

## FRANCHISE DISCLOSURE DOCUMENT

Junkluggers Franchising, LLC a Delaware limited liability company 77 Selleck Street Stamford, Connecticut 06902 Tel: (800) 584-5865 www.junkluggers.com

www.junkluggers.com www.luggersmoving.com







The franchise offered is for the operation of business that offers and provides homes and businesses with: (i) "eco-friendly" junk removal services operated under our proprietary marks (currently, Junkluggers); (ii) second-hand furniture procurement, restoration and/or retail services under our proprietary marks (currently, Second Chance Upcycling Centers); and, depending on your financial ability and your professional experience; (iii) moving and packing services under our proprietary marks (currently, Luggers Moving). The junk removal and second-hand furniture procurement, restoration and/or retail services constitute the "Principal Approved Services," and the moving and packing services currently offered under the mark Luggers Moving constitute the "Additional Moving Services". Collectively, they are referred to as the "Approved Services". Our franchise includes the right to use the applicable trademarks, trade dress and operating system.

The total investment necessary to begin operation of a Franchised Business ranges from \$106,050 to \$224,825. This includes an initial franchise fee of \$60,000 (for the right to offer the Principal Approved Services) to \$70,000 (for the Principal Approved Services and Additional Moving Services) that must be paid to the franchisor or its affiliates prior to opening.

We may, in our discretion, also offer qualified individuals the right to open and operate multiple franchised businesses within a designated development area and in accordance with a development schedule. The total investment necessary to commence operations will vary based on the number of franchises we grant you the right to open and operate. The total initial investment necessary to operate three (3) franchises ranges from \$226,050 to \$364,825, which includes: (i) a development fee amounting to \$180,000 to \$210,000 and your total investment to begin operation of your initial Franchised Business. Under the development agreement, the development fee is calculated by taking the sum of (a) \$60,000 to \$70,000 for the initial Franchised Business granted under that agreement, plus (b) \$60,000 to \$70,000 for each additional Franchised Business we grant you the right to open. The high end of these ranges reflects the cost if you choose to offer the Additional Moving Services in addition to the Principal Approved Services.

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 the Disclosure Document at least fourteen (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 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 disclosures in different formats, contact Josh Cohen at 77 Selleck Street, Stamford, Connecticut 06902 and (800) 584-5865.

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, DC 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 MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit C 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:

- 1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN CONNECTICUT. OUT-OF-STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN CONNECTICUT THAN IN YOUR OWN STATE.
- 2. CERTAIN DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION ONLY IN CONNECTICUT. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN CONNECTICUT THAN IN YOUR OWN STATE.
- 3. THE FRANCHISE AGREEMENT STATES THAT CONNECTICUT 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.
- 4. THE FRANCHISE AGREEMENT REQUIRES THE INDIVIDUAL OWNERS OF THE FRANCHISEE SIGN A PERSONAL GUARANTY UNDER WHICH EACH OWNER WILL BE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS OF THE FRANCHISEE. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNERS AT RISK.
- 5. YOU MUST MAKE MINIMUM ANNUAL ROYALTY PAYMENTS. YOUR INABILITY TO MAKE THESE PAYMENTS MAY RESULT IN LOSS OF TERRITORIAL RIGHTS GRANTED TO YOU.
- 6. YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTEE, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANSHISE BUSINESS. BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.

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 is our 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.

Effective Dates: See the next page for state Effective Dates.

nis is a document preview downloaded from FranchisePanda.com. The full document is available for see by visiting: https://franchisepanda.com/franchises/the-junkluggers-luggers-moving-remix-market	r