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**FRANCHISE DISCLOSURE DOCUMENT
FIVE STAR LEAK DETECTION FRANCHISE, LLC**

A California limited liability company
9144 Owensmouth Avenue
Chatsworth, California 91311
Telephone: 1-866-WTR-LEAK (1-866-987-5325)
FiveStarLeak.com
info@fivestarleak.com

Five Star Leak Detection Franchise, LLC, a California limited liability company, offers franchises for the operation of a business that will provide leak detection and related services to the public under the trade name "Five Star Leak Detection" and other related trademarks, service marks, logos and commercial symbols. We offer the rights for 2 different franchises in this Disclosure Document:

Single Territory Program. Under the Single Territory Program, you will sign a Franchise Agreement to operate one Five Star Leak Detection franchised business in a single protected territory. The total investment necessary to begin operations of one Five Star Leak Detection franchised business in a single protected territory ranges from approximately \$47,250 to \$110,500. This includes between \$27,500 to \$72,500 that must be paid to us or our affiliate.

Conversion Franchise Program. Under the Conversion Franchise Program, you will sign a Franchise Agreement and a Conversion Franchise Addendum to convert your existing independent leak detection business to a Five Star Leak Detection franchised business that you will operate in a single protected territory. The total investment necessary to begin operations of one Conversion Five Star Leak Detection franchised business in a single protected territory ranges from approximately \$21,500 to \$75,500. This includes between \$15,000 to \$37,500 that must be paid to us or our affiliate.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read the 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 payments to the Franchisor or its 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 Raanan Bennaim, Chief Executive Officer, Five Star Leak Detection Franchise, LLC, 9144 Owensmouth Avenue, Chatsworth, California 91311, 1-866-WTR-LEAK (1-866-987-5325), info@fivestarleak.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, N.W., 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.

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS FEBRUARY 15, 2019.

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed on Exhibit H 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 THAT YOU RESOLVE DISPUTES WITH US BY MEDIATION AND LITIGATION ONLY IN CALIFORNIA. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO PARTICIPATE IN MEDIATION AND LITIGATION WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT THE LAW OF CALIFORNIA 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. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may 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.

SEE THE NEXT PAGE FOR STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Documents 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 Disclosure Document is registered, on file or exempt from registration in the following state having franchise registration and disclosure laws, with the following effective date:

California: _____

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