

FRANCHISE DISCLOSURE DOCUMENT



DISASTER KLEENUP INTERNATIONAL, LLC

A Delaware limited liability company
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Elk Grove Village, Illinois 60007
(630) 350-3000
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You and other DKI franchisees are typically independent, established business persons who provide property damage mitigation and/or reconstruction services to customers.

The total investment necessary to begin operation of a DKI franchised business is \$22,145 to \$94,750. This includes an initial franchise fee of \$20,000 to \$50,000, depending on the size of your Franchise Territory, that must be paid to the franchisor.

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 Matt Wright, President & COO, Disaster Kleenup International, at 25 Northwest Point Blvd., Suite 1000, Elk Grove Village, Illinois 60007, (630) 350-3000.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise", which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov 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 6, 2018



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 on 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 ARBITRATION ONLY IN COOK COUNTY, ILLINOIS. 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 ILLINOIS THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT DELAWARE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. UNDER THE FRANCHISE AGREEMENT, THE FRANCHISEE IS NOT GRANTED AN EXCLUSIVE TERRITORY.
- 4. THE FRANCHISOR HAS MINIMUM SALES PERFORMANCE STANDARDS THAT YOU MUST MAINTAIN. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
- THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.

See Exhibits K and L for specific State Addenda.



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:

State Effective Date

California

Hawaii

Illinois

Indiana

Maryland

Michigan

Minnesota

New York

North Dakota

Rhode Island

South Dakota

Virginia

Washington

Wisconsin

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of March 6, 2018.

Exhibits K and L provide special provisions that relate to franchise offerings or sales in each referenced state. The provisions of the appendices may supersede the language in the text of the following Franchise Disclosure Document.

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