes & Sons, Inc.  
7575 Gratiot Road  
Saginaw, MI 48609  
Robert (Bob) Frank  
989-781-0300

Abbey Carpet of N. Saginaw  
A.T. Frank Outlet, Inc.  
3911 Bay Road  
Saginaw, MI 48603  
Robert (Bob) Frank  
Ken Kramer / Manager  
989-793-9880

Abbey Carpet of Sparta  
Abbey Town & Country  
JVK Enterprises  
9660 Sparta Avenue  
Sparta, MI 49345  
Joel Vande Kieft  
616-887-1767

Abbey Carpet of Tawas City  
Wojahn Carpet & Furniture  
Wojahn Floor Covering, Inc.  
30 West M-55  
Tawas City, MI 48763  
Keith Wojahn  
Penny Wojahn  
989-362-4449

Abbey Carpet & Floor of Traverse City  
America's Carpet Barn  
883 US 31 South  
Traverse City, MI 49685  
Ron Rogers  
Mary Reese  
231-943-7447

**Minnesota**

Abbey Carpet of Apple Valley  
Abbey Decorating Center  
6808 151 Street West, Suite 104  
Apple Valley, MN 55124  
Dave Kramer  
952-891-5100

Abbey Carpet of Cambridge  
1565 Highway 95 East  
Cambridge, MN 55008  
Shawn Nedegaard  
763-689-5054

Abbey Carpet & Floor of Chisago City  
Giese Carpet  
Giese Carpet LLC  
10490 South Avenue  
Chisago, MN 44013  
Peter Wilson  
651-257-1240

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Duluth  
Plywood Minnesota of Duluth  
1735 Maple Grove Rd.  
Duluth, MN 55811  
Sean Bradley  
218-722-6306

Abbey Carpet & Floor of Eden Prairie  
The Floor Center  
Erskine Wood Floors  
12578 Plaza Drive  
Eden Prairie, MN 55344  
Todd Erskine  
952-946-1313

Selands Abbey Flooring Center  
RBLs, Inc.  
17296 County Highway 82  
Fergus Falls, MN 56537  
Rich Seland  
218-739-1177

Abbey Carpet & Floor of North Branch  
Giese Carpet  
Giese Carpet LLC  
38875 Forest Blvd.  
North Branch, MN 55056  
Peter Wilson  
651-674-4959

Abbey Carpet of Northwest  
Abbey Carpet Northwest, Inc.  
Great Carpet, Inc.  
233 Central Avenue  
Osseo, MN 55369  
Sheila Robinson  
763-425-0679

Abbey Carpet & Floor of Rochester  
Family Tradition Flooring  
406 37<sup>th</sup> St. NE  
Rochester, MN 55906  
Katie Savage  
Ben Savage  
507-258-1000

Abbey Carpet of Savage  
Thoroughbred Carpets  
8745 W. Highway 101  
Savage, MN 55378  
Mike Heise  
Jennifer Heise  
952-445-9140

Abbey Carpet & Floor of St. Cloud  
Traditional Floors & Design Center  
1800 Highway 23 East  
St. Cloud, MN 56304  
Pam Schlagheck  
320-251-5200

Abbey Carpet of White Bear Lake  
Suburban Floor Covering, Inc.  
Suburban Store Floor Covering  
3598 Linden Avenue  
White Bear Lake, MN 55110  
William Sonntag (Bill)  
651-779-0365

Abbey Carpet & Floor of Woodbury  
The Floor Center  
Erskine Wood Floors, Inc.  
7030 Hudson Road  
Woodbury, MN 55125  
Todd Erskine  
651-730-2021

**Mississippi**

Abbey Carpet & Floor of Hattiesburg  
A&A Flooring  
22 Graham Rd.  
Hattiesburg, MS 39402  
Hank Lott  
601-758-0800

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

**Missouri**

Abbey Carpet & Floor of Cape Girardeau  
Ultimate Flooring & Paint  
2465 Cape Center Dr.  
Cape Girardeau, MO 63703  
Darrin Johnson  
573-335-0204

Abbey Carpet & Floor of Concordia  
Rudi's Carpet & Furniture  
711 S. Main St.  
Concordia, MO 64020  
James Harms  
660-463-2889

Abbey Carpet of St. Charles  
Basye Abbey Carpet & Floor  
Basye Flooring Company  
4091 North St. Peters Park  
St. Charles, MO 63304  
Randy Basye  
636-939-3666

Abbey Carpet & Floor of Sikeston  
Ultimate Flooring & Paint  
777 S. Main St.  
Sikeston, MO 63801  
Darrin Johnson  
573-471-7660

**Montana**

Abbey Carpet & Floor of Billings  
Rimrock Cabinet Co.  
547 S. 20<sup>th</sup> St. West #7  
Billings, MT 59102  
Steve Wylie  
406-651-8109

Abbey Carpet of Glendive  
Koch Furniture Co.  
320 North Kendrick  
Glendive, MT 59330  
Chuck Bondley  
406-365-3665

Abbey Carpet of Great Falls  
Floors & More  
920 1st Avenue North  
Great Falls, MT 59401  
Neil Swift  
Gretchen Swift  
406-761-7820

Abbey Carpet of Havre  
Valley Furniture Company  
315 West First Street  
Havre, MT 59501  
Mike Evans  
406-265-2278

Abbey Carpet of Kalispell  
Roybal's Abbey Carpet  
RFI Inc.  
11 Main Street  
Kalispell, MT 59901  
Paul Roybal  
406-752-7655

Abbey Carpet of Lewistown  
Smarts Abbey Carpet & Floor  
Smart Flooring & Design  
202 West Broadway  
Lewistown, MT 59457  
Bill Smart  
Debbie Smart  
406-538-4336

Abbey Carpet & Floor of Livingston  
Livingston Flooring and Carpet Center  
109 North N Street  
Livingston, MT 59047  
Chris Tokash  
Kevin Tokash  
406-222-7260

Abbey Carpet of Ronan  
Big Sky Flooring Company  
63540 Highway 93, Suite C  
Ronan, MT 59864  
Bob Thiel  
406-676-5508

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carepet & Floor of Sidney  
Rimrock Cabinet Co.  
216 South Central Ave.  
Sidney, MT 59270  
Steve Wylie  
406-630-2083

Celestial Flooring an Abbey Carpet Store  
Celestial Flooring  
3905 Highway 93 North  
Stevensville, MT 59870  
Keith Koener  
406-777-0903

**Nebraska**

~~Abbey Carpet of Columbus~~  
~~Wize Buys Abbey Carpet & Floor~~  
~~Mr. Wize Buys Carpet Shop~~  
~~2307-13<sup>th</sup> Street~~  
~~Columbus, NE 68601~~  
~~Kevin Johnson~~

~~Dawn Soper~~  
~~402-564-1306~~

Abbey Carpet of Lincoln  
'O' Street Abbey Carpet & Floor  
Carper's O Street Carpet  
1732 O Street  
Lincoln, NE 68508  
Steven Carper  
Gayle Carper  
402-476-7567

Abbey Carpet of North Platte  
Select Abbey Carpet  
501 E. Francis  
No. Platte, NE 69101  
Keven L. Peters  
308-534-5000

Abbey Carpet & Floor of Sidney  
The Flooring Garage  
1403 Illinois Street  
Sidney, NE 69162  
Shannon Jung  
308-254-4142

**Nevada**

Abbey Carpet & Floor of Fernley  
Carpet King Interiors, Inc.  
785 US Hwy 95A South  
Fernley, NV 89408  
Kelly Brye  
775-575-1212

Abbey Carpet & Floor of Las Vegas  
Affordable Flooring & More, LLC  
6535 N. Buffalo Dr., Suite 110  
Las Vegas, NV 89131  
Michael Boulant  
702-658-6008

Abbey Carpet & Floor of Las Vegas  
Nevada Contract Carpet  
6840 W. Patrick Lane  
Las Vegas, NV 89118  
Steve Bucher  
702-362-3033  
Abbey Carpet & Floor of Mesquite  
C&J Shutters Blinds and Flooring, Inc.  
550 W. Pioneer Blvd., Suite 112  
Mesquite, NV 89027  
Jackie Burton  
702-345-3672

Abbey Carpet & Floor of Reno  
Full Circle Flooring  
9720 S. Virginia St., Ste. A  
Reno, NV 89511  
Jason Hopp  
775-853-1330

Abbey Carpet of Sparks  
Nevada Contract Carpet  
954 Spice Island Drive  
Sparks, NV 89431  
Steve Bucher  
775-356-1444

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

**New Jersey**

Abbey Carpet & Floor of Cape May Court House  
S.R.L. Floor Covering LLC  
Artisan Floors and Interiors  
1167 Route 9S  
Cape May Court House, NJ 08210  
Zachary La Torre  
John La Torre  
Miranda Becica  
609-770-6080

Abbey Carpet of Delran  
Forcellini & Sons Carpet  
Gerry Forcellini Carpet Co.  
9008 Route 130 North  
Delran, NJ 08075  
Joanne Forcellini  
856-461-1595

Abbey Carpet & Floor of Freehold  
Carpet & Flooring Showroom of NJ, LLC  
3352 US 9  
Freehold, NJ 07728  
Donna Faina & Mike Palughi  
732-409-2669

Abbey Carpet of Hawthorne  
Abbey Carpet & Floor of Hawthorne  
Hawthorne Rugs, Inc.  
1030 Goffle Road  
Hawthorne, NJ 07506  
Kurt Faber  
Glenn Baker  
973-427-7900

Abbey Carpet & Floor of Middletown  
Carpet Value Center  
Monmouth Flooring, LLC  
1021 Highway 35  
Middletown, NJ 07748  
Mike Iacono  
Rob Iacono  
732-671-8333

Abbey Carpet of Pennington  
Regent Floor Covering, Inc.  
#7 Route 31 North, Suite G  
Pennington, NJ 08534  
Felix Rossi  
Joseph Rossi  
609-737-2466

Abbey Carpet & Floor of Point Pleasant Beach  
Taylor Flooring  
615 Bay Avenue  
Point Pleasant Beach, NJ 08742  
Bill Taylor  
732-899-9797

Abbey Carpet of Pompton Lakes  
Rug Liquidators, Inc.  
Vinkara Floors  
222 Wanaque Avenue  
Pompton Lakes, NJ 07442  
Tim Fitzgerald  
973-839-4919

Abbey Carpet & Floor of Succasunna  
Orange Carpet & Linoleum  
The Floor Depot, Inc.  
470 Route 10 West, #3  
Ledgewood, NJ 07852  
Mary Elizabeth White  
973-584-5300

Abbey Carpet of Toms River  
East Coast Flooring, Inc.  
219 Route 37 West  
Toms River, NJ 08755  
Eugene T. Danyo  
732-349-4660

Abbey Carpet of Turnersville  
A & J Carpet Outlet, Inc.  
5360 Route 42  
Turnersville, NJ 08012  
James Depiano  
Andrew Depiano  
856-227-1753

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Union  
Paragon Mills  
Degiacomo Flooring LLC  
1071 Hudson Street  
Union, NJ 07083  
Reid Grossman  
908-851-2600

Abbey Carpet of Woodbury  
875 Mantua Pike  
Southwood Shopping Center  
Woodbury, NJ 08096  
Jesse D. Edick  
856-848-4434

**New Mexico**

Abbey Carpet & Floor of Albuquerque  
New Mexico Flooring  
9311 4th St. NW  
Albuquerque, NM 87114  
Daren Crespín  
505-898-5739

Abbey Carpet & Floor of Los Lunas  
New Mexico Flooring  
1400 Main St. SW  
Los Lunas, NM 87031  
Daren Crespín  
505-898-5739

Abbey Carpet & Floor of Roswell  
Allison's Home Supply House, LLC  
216 West 2<sup>nd</sup> Street  
Roswell, NM 88201  
Jennifer Allison  
Jason Allison  
Meta Muner  
575-624-0901

Abbey Carpet of Santa Fe  
Coronado Paint & Decorating  
2929 Cerrillos Road  
Santa Fe, NM 87507  
Buddy Roybal  
505-473-5333

**New York**

Abbey Carpet of Albany  
Ted's Floor Covering  
118 Everett Road  
Albany, NY 12205  
Michael Masucci  
518-489-4106

Abbey Carpet of Brooklyn  
V M International Carpet  
1260 McDonald Avenue  
Brooklyn, NY 11230  
Vincent Malvone  
718-677-1306

Abbey Carpet & Floor of Centereach  
Your Floor Store  
1800 A Middle County Road  
Centereach, NY 11720  
Rich Donnelly  
Debby Olsen  
631-981-5000

Abbey Carpet & Floor of Coram  
Flooring & Carpet Warehouse  
Carpet Depot of Long Island  
391 Middle Country Road  
Coram, NY 11727  
Mark Singer  
631-451-0258

Abbey Carpet of Corning  
Evar's Abbey Carpet  
11887 East Corning Road  
Corning, NY 14830  
Jerome Overstrom  
607-962-3171

Abbey Carpet & Floor of E. Northport  
Marina Carpet  
DDMR, Inc.  
2035 E. Jericho Turnpike  
East Northport, NY 11731  
Deborah Devito  
Michael Katen  
631-499-5353

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Centrol Elmsford  
Westwood Flooring Elmsford  
9 East Main St.  
Elmsford, NY 10523  
Pat McCarney  
914-685-3140  
Abbey Carpet of Levittown  
Class Carpet, Inc.  
29 Jerusalem Avenue  
Levittown, NY 11756  
Alex Sayadfar  
516-579-5858

Abbey Carpet of Lockport  
M. Carter Decor  
Thom's Flooring, Inc.  
360 West Avenue  
Lockport, NY 14094  
Thomas Dedline  
716-434-2159

Abbey Carpet & Floor of New Windsor  
Carpet Mill Outlet  
294 Windsor Hwy  
New Windsor, NY 12553  
Kenneth Borden  
845-562-0234

Abbey Carpet of Manhattan  
Manhattan Carpet & Floor  
Manhattan Carpet, Inc.  
145 East 23rd Street  
New York, NY 10010  
David Stanger  
212-685-3626

Abbey Carpet of New Hyde Park  
Prince Carpet & Floors  
121 Dupont Street  
Plainview, NY 11803  
Sam N. Borod  
516-437-1166

Abbey Carpet Port Washington  
Robt Campbell Carpet Service  
Campbell Carpet Service  
413 Main Street  
Port Washington, NY 11050  
Robert Campbell  
Kathleen Campbell  
516-883-8509

~~Abbey Carpet & Floor of Rocky Point~~  
~~Reality Carpet~~  
~~29 Rocky Point Yaphank Rd, Ste 2~~  
~~Rocky Point, NY 11778~~  
~~Jordan Gewitz~~  
~~631-744-5147~~

Abbey Carpet & Floor of Rye  
Carpet Trends  
5 Smith Street  
Rye, NY 10580  
Rob Rogers  
914-967-5188

Abbey Carpet of Rotterdam  
Tomasek Associates Ltd.  
2891 Guilderland Avenue  
Schenectady, NY 12306  
Dave Tomasek  
518-355-2142

Abbey Carpet of Southampton  
Sybelle Carpet & Linoleum  
375 County Road #39, Suite C  
Southampton, NY 11968  
Phil Beller  
631-283-6888

Abbey Carpet & Floor of Staten Island  
Taub's Floor Covering of SI Corp  
2965 Veterans Road West  
Staten Island, NY 10309  
Ismet Capric  
Gene Gianini  
718-727-5757

**ABBAY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Syosset  
Designer Carpet & Rug by Peykar  
233 Robbins Lane  
Syosset, NY 11791  
Robert Hakimi  
516-719-8500

Abbey Carpet & Floor of Wappingers  
Falls  
Royal Carpet Drapery Upholstery  
Cleaning, Inc.  
1615 Route 9  
Wappinger Falls, NY 12590  
Paul Ciancanelli  
Royal Ciancanelli  
845-831-4774

Abbey Carpet of Watertown  
Tri-State Carpet Co.  
150 Court Street  
Watertown, NY 13601  
Stephen Bradley  
Joyce Bradley  
315-782-4261

Abbey Carpet of West Babylon  
A-1 Carpet Co. & Designer Workshop  
632 Sunrise Highway  
West Babylon, NY 11704  
John Vadala  
Steve Vadala  
631-669-2300

Abbey Carpet of Yonkers  
Abbey Carpet Gallery & Floor  
N & S Carpet Co., Inc.  
1103 Central Park Avenue  
Scarsdale, NY 10583  
Neal Stanger  
914-713-4700

**North Carolina**

Abbey Carpet & Tile of Boone  
JW Carpet LLC  
221 Boone Heights Drive  
Boone, NC 28607  
Scott Cook  
828-265-3622

Abbey Carpet & Floor of Charlotte  
Charlotte Flooring  
123 Freeland Lane  
Charlotte, NC 28217  
Brian Swaney  
704-377-8814

Abbey Carpet of Fayetteville  
Southern Carpet & Interiors of  
Fayetteville, Inc.  
1211 Ireland Drive #106  
Fayetteville, NC 28304  
Mike Younts  
Laura Younts  
910-486-9175

Abbey Carpet of Forest City  
Robbins Paint & Carpet  
206 Commercial Street  
Forest City, NC 28043  
Jim Robbins  
828-245-8801

Abbey Carpet & Floor of Raleigh  
Charlotte Flooring  
459 Hein Drive  
Garner, NC 27529  
Brian Swaney  
919-779-9112

Abbey Carpet of Goldsboro  
Abbey Carpet Goldsboro, Inc.  
204 West New Hope Road  
Goldsboro, NC 27534  
Andrea Lawrence  
919-778-5707

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Greenville  
Abbey Full Service Flooring  
TYSCO, Inc.  
156 Tilco Drive  
Winterville, NC 28590  
Tim Tyson  
Kristina Tyson  
252-756-9308

~~Abbey Carpet of Huntersville  
Burgess Supply Co., Inc.  
15435 Highway 73  
Huntersville, NC 28078  
Rhonda Burgess Griffith  
Ben Griffith  
704-875-1338~~

Abbey Carpet & Floor of Kill Devil Hills  
Stellar Tile & Flooring, Inc.  
2004 S. Croatan Hwy., Unit #13  
Kill Devil Hills, NC 27948  
Emily Austin  
252-715-0557

Abbey Carpet of Wilson  
Carpeteria's Abbey Carpet & Floor  
Carperteria's Abbey Carpet Center  
2911 Forest Hills Road SW  
Wilson, NC 27893  
Gerald Bedford  
252-243-7847

Abbey Carpet & Floor of Winston Salem  
Bob Grubbs Carpet Designers  
Carpet Designers, Inc.  
1168 West 4<sup>th</sup> Street  
Winston Salem, NC 27101  
Bob Grubbs  
336-725-8226

Abbey Carpet of Zebulon  
A&B's Abbey Carpet & Floor  
A&B Carpet Interiors  
1216 East Gannon Avenue  
Zebulon, NC 27597  
Jarvis Beaman  
Mike Anders  
919-269-4673

**North Dakota**

Abbey Carpet & Floor of Bismarck  
House of Color, Inc.  
2100 East Broadway Avenue  
Bismarck, ND 58501  
Gary Hanson  
Les Colen  
701-223-2381

Abbey Carpet & Floor of Fargo  
Showcase Floors  
3499 39th Street South  
Fargo, ND 58104  
Jeremiah Johnson  
701-293-8738

**Ohio**

Abbey Carpet of Akron  
Clupper Brothers Abbey Carpet & Floor  
WMC Carpet, Inc.  
3900 West Market Street  
Akron, OH 44333  
Michael Clupper  
Patrick Clupper  
330-666-6552

Abbey Carpet & Floor of Port Clinton  
Young's Floor Covering  
460 SE Catawba Road  
Port Clinton, OH 43452  
Craig Phillips  
Jason Blankenship  
419-434-2117

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Twinsburg  
Carpet Country  
9331 Darrow Rd.  
Twinsburg, OH 44087  
Craig Phillips  
330-425-9131

Abbey Carpet & Floor of West Chester  
Simply Floors, LLC  
7584 Voice of America Center Drive  
West Chester, OH 45069  
Jim Leamer, Sr.  
Dawn-Marie Leamer  
513-342-1181

Abbey Carpet of Willoughby  
Fuller Furniture Abbey Flooring Center  
Fuller Furn. & Flooring LLC  
38028 3rd St.  
Willoughby, OH 44094  
Arlene E. Blood  
Debra Lehr  
440-942-1288

**Oklahoma**

Abbey Carpet & Floor of Moore  
Bryan's Flooring, LLC  
2750 S. I-35 Service Rd.  
Moore, OK 73160  
Pat Bryan & Gloria Bryan  
405-634-4136

Abbey Carpet & Floor of Oklahoma City  
Bryans Flooring  
3935 W. Reno Ave.  
Oklahoma City, OK 73107  
Pat Bryan  
Jeremy Reed  
405-634-4136

Abbey Carpet & Floor of Ponca City  
Anderson Flooring – Abbey Design  
Showroom  
Anderson Carpet, Inc.  
509 North 1<sup>st</sup> Street  
Ponca City, OK 74601  
Brian Anderson  
Matthew Anderson  
580-762-1736

Abbey Carpet & Floor of Tulsa  
Bert Henry Carpet & Tile  
5626 S. Mingo Rd.  
Tulsa, OK 74146  
Bert Henry  
Ryan Henry  
918-250-6600

**Oregon**

Abbey Carpet & Floor of Ashland  
Auslen, Inc.  
1668 Siskiyou Boulevard  
Ashland, OR 97520  
Eric Austad  
Dan Leary  
541-488-3453

Abbey Carpet & Floor of Coos Bay  
Modern Floor Covering Co.  
Reid Flooring, LLC  
1910 Ocean Blvd. NW  
Coos Bay, OR 97420  
Jason Reid  
541-888-5531

Abbey Carpet of Corvallis  
Benson's Interiors  
Nickev Management Company LLC  
544 SW 4th Street  
Corvallis, OR 97333  
Nicole Gregg  
Terri Wilkinson (Manager)  
541-757-8553

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Dallas  
Kliever's Abbey Carpet and Flooring  
Covering, Inc.  
259 Main Street  
Dallas, OR 97338  
Tim Mumma  
503-623-7695

Abbey Carpet of Eugene  
The Carpet Company  
1585 West 7<sup>th</sup> St.  
Eugene, OR 97402  
David W. Egbert  
Ed Bryan  
Daryl Egbert  
541-484-5373

Abbey Carpet of Gresham  
Gilford's Abbey Carpet and Floor  
Gilford's Floor Covering  
533 East Powell Boulevard  
Gresham, OR 97030  
Doug Gilford  
503-665-1564

Abbey Carpet & Floor of Hillsboro  
Cudahy Lumber Company  
3010 SE Tualatin Valley Hwy.  
Hillsboro, OR 97123  
Mike Cudahy  
503-648-0831

Abbey Carpet of Hood River  
Affordable Floors  
1211 13th St.  
Hood River, OR 97031  
Larry Williams  
Ken Anderson  
541-386-7799

Abbey Carpet & Floor of Lake Oswego  
Floors 55  
21 S. State Street  
Lake Oswego, OR 97034  
Russell Bartels  
Byron Bressel  
503-673-1333

Abbey Carpet & Floor of Newport  
Abbey Floor & More  
345 SW Coast Highway  
Newport, OR 97365  
Kelly Smith  
541-265-6167

Abbey Carpet & Floor of Oregon City  
Floors 55  
1601 Beavercreek Rd  
Oregon City, OR 97045  
Byron Bressel  
Russell Bartels  
503-673-8008

Abbey Carpet & Floor of Portland  
Floors 55  
55 SE Main St.  
Portland, OR 97214  
Byron Bressel  
Russell Bartels  
503-491-1776

Abbey Carpet of Wilsonville  
Wilsonville Abbey Carpet & Tile  
9150 SW Pioneer Court, Space L  
Wilsonville, OR 97070  
Mark Williams  
503-682-2520

**Pennsylvania**

Abbey Carpet of Aliquippa  
AEI Interiors, LLC  
Abbey Carpet & Floor  
105 Pleasant Drive  
Aliquippa, PA 15001  
Elaine De Luco  
724-378-1925

Abbey Carpet of Bethlehem  
The Floor Show, Inc.  
1717 Stefko Blvd  
Bethlehem, PA 18017  
Alan Levin  
Phil Levin

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

610-861-0900

Abbey Carpet & Floor of Butler  
Butler Floor & Carpet Co., Inc.  
1763 N. Main Street Ext.  
Butler, PA 16001  
Julie Czifra & Tim Croft  
724-287-2289

Abbey Carpet of Churchville  
Tom Adams Storm Windows  
259 North 2<sup>nd</sup> Street Pike  
Churchville, PA 18966  
Cheryl (Cherrie) Adams  
215-357-7000

Abbey Carpet of Doylestown  
Tom Adams Storm Windows  
649 North Main Street  
Doylestown, PA 18901  
Cheryl Adams-Strobel  
215-345-1111

Abbey Carpet [& Floors](#) of Erie  
~~Greg Thomas~~ Floor Expressions [LLC](#)  
945 W. 12<sup>th</sup> St.  
Erie, PA 16501  
~~Greg Thomas~~ [Alan Lee Sweet](#)  
814-454-7979

Abbey Carpet & Floor of Harrisburg  
Abbey Carpet & Floor  
1920 Paxton Street  
Harrisburg, PA 17104  
Shawn Hall  
717-233-3038

Abbey Carpet & Floor of Lancaster  
Certified Flooring  
1855 Columbia Avenue  
Lancaster, PA 17603  
Mark Legenstein  
Joe Caschera  
Dennis Ream  
717-393-3001

Abbey Carpet & Floor of Lebanon  
Weaver's Carpet & Tile  
680 N. 15<sup>th</sup> Ave  
Lebanon, PA 17046  
Lee Weaver  
Ray Weaver  
717-273-4116

Abbey Carpet of Verona  
Riverview Carpet & Flooring  
516 Jones Street  
Verona, PA 15147  
Robert Bierly, Jr.  
Jason Bierly  
412-828-7847

Abbey Carpet of Washington  
Seman Flooring  
625 Henderson Avenue  
Washington, PA 15301  
Lorie Seman  
724-228-4758

Abbey Carpet of Whitehall  
Tom Adams Storm Windows  
2119 South First Avenue  
Whitehall, PA 18052  
Cheryl Adams-Strobel  
610-231-9000

Abbey Carpet of York  
Wecker's Carpet  
4360 Lincoln Highway  
York, PA 17406  
Michael Wecker  
717-755-5432

**South Carolina**

Abbey Carpet of Columbia  
Ritzy, LLC  
8102 Two Notch Road  
Columbia, SC 29223  
Bipin Patel  
803-699-8000

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Florence  
Florence Carpet & Tile  
1706 Pamplico Hwy  
Florence, SC 29505  
Walt Parker  
843-669-1851

Abbey Carpet of Georgetown  
J&S Flooring, Inc.  
2104 South Fraser Street  
Georgetown, SC 29440  
Gregg Pierce  
843-546-8083

Abbey of Hilton Head Island  
Abbey Floor Fashion  
Floor Fashions, Inc.  
60 Palmetto Parkway, Suite A  
Hilton Head Island, SC 29926  
Ronald Timblin  
843-681-3900

Abbey Carpet North Myrtle Beach  
Young Interiors Abbey Carpet  
Flooring Center  
Young Interiors  
1830 Highway 9 East  
Longs, SC 29568  
Allan Thomas  
WB Thomas  
843-399-6524

Abbey Carpet of Sumter  
Dixie Carpet  
Dixie Prod., Inc.  
1255 North Lafayette  
Sumter, SC 29150  
Robert Dubose  
Jan Dubose  
803-775-4391

**South Dakota**

Abbey Carpet & Floor of Aberdeen  
Finishing Touch Design Studio  
302 South 2<sup>nd</sup> St.  
Aberdeen, SD 57401  
Mike Kost  
605-225-4242

Abbey Carpet & Floor of N. Brandon  
Dakota Floors  
808 Ash Street  
Brandon, SD 57005  
Steve Paulson  
605-582-6677

Abbey Carpet & Floor of Pierre  
Country Carpet and Flooring, Inc.  
414 E. Sioux Ave.  
Pierre, SD 57501  
Lance Hertel  
605-886-4700

Abbey Carpet & Floor of Watertown  
Hometown Building Center  
620 10<sup>th</sup> Street SW  
Watertown, SD 57201  
Terry Dale  
605-886-4700

**Tennessee**

~~Abbey Carpet of Brentwood~~  
~~Watson Floor Gallery~~  
~~Watson Abbey Carpet & Floor Covering~~  
~~Co., Inc. of Chattanooga~~  
~~7114 Moores Lane, Suite 100~~  
~~Volunteer Ventures Flooring LLC~~  
~~Key Flooring of Chattanooga~~  
~~6227 Lee Hwy, Ste 107~~  
~~Brentwood Chattanooga, TN -7671237421~~  
~~Adam Wightman Brad Potter~~  
~~615-371-1111 423-624-6442~~

Abbey Carpet & Floor of Clarksville  
Thomas Lumber Co., Inc.  
2128 Old Ashland City Rd.

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Clarksville, TN 37043  
Scott Thomas  
931-645-2447

Abbey Carpet of Franklin  
BECA Commercial Flooring Group  
121 Seaboard Lane, Suite 12  
Franklin, TN 37067  
Walt Gordon  
James Smith  
615-661-4404

Abbey Carpet of Johnson City  
Dockery Abbey Carpet and Floor  
Dockery Floorcovering  
3546 West Market Street  
Johnson City, TN 37604  
Charles King (Chuck)  
423-926-6134

Abbey Carpet & Floor of Crossville  
Crossville Wholesale Carpet, LLC  
651 Genesis Road  
Crossville, TN 38555  
Russell Smith  
931-456-4790

Abbey Carpet of West Knoxville  
David's Abbey Carpet & Floor  
10853 Kingston Pike  
Knoxville, TN 37934  
David Hayes  
865-777-0661

Abbey Carpet & Floor of Maryville  
David's Abbey Carpet & Floors  
1719 King Circle  
Maryville, TN 37801  
David Hayes  
868-777-0661

Abbey Carpet of McMinnville  
Ole South Carpet & Furniture  
309 Garfield Street  
McMinnville, TN 37110  
Brent Griffith  
Lindsey Williams  
931-473-5764

[Abbey Carpet & Floor of Murfreesboro](#)  
[Faith and Grace Flooring LLC](#)  
[902 Dashiell St](#)  
[Murfreesboro, TN 37129](#)  
[Buffy Stancill](#)  
[615-890-9136](#)

Abbey Carpet of Pigeon Forge  
David's Abbey Carpet & Floor  
259 Old Mill Avenue  
Pigeon Forge, TN 37863  
David Hayes  
865-453-3287

[Abbey Carpet & Floor of Whitehouse](#)  
[Chapman's Flooring LLC](#)  
[2792 US-31W](#)  
[White House, TN 37188](#)  
[Kelly Chapman](#)  
[615-581-0491](#)

**Texas**

Abbey Carpet of Abilene  
Knight Carpet & Flooring  
Knight Carpet Co., Inc.  
3401 North First Street  
Abilene, TX 79603  
Paige Watts  
Tammy Watts  
325-672-6436

**ABBAY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

~~Abbey Carpet & Floor of Allen  
S&H Distributing  
Stacy & Associates, Inc.  
111 Central Expressway North  
Allen, TX 75013  
John Stacy  
214-383-1144~~

Abbey Carpet of Amarillo  
Witt Flooring Center  
4320 Lakefront Lane  
Amarillo, TX 79121  
Pat Callahan  
806-376-4792

Abbey Carpet of North Amarillo  
Pride Home Center  
3503 NE 24<sup>th</sup> Avenue  
Amarillo, TX 79107  
Bobby Longbine  
Pat Callahan  
806-381-0032

Abbey Carpet & Floor of Azle  
Texas Design Flooring, LLC  
500B N. Stewart Street, Suite 100  
Azle, TX 76020  
Jessie Boyd  
817-752-2065

Abbey Carpet & Floor Flower Mound  
S & H Distributing  
Stacy & Associates, Inc.  
709 Enterprise Drive  
Flower Mound, TX 75028  
John Stacy  
972-355-3288  
Abbey Carpet and Floor of Denton  
Simmons Floorcovering  
Choase Royalty, Inc.  
400 N. Loop 288 #104  
Denton, TX 76209  
Scott Gaulden  
940-566-6169

Abbey Carpet of West Dallas  
S & H Distributing  
Stacy & Associates, Inc.  
8717 Directors Row  
Dallas, TX 75247  
John Stacy  
214-638-3311

Abbey Carpet & Floor of E. Ft. Worth  
Texas Designer Flooring  
4727 Camp Bowie Boulevard  
Fort Worth, TX 76107  
Jessie Boyd  
817-732-7600

Abbey Carpet & Floor of Grapevine  
Peek's Flooring Co.  
1900 S. Main, Ste. #108  
Grapevine, TX 76051  
John Stacy  
817-754-1801

Abbey Carpet & Floor of Haltom City  
Floor Partners in Design, Inc.  
5212 Airport Freeway  
Haltom City, TX 76117  
Kristen Mangus  
Theril Williams  
817-735-8500

Abbey Carpet of NW Houston  
S & H Distributing  
Stacy & Associates, Inc.  
2202 FM 1960 West  
Houston, TX 77090  
John Stacy  
281-444-4733

Abbey Carpet of Humble  
Abbey Humble Carpet & Tile  
Humble Flooring Services, Inc.  
1390 East FM 1960 Bypass  
Humble, TX 77338  
Charlie P. Crabtree  
281-446-0783

Abbey Carpet & Floor of Keller

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

Texas Designer Flooring Keller, LLC  
1495 S. Main Street  
Keller, TX 76248  
Jessie Boyd  
Wayne Kline  
Donna Schmalian  
817-431-7500

Abbey Carpet & Floor of Lindale  
Schindler Carpet and Floors Design  
Center  
1430 S. Main Street  
Lindale, TX 75771  
Rick Sydnor  
430-235-2042

Abbey Carpet & Floor of Lubbock  
LDB Holdings, LLC  
Leftwich Chapman  
4517 50th Street  
Lubbock, TX 79414  
Jason Defriend  
210-349-1170

[Abbey Carpet & Floor of McKinney  
Junker Distributing LLC  
McKinney Hardwood Flooring  
2411 Virginia Parkway, Ste 4  
McKinney, TX 75051  
Tommy Junker  
214-733-0904](#)

Abbey Carpet of South Pasadena  
Carpet World, Inc.  
2840 E. Sam Houston Pkwy South  
Pasadena, TX 77503  
Mike Wheat  
281-998-3200  
Abbey Carpet & Floor of Pharr  
Gonzalez Tile, Inc.  
912 W. Ferguson  
Pharr, TX 78577  
Celso Gonzalez  
956-579-4233

Abbey Carpet of Port Neches  
Summer's Abbey Flooring Center  
& Mattress Gallery  
American Steam A Way  
3161 Nall Street  
Port Neches, TX 77651  
Chris Johnson  
409-727-6469

Abbey Carpet & Floor of San Antonio  
CW Floors & Lighting  
2103 NW Loop 410  
San Antonio, TX 78213  
Jason DeFriend  
210-349-1170

Abbey Carpet & Floor of San Marcos  
Quality Floors & More  
S. Daniels, Inc.  
7870 Ranch Road 12  
San Marcos, TX 78666  
Shauna Duggar  
512-722-3389

Abbey Carpet & Floor of Stafford  
Colony Flooring & Design, [Inc.](#)  
13030 S. Kirkwood Road  
Stafford, TX 77477  
Alex Ganji  
281-261-6161

Abbey Carpet & Floor of Tyler  
Schindler Carpet and Floors Design  
Center  
11315 Hwy 64 W.  
Tyler, TX 75704  
Rick Sydnor  
430-235-2042

Abbey Carpet & Floor of Waco  
Advanced Carpet & Interiors  
Dicorte Enterprises, LLC  
6805 Woodway Drive  
Waco, TX 37027  
Michael Dicorte  
254-772-1717

**ABBAY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Webster  
Beyond Floors.Net  
528 West Bay Area Blvd. #700  
Webster, TX 77598  
Laura Flora  
Johnny Flora  
281-557-7600

Abbey Carpet of Wichita Falls  
Breegle Abbey Carpet & Floor  
Breegle Building Products  
2213 Grant Street  
Wichita Falls, TX 76309  
Bobby Diltz  
940-322-3129

**Utah**

Abbey Carpet of Cedar City  
Festival – Abbey Carpet & Floor  
Festival Carpets Cabinet  
2572 West Highway 56  
Cedar City, UT 84720  
Thomas Thompson  
Emmalinda Thompson  
435-586-1114

Abbey Carpet of Layton  
Allman's Carpet  
128 North Main Street  
Layton, UT 84041  
Rick Condie  
801-544-2284

Abbey Carpet of Logan  
TF Flooring  
42 East 2200 North, #1  
Logan, UT 84341  
Tyler Falslev  
435-755-0133

Abbey Carpet of Ogden  
4010 Riverdale Road  
Ogden, UT 84405  
Duane Jackson  
801-393-3355

Abbey Carpet of Park City  
Brad's Abbey Carpet  
2760 West Rasmussen Road  
Park City, UT 84098  
Brad Fabrizio  
Terry Fabrizio  
435-649-5356

Abbey Carpet of Price  
Kevin's Abbey Carpet  
Kevins Carpets  
68 North Carbon Avenue  
Price, UT 84501  
Kevin Norried  
435-637-5517

**Vermont**

Abbey Carpet & Floor of Bennington  
Bennington House of Tile & Carpet  
Green Mountain Tile Dist., Inc.  
1267 Hardwood Hill  
Bennington, VT 05201  
Andrew & Liz Sparta  
802-442-2494

**Virginia**

Abbey Carpet of Glen Allen  
Richmond Decorating Center  
10834 West Broad Street  
Glen Allen, VA 23060  
Mark Coates  
804-346-1822

Abbey Carpet of Hampton  
Bob Berry's Carpet & Tile  
1093 North King Street  
Hampton, VA 23669  
Chuck Childress  
757-722-7866

**ABBEY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet of Harrisonburg  
Black's Paint & Floorcovering  
The Paint & Wallcovering  
625 West Market Street  
Harrisonburg, VA 22801  
Jerry Black  
Scott Dameron  
540-433-9207

Abbey Carpet Highland Springs  
Davan Floors, Inc.  
106 West Nine Mile Road  
Highland Springs, VA 23075  
William Hicks  
Susan Hicks  
804-328-0600

Abbey Carpet of Leesburg  
Abbey Carpet Flooring Center  
Select Floors & Rugs, LLC  
161 Fort Evans Road NE  
Unit 135  
Leesburg, VA 20176  
Shiva Etessam  
703-779-8181

Abbey Carpet of Richmond  
Richmond Decorating Center  
6305 Hull Street Road  
Richmond, VA 23224  
Mark Coates  
804-745-0066

Abbey Carpet of Sterling  
Abbey Flooring & Design Center  
Mida, Inc.  
21465 Price Cascades Plaza  
Sterling, VA 20164  
Shiva Etessam  
703-450-8181

Abbey Carpet & Floor of N. Sterling  
Abbey Design & Remodel  
21465 Price Cascades Plaza, Ste. 150  
Sterling, VA 20164  
Shiva Etessam  
703-450-8181

Abbey Carpet of Winchester  
The Floor Shop Winchester  
173 North Loudoun Street  
Winchester, VA 22601  
DeeDee Rickets  
Greg Rickets  
540-662-0752

**Washington**

Abbey Carpet of Chehalis  
Arvid's Interiors, Inc.  
1016 N.W. State Ave.  
Chehalis, WA 98532  
Kylene Davis  
360-748-6816

Abbey Carpet of Everett  
Broadloom Northwest  
2601-B Colby Avenue  
Everett, WA 98201  
Tom Stiger  
425-259-6088

Abbey Carpet & Floor of Kennewick  
Murley's Floor Covering, LLC  
6201 W. Clearwater Ave.  
Kennewick, WA 99336  
Dave Murley  
509-735-2369

Abbey Carpet of Marysville  
Van Dam's Abbey Carpet & Floor  
Van Dam Floor Covering  
1060 Cedar Avenue  
Marysville, WA 98270  
Ben Van Dam  
Lori Butner  
360-653-2210

**ABBAY CARPET CO., INC.**  
**CURRENTLY OPERATING MEMBERS**

Abbey Carpet & Floor of Longview  
Sloans Floor Covering  
1064 12<sup>th</sup> Avenue  
Longview, WA 98632  
Joe Sloan  
360-575-8055

Abbey Capitol Floors & Interiors  
Custom Carpet  
1217 Cooper Point Road SW  
Olympia, WA 98502  
Blake Woodland  
Lori Woodland  
360-357-5559

Abbey Carpet Pt. Townsend  
Peninsula Floor Coverings  
2405 Sims Way  
Pt. Townsend, WA 98368  
Robert Weidner  
360-385-0945

Abbey Carpet of Puyallup  
Abbey Carpet & Floor  
Floor Coverings, Inc.  
708 East Main  
Puyallup, WA 98372  
Barry Lindgren  
253-445-1122

Abbey Carpet of Seattle  
Major Brand Floors Abbey  
Carpet of Seattle  
Major Brands  
2418 1<sup>st</sup> Avenue South  
Seattle, WA 98134  
Curt Stiger  
Tom Stiger  
206-623-3550

Abbey Carpet & Floor of Spokane  
Quality Floors & Interiors  
706 E. Sprague Ave  
Spokane, WA 99202  
Lisa Wisor  
Bruce Wisor  
509-747-2295

Abbey Carpet & Floor of Tacoma  
MCHC Enterprises, Inc.  
3320 South G. Street  
Tacoma, WA 98418  
Mark Herr  
253-473-2939

Floor Express Abbey Carpet of Tumwater  
Floor Express, Inc.  
5701 Capitol Boulevard SW  
Tumwater, WA 98501  
Andrew Schandl  
Heather Schandl  
360-754-1407

Abbey Carpet of Vancouver  
Wholesale Carpet Outlet, Inc.  
4204 N.E. 78th Street  
Vancouver, WA 98665  
Robert (Bob) Stricker  
360-574-2092

**West Virginia**

Abbey Carpet of Wheeling  
Carpets by Jamison, LLC  
Carpets by Jamison, Inc.  
4100 Jacob Street  
Wheeling, WV 26003  
Sean K. Jamison  
304-232-6640

**Wisconsin**

Abbey Carpet & Floor of Beaver Dam  
Professional Floor Covering  
713 Park Ave.  
Beaver Dam, WI 53916  
Randy Warmka  
920-887-9972

Abbey Carpet of Cedarburg  
Wittenberg Floorcover, Inc.  
W 63 N 139 Washington Ave.  
Cedarburg, WI 53012  
Mark Wittenberg

**ABBEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

262-377-0930

Abbey Carpet of Eau Claire  
Independent Flr Cont., Inc.  
Independent Flooring Contractors  
2506 South Hastings Way  
Eau Claire, WI 54701  
Thomas Kruse  
Tod Torgerson  
715-833-2432

Abbey Carpet of Milwaukee  
Stu's Flooring  
4820 West Loomis Road  
Greenfield, WI 53220  
Steve Ulik  
414-744-9400

Abbey Carpet & Floor of Hayward  
R.B. Marks of Harward  
16066 W. Hwy 63  
Hayward, WI 54843  
Rick Marks  
715-634-2204

Abbey Carpet & Floor of Hudson  
Erskine Interiors  
Erskine Wood Floors, Inc.  
1719 Coulee Road  
Hudson, WI 54016  
Todd Erskine  
715-486-5544

Abbey Carpet of Janesville  
Abbey Carpet Mart  
Carpet Mart, Inc.  
1819 Milton Avenue  
Janesville, WI 53545  
Fred Townsend  
Cindy Krueger  
608-752-2345

Abbey Carpet of La Crosse  
Coulee Carpet Center Abbey  
Carpet & Floor  
3625 Mormon Coulee Road  
La Crosse, WI 54601

Jeff Gerdes  
608-788-6445

Abbey Carpet & Floor of Madison  
CTW Abbey Carpet & Floor  
CTW Flooring, Inc.  
2605 South Stoughton Road  
Madison, WI 53716  
Joseph Burkeland  
608-222-5071

Abbey Carpet & Floor of Portage  
The Portage Flooring Store  
201 E. Wisconsin St.  
Portage, WI 53901  
Freeman Decorah  
608-768-2183

Abbey Carpet & Floor of Reedsburg  
The Reedsburg Flooring Store  
101 W. Main St., Ste. B  
Reedsburg, WI 53959  
Freeman Decorah  
608-768-2183

Abbey Carpet & Floor of New Richmond  
Giese Carpet, LLC  
1169 Highway 64  
New Richmond, WI 54017  
Peter Wilson  
715-246-3939

Abbey Carpet of Waukesha  
Stu's Flooring Ltd.  
Artistic Flooring  
2120 E Moreland Blvd., Suite M  
Waukesha, WI 53186  
Steve Ulik  
262-524-1455

**ABBHEY CARPET CO., INC.  
CURRENTLY OPERATING MEMBERS**

**Wyoming**

Abbey Carpet of Cody  
Abbey Carpet of Cody, LLC  
706 Yellowstone Avenue  
Cody, WY 82414  
Brandon Maxwell  
307-527-6848

**EXHIBIT "T"**

**ABBHEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated December 31, ~~2023~~2024*

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**ABBHEY'S NOT YET OPERATIONAL MEMBERS**

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## **ABBEY CARPET CO., INC. NOT YET OPERATIONAL MEMBERS**

There were no members that had signed membership agreements for Abbey Showrooms that  
| were not yet operational as of December 31, ~~2023~~2024.

**EXHIBIT "J"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated December 31, ~~2023~~2024*

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**ABBAY'S TERMINATED OR CANCELLED MEMBERS**

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**ABBEY CARPET CO., INC.  
TERMINATED OR CANCELLED MEMBERS**

The following is a list of members whose franchises were terminated, cancelled, not renewed, transferred, or otherwise voluntarily or involuntarily ceased to do business during the one-year period immediately preceding December 31, ~~2023~~2024 or who have not communicated with the franchisor within 10 weeks of the disclosure document issuance date:

**California**~~Alabama~~

Abbey Carpet of ~~Fairfield~~Anniston  
JTG Enterprises  
1008 Highway 431 North  
Anniston, AL 36206  
Ted Gregerson  
Matthew Ellis  
256-231-0008  
Member Terminated: 01/01/24

**Arkansas**

Abbey Carpet of Ft. Smith  
~~Gillespie's~~Davis Abbey Carpet & Floor  
Davis Floor Covering, Inc.  
3401 S. 79<sup>th</sup> Street  
Ft. Smith, AR 72903  
~~Gillespie's Carpet Center~~  
~~360 Chadbourne Road~~  
~~Fairfield, CA 94534~~  
~~Steve Hoover~~John Davis  
~~Monte Hoover~~  
~~Craig Hoover~~  
~~707-427-3773~~479-452-4808  
~~Transfer of Ownership: 08/15/23~~  
Closed: 09/04/24

**California**

~~Abbey Carpet Corner Design Center~~  
~~Abbey Carpet & Floor~~ ~~San Diego~~of El  
Cerrito  
Bohm Group, LLC  
10351 San Pablo Avenue  
~~MP Flooring~~  
~~9446 Miramar Road~~  
~~San Diego~~El Cerrito, CA ~~92126~~94530  
~~Michael Peasley~~Kevin Bohm  
~~Adam Rosen~~

~~858-566-2950~~510-527-4262

Member Terminated: ~~03/01/23~~01/31/24

Abbey Carpet & Floor of ~~Sutter~~  
~~Creek~~Benicia  
~~Barron's~~Albertson's Abbey Carpet & Floor-  
~~Covering~~  
511 First Street  
~~Comstock Sales, Inc.~~  
~~100 West Ridge Road, Suite A~~  
~~Sutter Creek~~Benicia, CA ~~95685~~ 94510  
~~Daniel Ristrom~~Mark Albertson  
~~209-267-0200~~707-746-0324  
Transfer of Ownership: ~~03/01/23~~11/25/24

Abbey Carpet & Floor of ~~Upland~~Redlands  
Mars Carpet & Flooring  
1737B Orange Tree Lane  
~~Warren Clarks Custom Carpets~~  
~~715 North Mountain Avenue~~  
~~Upland~~Redlands, CA ~~91786~~92374  
~~Warren Clark~~  
~~909-981-0045~~Jim Forester  
~~Terminated: 02/15/23~~  
909-792-7022

**Colorado**

~~Abbey of Colorado Springs~~  
~~Interiors/Exteriors~~  
~~Tattersall Properties, Inc.~~  
~~995-B Garden of Gods Rd~~  
~~Colorado Springs, CO 80907~~  
~~Thomas George~~  
~~Doris George~~  
~~719-593-9390~~  
Transfer of Ownership: ~~05/15/23~~03/14/24

**Florida**

ABBEY CARPET CO., INC.  
TERMINATED OR CANCELLED MEMBERS

Abbey Carpet & Floor of Scotts Valley  
San Lorenzo Floors Abbey Carpet ~~Ft.~~  
~~Lauderdale~~  
San Lorenzo Floors & Interiors  
3113 Scotts Valley Drive  
Scotts Valley, CA 95066  
~~Paul's Carpet Company~~  
~~Paul's Distributing Company~~  
~~1231 NE 8<sup>th</sup> Ave.~~  
~~Ft. Lauderdale, FL 33304~~  
~~Katherine Moseley~~ John Arbogast  
~~954-763-6904~~ 831-461-1300  
~~Member Terminated: 08/04/23~~  
Closed: 02/20/24

Florida

Abbey Carpet & Floor of  
~~Lakeland~~ Orlando  
~~Nance's Flooring~~ Blackton, Inc.  
~~1627 East Gary Road~~  
1714 Alden Rd  
~~Lakeland~~ Orlando, FL ~~33801~~ 32803  
~~Craig Nance~~ Micky Blackton  
~~Sharron Nance~~  
~~863-682-6700~~ 407-898-2661  
~~Member Terminated: 02/28/23~~ 05/07/24

~~Abbey Carpet of Orange City~~  
~~Williams Abbey Carpet & Floors~~  
~~Williams Floorecenter, Inc.~~  
~~2740 Enterprise Road~~  
~~Orange City, FL 32763~~  
~~George Goshorn~~  
~~386-775-4000~~  
~~Member Terminated: 10/20/23~~  
~~Abbey Carpet of West Palm Beach~~  
~~Florida Carpet & Interiors Inc.~~  
~~6250 North Military Trail~~  
~~West Palm Beach, FL 33407~~  
~~Ronald Wilkes~~  
~~Naney Wilkes~~  
~~561-848-7847~~  
~~Closed: 10/27/23~~

Illinois  
~~Abbey Carpet & Floor of New Lenox~~  
~~Granite Mountain~~  
~~14027 Illinois Highway~~  
~~New Lenox, IL 60451~~  
~~Mark Ritter~~  
~~779-803-3624~~  
~~Closed: 10/05/23~~  
~~Abbey Carpet & Floor of Woodridge~~ Port  
Charlotte  
Friendly Floors  
Commercial Flooring Systems M. Benson  
Consulting, Inc.  
3785 Tamiami Trail  
Port Charlotte, FL 33952  
Marjorie Benson  
~~10216 Werch Drive, Suite 107~~  
~~Woodridge, IL 60517~~  
~~Dave & Smita Shah~~  
~~630-739-7000~~ 941-624-0077  
~~Member Terminated: 06/23/23~~  
Transfer of Ownership: 09/06/24

Abbey Carpet & Floor ~~of Woodridge~~ E.  
Sebring  
~~Direct Floors~~  
~~10216 Werch Drive, Suite 207~~  
~~Woodridge, IL 60517~~  
~~Dave & Smita Shah~~  
~~630-739-7000~~  
~~Member Terminated: 06/23/23~~

Indiana  
~~Abbey Carpet & Floor of North-~~  
~~Indianapolis~~  
~~The Floor Club~~  
~~Flooring USA~~ Slash Pines Construction,  
Inc.  
207 Mini Ranch Road  
Sebring, FL 33870  
~~5505 East 82<sup>nd</sup> Street~~  
~~Indianapolis, IN 46250~~  
~~Randy Arnold~~ Brannon Sparks  
~~317-842-1001~~ 886-381-9017  
~~Closed: 03/24/23~~ 07/19/24

ABBEY CARPET CO., INC.  
TERMINATED OR CANCELLED MEMBERS

Illinois

Nebraska

Abbey Carpet of ~~Grand Island~~ Chicago  
~~Abbey Carpet N' More~~  
Rexx Rug & Linoleum, Inc.  
~~Carpet~~ 3312 N<sup>2</sup> More, Lincoln Avenue  
Chicago, IL 60657  
~~208 West Third~~  
~~Grand Island, NE 68801~~  
~~Duane Johnson~~ Neil Schaye  
~~Dee Johnson~~  
~~308-384-2314~~ 773-281-8800  
Closed: ~~06/16/23~~ 08/16/24

Abbey Carpet of Fulton  
Van's Carpet Korner, Inc.  
1430 10th Avenue  
Fulton, IL 61252  
John Mueller  
815-208-7020  
Transfer of Ownership: 12/31/24

Nebraska

Abbey Carpet of Columbus  
Wize Buys Abbey Carpet & Floor  
Mr. Wize Buys Carpet Shop  
2307 13<sup>th</sup> Street  
Columbus, NE 68601  
Kevin Johnson  
Dawn Soper  
402-564-1306  
Closed: 06/21/24

North Carolina Tennessee

Abbey Carpet of ~~Lexington~~ Brentwood  
Watson Floor Gallery  
~~J&J~~ Watson Carpet & Floor Covering Co, Inc.  
7114 Moores Lane, Suite 100  
Brentwood, TN 76712  
~~213 Highway 64 West~~

New ~~Mexico~~ York

Abbey Carpet ~~and~~ & Floor of  
~~Roswell~~ Rocky Point  
~~George's Reality~~ Carpet ~~and~~ Tile  
29 Rocky Point-Yaphank Rd, Ste 2  
Rocky Point, NY 11778  
Jordan Gewitz  
631-744-5147  
Closed: 08/30/24

North Carolina

Abbey Carpet of Huntersville  
~~George's Carpet and Suppliers~~ Burgess  
Supply Co., Inc.  
15435 Highway 73  
Huntersville, NC 28078  
Rhonda Burgess Griffith  
~~216 West 2<sup>nd</sup>~~ Ben Griffith  
~~Roswell, NM 88201~~  
~~Joan Joseph~~ 704-875-1338  
Member Terminated: 05/29/24  
~~575-624-0901~~

Pennsylvania

Abbey Carpet of Erie  
Greg Thomas Floor Expressions  
945 W. 12th St.  
Erie, PA 16501  
Greg Thomas  
814-454-7979  
Transfer of Ownership: -08/23/23 12/31/24

**ABBAY CARPET CO., INC.  
TERMINATED OR CANCELLED MEMBERS**

~~Lexington, NC 27295~~  
~~Jerry McCullough~~[Adam Wightman](#)  
~~David Bureh~~  
~~336-249-6672~~[615-371-1111](#)  
~~Closed: 03/24/23~~  
[Member Terminated: 12/31/24](#)

**~~North Dakota~~Texas**

Abbey Carpet & Floor of ~~Fargo~~[Allen](#)  
~~Accent Contracting~~  
~~3151 Main Ave.~~  
~~Fargo, ND 58103~~  
~~Mike Arnold~~  
~~701-293-6000~~  
~~Member Terminated: 09/11/23~~  
[S&H Distributing](#)

**Ohio**

~~Abbey Carpet & Floor of Troy~~  
~~Laurie's Flooring & Window Fashions~~  
~~105 W. Market Street~~  
~~Troy, OH 45373~~  
~~Laurie Smith~~  
~~937-440-8800~~  
~~Closed: 09/22/23~~  
~~Abbey Carpet of Warren~~  
~~Gilmour's Abbey Carpet Gallery~~  
~~227 Elm Road NE~~  
~~Warren, OH 44483~~  
~~Cheri Gilmour~~  
~~330-392-1561~~  
~~Closed: 09/29/23~~

**Texas**

~~Abbey Carpet & Floor of Arlington~~  
~~Hilton's Flooring~~  
~~Hilton General Contracting~~  
~~2800 West Division~~  
~~Arlington, TX 76012~~  
~~Chris Dodson~~  
~~Kateri Dodson~~  
~~817-461-5189~~  
~~Member Terminated: 07/21/23~~

**Washington**

~~Abbey Carpet of Chehalis~~

**ABBEY CARPET CO., INC.  
TERMINATED OR CANCELLED MEMBERS**

~~Arvid's Interiors~~ [Stacy & Associates, Inc.](#)

[111 Central Expressway North](#)

[Allen, TX 75013](#)

~~1016 N.W. State Ave.~~

~~Chehalis, WA 98532~~

~~Arvid Wilder~~

~~360-748-6816~~ [John Stacy](#)

~~Transfer of Ownership: 07/01/21~~

[214-383-1144](#)

~~**Wisconsin**~~

~~Abbey Carpet of Sturgeon Bay~~

~~Cedar Creek Carpets~~

~~42 Greenbay Road~~

~~Sturgeon Bay, WI 54235~~

~~Ken Mac Donald~~

~~920-743-2700~~

Closed: ~~-09/15/23~~ [12/02/24](#)

**EXHIBIT "K"**

**ABBAY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**MASTER FRANCHISEE**

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## MASTER FRANCHISEE

### Mathis Abbey L.L.C.

#### Business Address & Telephone Number

2511 East Campus Drive  
Salt Lake City, Utah 84121  
801-943-6124

#### Territories

Utah, Montana, south-eastern Idaho east  
of Elmore and south of Jefferson, and  
Wyoming, except for Laramie County

Mathis Abbey L.L.C. ("Mathis Abbey") is a Utah limited liability company. Mathis Abbey has the right to sub-franchise the Abbey Carpet System in the territories set forth above. John S. Mathis has been the managing member of Mathis Abbey since its formation. Mr. Mathis is a graduate of Brigham Young University with a B.S. degree in marketing. Mr. Mathis has been in the floor covering business for over 30 years.

**EXHIBIT "L"**

**ABBEEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**STATE EFFECTIVE DATES**

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### **State Effective Dates**

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

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.

**EXHIBIT "M"**

**ABBHEY CARPET CO., INC.**

**FRANCHISE DISCLOSURE DOCUMENT**

*Dated March ~~13~~12, ~~2024~~2025*

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**RECEIPT**

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## RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Abbey Carpet Co., Inc. offer you a franchise, Abbey Carpet Co., Inc. must provide this disclosure document to you fourteen (14) calendar days (or sooner, if required by applicable state law) before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

New York requires that Abbey Carpet Co., Inc. provide you this disclosure document at the earlier of your first personal meeting to discuss the franchise or ten (10) business days before the execution of the membership or other agreement, or the payment of any consideration that relates to the franchise relationship. Michigan requires that Abbey Carpet Co., Inc. provide you this disclosure document at least ten (10) business days before the execution of the membership or other agreement, or the payment of any consideration that relates to the franchise relationship. Iowa requires that Abbey Carpet Co., Inc. provide you this disclosure document at the earlier of your first personal meeting to discuss the franchise or fourteen (14) calendar days before the execution of the membership or other agreement, or the payment of any consideration that relates to the franchise relationship.

If Abbey Carpet Co., Inc. does not deliver this disclosure document on time, or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit "F."

The franchise seller(s) involved with the sale of this franchise is/are the individual(s) indicated below. All of the below-listed franchise sellers share the same business address, which is Abbey Carpet Co., Inc., 3471 Bonita Bay Boulevard, Bonita Springs, Florida 34134, and the same business phone number, which is (800) 873-2223.

(franchisee or franchise seller must indicate "X" next to individual(s) involved in sales process)

\_\_\_\_ Philip Gutierrez  
\_\_\_\_ Steven Mintz  
\_\_\_\_ Gary Phelps

\_\_\_\_ Harold Traister  
\_\_\_\_ Ken Sherwood  
\_\_\_\_ Jeff Andrews

~~\_\_\_\_ Stephen Killard~~

Issuance Date: March ~~13~~12, ~~2024~~2025

See Exhibit "G" for registered agents authorized to receive service of process.

I have received a disclosure document, dated March ~~13~~12, ~~2024~~2025, that included the following Exhibits:

- |    |                                         |    |                                          |
|----|-----------------------------------------|----|------------------------------------------|
| A. | Membership Agreement                    | G. | Abbey's Registered Agents for Service of |
| B. | State Specific Amendments to Membership |    | Process                                  |
|    | Agreement                               | H. | Abbey's Currently Operating Members      |
| C. | Principal Owner's Statement             | I. | Abbey's Not Yet Operational Members      |
| D. | State Specific Addenda to the Franchise | J. | Abbey's Terminated or Cancelled          |
|    | Disclosure Document                     |    | Members                                  |
| E. | Audited Financial Statements            | K. | Master Franchisee                        |
| F. | List of State Administrators            | L. | State Effective Dates                    |
|    |                                         | M. | Receipt                                  |

\_\_\_\_\_  
(Signature of Prospective Franchisee)

\_\_\_\_\_  
(Date of Receipt)

\_\_\_\_\_  
(Name of Prospective Franchisee)

**YOUR COPY**

KEEP THIS COPY FOR YOUR RECORDS.

## RECEIPT

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If Abbey Carpet Co., Inc. offers you a franchise, Abbey Carpet Co., Inc. must provide this disclosure document to you fourteen (14) calendar days (or sooner, if required by applicable state law) before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

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\_\_\_\_ Gary Phelps

\_\_\_\_ Harold Traister  
\_\_\_\_ Ken Sherwood  
\_\_\_\_ Jeff Andrews

~~\_\_\_\_ Stephen Killard~~

Issuance Date: March ~~13~~12, ~~2024~~2025

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- A. Membership Agreement
- B. State Specific Amendments to Membership Agreement
- C. Principal Owner's Statement
- D. State Specific Addenda to the Franchise Disclosure Document
- E. Audited Financial Statements
- F. List of State Administrators

- G. Abbey's Registered Agents for Service of Process
- H. Abbey's Currently Operating Members
- I. Abbey's Not Yet Operational Members
- J. Abbey's Terminated or Cancelled Members
- K. Master Franchisee
- L. State Effective Dates
- M. Receipt

\_\_\_\_\_  
(Signature of Prospective Franchisee)

\_\_\_\_\_  
(Date of Receipt)

\_\_\_\_\_  
(Name of Prospective Franchisee)

**OUR COPY**

RETURN THIS COPY TO US FOR OUR RECORDS.