



FRANCHISE DISCLOSURE DOCUMENT
for Unit Franchises
Right First, Inc.
(A California Corporation D/B/A Jan-Pro Cleaning Systems of San Francisco)
61 Airport Blvd Ste B
South San Francisco, CA 94080
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www.sf.jan-pro.com
(650) 259-9120

We offer franchises to independently own and operate a cleaning and maintenance business that performs commercial, industrial, and institutional cleaning and maintenance services under the service mark JAN-PRO® and other trademarks, trade names, service marks, slogans and logos we authorize.

The total investment necessary to begin operation of a Jan-Pro unit franchise is about \$3,935 to \$51,605. This includes \$2,520 to \$44,000 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 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 James C. Smith, Right First, Inc., 61 Airport Blvd Ste B, South San Francisco, CA 94080, (650) 259-9120.

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.

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STATE COVER PAGE

Your state may have a franchise law that requires us 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 Item 1 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 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 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, OR LITIGATION ONLY IN CALIFORNIA. OUT-OF-STATE DISPUTE RESOLUTION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN FLORIDA 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. LOCAL LAWS MAY SUPERSEDE THESE FRANCHISE AGREEMENT PROVISIONS. CERTAIN STATES REQUIRE THE SUPERSEDING PROVISIONS TO APPEAR IN AN ADDENDUM IN THIS DISCLOSURE DOCUMENT.

4. FRANCHISEES ARE CLASSIFIED AS INDEPENDENT CONTRACTORS AND THEREFORE WOULD NOT BE ENTITLED TO ANY OF THE BENEFITS THAT AN EMPLOYEE WOULD BE ENTITLED TO. PLEASE NOTE THAT THE CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (“EDD”) HAS CLASSIFIED SOME FRANCHISEES, IN AN UNRELATED INDUSTRY, AS EMPLOYEES THEREBY ENTITLING THEM TO UNEMPLOYMENT INSURANCE AND OTHER BENEFITS. THERE MAY BE OTHER LAWS THAT WOULD ENTITLE YOU TO BE CLASSIFIED AS EMPLOYEES. YOU ARE ENTITLED TO CONSULT WITH A LAWYER WHO SPECIALIZES IN EMPLOYMENT LAW AND/OR FRANCHISE LAW TO ENQUIRE ABOUT YOUR RIGHTS BEFORE ENTERING INTO A FRANCHISE AGREEMENT WITH US.

5. YOU WILL BE SUBJECT TO A ROYALTY FEE OF 10% OF TOTAL REVENUES DUE FROM ALL ACCOUNTS FOR SERVICES YOU PROVIDE. THE FRANCHISOR WILL INVOICE AND COLLECT PAYMENT FROM YOUR ACCOUNTS AND DEDUCT AND PAY ITSELF, ROYALTY FEES, SUPPORT FEES, COLLECTION COSTS, AND ANY OTHER MONEY DUE TO THE FRANCHISOR. ON THE LAST BUSINESS DAY OF EACH MONTH, THE FRANCHISOR WILL REMIT NET AMOUNT BILLED TO YOUR RECURRING ACCOUNTS FROM THE PREVIOUS MONTH. IF ACCOUNTS YOU SERVICE DO NOT PAY, YOU SUFFER THE LOSS OF NON-PAYMENT,

6. IF YOU ARE A PARTNERSHIP, CORPORATION OR LIMITED LIABILITY COMPANY, ALL OF YOUR OWNERS WILL BE REQUIRED TO SIGN PERSONAL GUARANTEES. THEIR REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER(S) AT RISK.

7. YOUR OBLIGATIONS UNDER THE PROMISSORY NOTE ARE SECURED BY A SECURITY INTEREST IN ALL YOUR ASSETS, INCLUDING ALL EQUIPMENT, INVENTORY, AGREEMENTS, CONTRACTS, ACCOUNTS, ACCOUNTS RECEIVABLES, AND ALL OTHER PROPERTY YOU OWN OR WILL LATER ACQUIRE, USED IN THE FRANCHISE BUSINESS.

8. THE PROMISSORY NOTE CONTAINS PROVISIONS THAT LIMIT YOUR RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA, INCLUDING BUT NOT LIMITED TO A WAIVER OF DEFENSES AND LEGAL RIGHTS FOR VALUATION AND APPRAISEMENT, DEMAND, PRESENTMENT, NOTICE OF NON-PAYMENTS, DISHONOR AND PROTEST AND WAIVER OF JURY TRIAL.

9. UNDER THE FRANCHISE AGREEMENT, YOU ARE REQUIRED TO WAIVE ANY CLAIM YOU MAY LATER HAVE FOR ANY DAMAGES RESULTING FROM YOUR CLASSIFICATION AS THE FRANCHISOR'S EMPLOYEE INSTEAD OF A FRANCHISE, INCLUDING FOR EXAMPLE, LOST WAGES, MINIMUM WAGES, OVERTIME WAGES, ETC.

10. 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 make sure to do your own investigation of the franchise.

Registration of this franchise with the state does not mean that the state recommends it or has verified the information in this Disclosure Document. If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and the appropriate State agency listed in Exhibit D.

Effective Date: _____.

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