

FRANCHISE DISCLOSURE DOCUMENT



BBI HOLDINGS, L.L.C.,
(an Indiana limited liability company)
5619 West 74th Street
Indianapolis, Indiana 46278
(317) 202-9570
www.corvusjanitorial.com
cweaver@corvusjanitorial.com

You will own and operate a Corvus commercial janitorial cleaning business that will provide comprehensive commercial cleaning and maintenance services to our customers we assign to you and to customers you develop.

The total investment necessary to begin operation of a "Corvus" franchise is \$9,575 to \$36,500, depending on the size of the cleaning package that you choose. This includes an estimated \$7,250 to \$11,500 that you must pay to us or our affiliate. This includes (a) a base initial franchise fee of \$7,250, as described further in Item 5, and (b) an estimated \$225 to \$4,000 to purchase certain supplies and equipment from us or our affiliate before you begin operating your "Corvus" franchise.

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

You may wish to receive your disclosure document electronically. To discuss the availability of disclosures in electronic format, contact Michael Dotas at 5619 W. 74th Street, Indianapolis, Indiana 46278, (317) 202-9570.

The terms of your contract will govern your franchise relationship. Don't rely on the 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" and "Buying a Janitorial Services Franchise," can help you understand how to use this disclosure document, and is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

• The issuance date of this franchise disclosure document is May 31, 2013.



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 FRANCHISE DISCLOSURE DOCUMENT.

Call the state administrator listed in <u>Exhibit G</u> 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 THE FRANCHISOR ONLY IN MARION COUNTY, INDIANA. OUT-OF-STATE DISPUTE RESOLUTION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO RESOLVE DISPUTES WITH THE FRANCHISOR IN MARION COUNTY, INDIANA THAN IN YOUR OWN STATE OR COUNTY.
- 2. THE FRANCHISE AGREEMENT STATES THAT INDIANA 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. THE FRANCHISOR MAY NOT BE OBLIGATED TO REPLACE AN ACCOUNT IF YOU LOSE OR UNREASONABLY REJECT SUCH ACCOUNT. IF THE FRANCHISOR TERMINATES A CLEANING CONTRACT THAT YOU SERVICE BECAUSE OF YOUR NONPERFORMANCE, THE FRANCHISOR WILL BE UNDER NO OBLIGATION TO REPLACE THE CONTRACT, AND YOU MAY NONETHELESS BE REQUIRED TO PAY CUSTOMER ACCOUNT AND OTHER FEES FOR THE CONTRACT.
- 4. THE FRANCHISOR OR ONE OF ITS AFFILIATES WILL PERFORM BILLING AND ACCOUNTING SERVICES AND COLLECTION SUPPORT FOR YOU, BUT IT IS ULTIMATELY YOUR RISK OF LOSS IF A CLEANING CUSTOMER DOES NOT PAY ITS BILL.
- 5. THE FRANCHISOR DOES NOT OWN THE TRADEMARKS YOU WILL BE LICENSED TO USE.
- 6. THE FRANCHISOR HAS THE RIGHT TO OFFSET PAYMENTS THAT YOU OWE IT AGAINST AMOUNTS THAT IT COLLECTS FROM CLEANING CUSTOMERS ALLOCATED TO YOU.
- 7. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES OPERATING WITHIN THE SAME TERRITORY WHERE YOUR FRANCHISE IS LOCATED.



- 8. THE FRANCHISOR WILL TRY TO OFFER YOU ACCOUNTS IN YOUR PREFERRED AREA. HOWEVER, YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY OR EXCLUSIVE TERRITORY RIGHTS. THE FRANCHISOR MAY OFFER YOU ACCOUNTS LOCATED ANYWHERE WITHIN THE FRANCHISE TERRITORY IN WHICH IT CONDUCTS BUSINESS.
- 9. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date in Indiana: May 31, 2013.

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