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FRANCHISE DISCLOSURE DOCUMENT



Cleantastic USA LLC A Nevada Limited Liability Company 5405 Wilshire Boulevard Los Angeles CA 90036 Phone (323) 648 3029 Website www.cleantastic.com

As a franchisee you will operate a janitorial cleaning services business under the Cleantastic[®] trademarks

The total investment necessary to begin operation of a Cleantastic business is between \$15,250 and \$90,900 This includes between \$6,900 to \$28,900 that must be paid to the franchisor or its affiliates

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English Read this disclosure document and all accompanying agreements carefully You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale Note, however, that no government 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 Stuart Beadle at 5405 Wilshire Boulevard Los Angeles California 90036 phone (323) 648 3029 or email stubeadle@cleantastic.com

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 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 19 2014



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 ARBITRATION AND LITIGATION ONLY IN LOS ANGELES CALIFORNIA OUT OF STATE MEDIATION ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO MEDIATE ARBITRATE OR LITIGATE WITH US IN LOS ANGELES CALIFORNIA THAN IN YOUR OWN STATE
- 2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA 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 IF YOU FAIL TO KEEP YOUR CLIENTS WE ARE NOT REQUIRED TO REPLACE THEM FOR THE PURPOSES OF THE GUARANTEED WORK FRANCHISE PACKAGE ONCE THE GUARANTEED WORK FRANCHISE PACKAGE IS FULFILLED IT IS UP TO YOU TO KEEP YOUR CLIENTS THE GUARANTEED WORK FRANCHISE PACKAGE YOU PURCHASE IS NOT A GUARANTEE BY US THAT YOU WILL EARN AN EQUIVALENT AMOUNT OF GROSS RECEIPTS EACH MONTH

4 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



STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration California Hawaii Illinois Indiana Maryland Michigan Minnesota New York North Dakota Rhode Island South Dakota Virginia Washington and Wisconsin

This Franchise Disclosure Document is registered on file or exempt from registration in the following states having franchise registration and disclosure laws with the following effective dates

California Effective Date <u>March 27, 2014</u> Hawaii Effective Date ______ Illinois Effective Date ______ Maryland Effective Date ______ Michigan Effective Date ______ Ninnesota Effective Date ______ New York Effective Date ______ North Dakota Effective Date ______ Rhode Island Effective Date ______ South Dakota Effective Date ______ Virginia Effective Date ______ Washington Effective Date ______ Wisconsin Effective Date ______

In all the other states the effective date of this Franchise Disclosure Document is the issuance date of June 19 2014

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/cleantastic