

FRANCHISE DISCLOSURE DOCUMENT RENT-A-RUMINANT® FRANCHISE, LLC



POB 1345- Vashon, WA 98070 T: 206-251-1051- www.Rentaruminant.com - Info@Rentaruminant.com

The franchise offered is landscaping and professional outdoor brush and plant growth management service model which offers a unique service model using goats to manage overgrown areas. The business provides service to residential and commercial clients from a home office location.

The total investment necessary to begin operations of a RENT A RUMINANT® franchise is \$80,000 to \$128,000. This does include \$30,000 that must be paid to the franchisor or 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 us at POB 1345, Vashon, WA 98070.

The terms of your contract will govern your franchise relationship. Don't rely on this 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 "<u>A Consumer's Guide to Buying a Franchise</u>," 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 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 CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE DEPARTMENT OF LAW OR THAT IT HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in 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:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN WASHINGTON. 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 WASHINGTON THAN IN YOUR OWN STATE.

THE FRANCHISE AGREEMENT STATES THAT WASHINGTON 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.

THE FRANCHISOR'S FINANCIAL STATEMENTS DATED 12/31/2016, SHOW ONLY \$1,358 IN ASSETS WHICH IS LESS THAN THE AMOUNT OF YOUR INITIAL INVESTMENT. THIS MAY MEAN THAT THE FRANCHISOR WILL NEED TO USE THE INITIAL FRANCHISE AND OTHER FEES FOR ITS OWN PURPOSES AND MAY NOT HAVE THE MONEY TO DELIVER PROMISED SERVICES AND ASSISTANCE TO YOU.

THE FRANCHISOR IS A DEVELOPMENT STAGE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY.

THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.

THIS NEW FRANCHISOR HAS BEEN IN BUSINESS FOR SUCH A SHORT PERIOD OF TIME THAT IS FRANCHISES ARE A HIGHER RISK INVESTMENT THAN FRANCHISORS WITH A LONGER-TERM OPERATING HISTORY.

THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE OMPETITION FROM



OTHER FRANCHISEES, FROM FRANCHISOR OWNED OULETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRAND FRANCHISOR CONTROLS.

YOU MUST SIGN A PERSONAL GUARANTEE AS PART OF THIS FRANCHISE AGREEMENT. YOUR SPOUSE IS NOT REQUIRED TO SIGN THIS GUARANTEE AND SHOULD NOT BE LIABILE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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