

FRANCHISE DISCLOSURE DOCUMENT



System4, LLC
(an Ohio Limited Liability Company)
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NOV 24 2015

Department of Business Oversight

System4 LLC is engaged in the business of operating developing and licensing others to use the "System4 process to establish a Facility Services Management (FSM) business in which you will provide a variety of services to commercial businesses and government facilities. You will aslo acquire the right to grant Local Franchises in the commercial cleaning business and also provides support to such Local Franchises. These services will be conducted in the territory in which the Master Franchisee is designated to operate

The estimated total investment necessary to begin operation of System4® franchise ranges from \$86,000- \$388,000. This includes \$50,000 to \$300,000 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 calendardays 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 to you. To discuss the availability of disclosures in different formats, contact System4, LLC at 4700 Rockside Road, Suite 610, Independence. Ohio. 44131 and (216) 524-6100.

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

Buying a franchise is a complex investment. The information in this document can help you make up your mind. More information on franchising, such <u>as "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

Issuance Date October 6, 2015

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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 MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE

Call the state franchise administrator listed in Exhibit D for information about the franchisor, about other franchisors 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 OHIO 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 OHIO
- 2 THE FRANCHISE AGREEMENT STATES THAT OHIO LAW (EXCLUDING ITS STATUTES THAT REGULATE UNFAIR AND DECEPTIVE TRADE PRACTICES UNLESS THE FRANCHISE BUSINESS IS OPERATED IN OHIO) 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 use the services of 1 or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source is <u>our</u> agent and 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.

This Franchise is registered in the State of Illinois effective October 26, 2015



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