

FRANCHISE DISCLOSURE DOCUMENT



RRG Brands LLC
an Ohio limited liability company
7369 East Livingston Avenue
Reynoldsburg, Ohio 43068
1-800-791-8407
www.basementdoctor.com
www.basementdoctorfranchise.com
franchisesales@basementdoctor.com

Brief Description of the Franchised Business: The franchisee will receive a franchise to own and operate a The Basement Doctor business, offering basement contracting services, including basement finishing, waterproofing, foundation repair, crawl space repair, mold prevention and insulation, for an initial term of 10 years with the right, upon payment of a renewal fee and compliance with other conditions, to renew for up to two (2) additional 5 year renewal terms.

The total investment necessary to begin operation of a franchised The Basement Doctor business is \$219,690 to \$345,725 (if you purchase your trucks and service vehicle) and \$156,090 to \$281,825 (if you lease your trucks and service vehicle). This includes the \$97,450 to \$112,500 that must be paid to the franchisor or its affiliate.

The total investment necessary to begin operation of a franchised The Basement Doctor business for franchisees participating in our veterans program is \$216,690 to \$342,725 (if you purchase your trucks and service vehicle) and \$153,090 to \$278,825 (if you lease your trucks and service vehicle). This includes the \$94,450 to \$111,500 that must be paid to the franchisor or its affiliate.

The total initial investment necessary for an existing The Basement Doctor licensee converting to a The Basement Doctor franchised business operation ranges from \$5,840 to \$154,725. This includes the \$0 to \$52,500 that must be paid to the franchisor or its 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 to you. To discuss the availability of disclosures in different formats contact Betsy Bankhurst at 7369 East Livingston Avenue, Reynoldsburg, Ohio 43068, 1-800-791-8407 or franchisesales@basementdoctor.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, 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: April 23, 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 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 J 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:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN OHIO. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN OHIO THAN IN YOUR HOME STATE.

THE FRANCHISE AGREEMENT STATES THAT OHIO 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.

THIS FRANCHISOR IS IN THE EARLY STAGES OF DEVELOPMENT AND HAS LIMITED EXPERIENCE WITH FRANCHISING. THEREFORE, THIS FRANCHISE OPPORTUNITY PRESENTS MORE RISK THAN THAT OF A COMPANY WITH A LONGER OPERATING HISTORY.

THE FRANCHISOR'S FINANCIAL CONDITION AS REFLECTED IN ITS FINANCIAL STATEMENTS (see Item 21) CALLS INTO QUESTION THE FRANCHISOR'S FINANCIAL ABILITY TO PROVIDE SERVICES AND SUPPORT TO YOU.

YOU MUST MAKE MINIMUM ROYALTY PAYMENTS OR ADVERTISING CONTRIBUTIONS REGARDLESS OF YOUR SALES LEVELS. YOUR INABILITY TO MAKE THESE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

We 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.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for state effective dates.

STATE EFFECTIVE DATES

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

Illinois	Pending
Indiana	Pending
Wisconsin	Pending

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