

APR 16 2013

## (Form B - Supplemental Information)

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Securities Regulation Division

#### FRANCHISOR'S COSTS AND SOURCES OF FUNDS

#### 1. Disclose:

A The states in which this proposed registration application is effective.

California

B. The states in which this proposed registration application is or will be shortly on file.

California

C. The states that have refused to register this franchise offering

None

D. The states that have revoked or suspended the right to offer franchises

None

E. The states in which this proposed registration of these franchises has been withdrawn the last five years, and the reasons for revocation or suspension

None

2. Source of Funds for Establishing New Franchises

Disclose franchisor's total costs for performing its pre-opening obligations to provide goods or services in connection with establishing each franchise, including real estate, improvements, equipment, inventory, training and other items stated in the offering State separately the sources of all required funds

Sarayan Building Solutions, Inc. estimates that it costs approximately \$685 00 per franchise sold depending upon the package purchased by the franchisee to fulfill its obligations included in the offering. These costs will be covered by cash and hand and general operating revenues which include income from franchise fees and royalties.

Franchise Disclosure Document Printing Costs	\$30 00
Trainer Compensation	\$235 00
Carry Cost of Starter Kit	\$200.00
Equipment Costs for Training/backup	\$95 00
Misc G&A	\$105 00
Other	\$20.00



#### FRANCHISE DISCLOSURE DOCUMENT



### SARAYAN BUILDING SOLUTIONS, INC. d/b/a

# Stratus Building Solutions of Los Angeles, San Bernardino and Riverside Counties

10530 Victory Blvd North Hollywood, California 91606

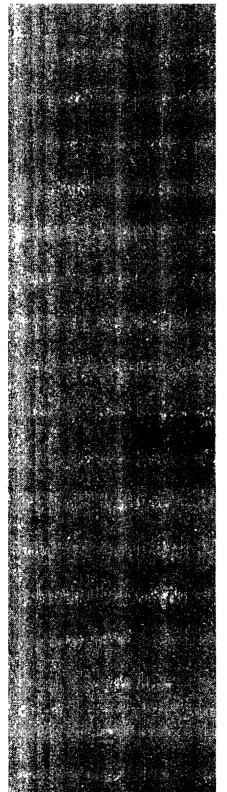
Phone (818) 981-1700
Facsimile (818) 647-6000
www stratus-LA com
Email info@stratus-LA com

Sarayan Building Solutions, Inc d/b/a Stratus Building Solutions of Los Angeles, San Bernardino and Riverside Counties grants franchisees the right to operates a business providing commercial cleaning and maintenance services to interior and exterior environments of business and residential locations within a designated territory

The total estimated initial investment necessary to begin operation of a Stratus unit franchise ranges from \$3,450 to \$55.80064,550 This includes the initial franchise fee which must be paid to us is \$2,700 to \$53,800, depending on the type of a franchise plan you choose You will also be required to purchase certain supplies and equipment prior to servicing your first account The cost of the basic initial supplies and equipment is estimated at \$550 to \$2000

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, us 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 disclosure in different formats, contact Afshin Cangarlu, Stratus Building Solutions of Los Angeles, San Bernardino and Riverside Counties at 10530 Victory Blvd , North Hollywood, California, 91606 or (818) 981-1700



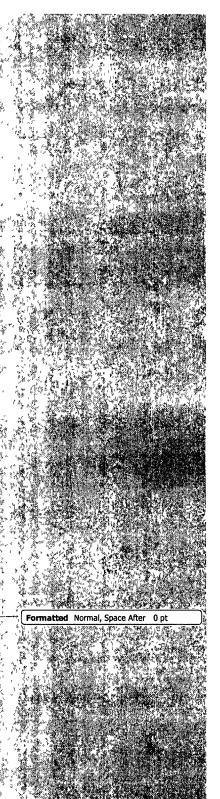
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#### **STATE COVER PAGE**

- A 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 in Exhibit E for information about the franchisor, or about franchising in your state
- B 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.
- C Please consider the following risk factors before you buy this Franchise
  - 1 The territories where customer accounts are offered to you are not exclusive and other customer accounts can be offered and accepted by other franchisees in the same territory
  - We may, if we chose, negotiate with you about items covered in this disclosure document. However, we cannot use the negotiating process to prevail upon a prospective Franchisee to accept terms which are less favorable than those set forth in this disclosure document.
  - 3 The franchise agreement contains provisions relating to the dollar volume of accounts we commit to transfer to you, for a refund if we do not provide the stipulated value of accounts and for your rights of termination if we provide you with no accounts within the first 120 business days following the date you complete training. If we do not provide the stipulated value of accounts, your gross revenue from the business will be correspondingly reduced. In addition, we have a brief operating history so our ability to maintain our commitments concerning the foregoing will be related to our success.
  - 4\_ If Stratus Franchising ceases to conduct business, your franchise agreement may be terminated though we may elect, at our sole option, to continue to service you in accordance with our agreement with you If Stratus Franchising terminates our master franchise agreement with them, your franchise agreement may be terminated or Stratus Franchising, at its sole option, may assume the obligations under the franchise agreement
  - 4-5 The Stratus Fianchising trademark is not federally registered and if challenged you may have to change to an alternative trademark which will increase your expenses
  - 5-6 There may be other risks concerning this master franchise Information about comparisons of Franchisors is available Call the state administrators listed in **Exhibit E** or your public library for sources of information



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