

Clean Franchise Disclosure Document

FRANCHISE DISCLOSURE DOCUMENT

BlueFrog Plumbing and Drain, LLC
A Delaware limited liability company
421 West Alameda Drive,
Tempe, AZ 85282
Office (480) 754-8975
Toll Free (800) 426-4573
www.BlueFrogplumbing.com

Received
LA Mailroom

JUN 05 2015

Department of
Business Oversight

The franchisee will operate a plumbing and drain repair business under the name BLUEFROG PLUMBING + DRAIN[®]

The total estimated investment necessary to begin operation of a start-up BLUEFROG PLUMBING + DRAIN[®] franchise ranges from \$68,950 to \$340,030 This includes \$14,000 to \$122,495 that must be paid to us The total estimated investment necessary to begin operation of a conversion BLUEFROG PLUMBING + DRAIN[®] franchise (i.e., if you are converting an existing plumbing and drain repair business) ranges from \$15,950 to \$190,030 This includes \$6,000 to \$62,000 that must be paid to us

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English Read this Disclosure Document and all accompanying agreements carefully You must receive this Disclosure Document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale **Note, however, that no governmental agency has verified the information contained in this document**

You may wish to receive your disclosure document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact BlueFrog Plumbing and Drain, LLC at 421 West Alameda Drive, Tempe, AZ 85282 and (480) 754-8986

The terms of your contract will govern your franchise relationship Do not rely on the Franchise Disclosure Document alone to understand your contract Read your entire 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-FTCHELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D C 20580 You can also visit the FTC’s home page at www.ftc.gov for additional information Call your state agency or visit your public library for other sources of information on franchising

There may also be laws on franchising in your state Ask your state agencies about them

Issuance Date June 2, 2015

{WS021164v5 }

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT**

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in your state

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW

Please consider the following **RISK FACTORS** before you buy this franchise

- 1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND THEN ARBITRATION ONLY IN ARIZONA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN ARIZONA THAN IN YOUR OWN STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 BLUEFROG PLUMBING AND DRAIN IS A NEW FRANCHISE CONCEPT. THE FRANCHISOR WAS FORMED ON DECEMBER 30, 2013, AND HAS A LIMITED OPERATING HISTORY AND RECORD OF PERFORMANCE.
- 4 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN INITIAL INVESTMENT RANGING FROM \$68,950 TO \$340,030 (FOR START-UP FRANCHISES) AND \$15,950 TO \$190,030 (FOR CONVERSION FRANCHISES). AS NOTED IN THE FINANCIAL STATEMENTS, THE FRANCHISOR'S PARENT COMPANY AND GUARANTOR (FRANZ BRANZ HOLDINGS, LLC) IS A NEW ENTITY WITH A LIMITED RECORD OF PERFORMANCE. A PROSPECTIVE FRANCHISEE SHOULD CAREFULLY REVIEW THE FINANCIAL STATEMENTS AND BEAR THIS IN MIND WHEN FORMING ITS INVESTMENT DECISION.
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more **FRANCHISE BROKERS** or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

{WS021164v5 }

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/bluefrog-plumbing-drain>