

RECEIVED
DEPT OF BUSINESS OVERSIGHT
SAN FRANCISCO
2019 JAN 23 AM 10 39

FRANCHISE DISCLOSURE DOCUMENT



**Buddha Capital Corporation A California Corporation
dba Vanguard Cleaning Systems of the Central Valley,
Vanguard Cleaning Systems of the Central Coast and
Vanguard Cleaning Systems of Sacramento**

**91 D'Arcy Parkway
Lathrop, CA 95330
209 858 5737**

**egong@vanguardcleaning.com
www.vanguardcleaning.com**

Our franchisees operate independent businesses (VCS Businesses) providing commercial janitorial services under the Vanguard Cleaning Systems® trade name

The total estimated investment necessary to begin operation of a VCS Business franchise is between \$5,500 to \$28,500 This includes between \$5,000 and \$24,800 (if a Business Plan is chosen) that must be paid to us

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 Edward L Gong at 91 D'Arcy Parkway, Lathrop, CA 95330 and 209-858-5737

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 October 22, 2018

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 administrators listed in Exhibit G 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 ARBITRATION ONLY IN CALIFORNIA 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 CALIFORNIA THAN IN YOUR OWN STATE**
- 2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA 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**
- 3 THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT**
- 4 WE HAVE NO OBLIGATION TO REPLACE OR REFUND A BUSINESS PLAN ACCOUNT IF THE ACCOUNT IS CANCELED OR LOST ANYTIME AFTER 12 MONTHS, FOR ANY REASON**
- 5 IF AN ACCOUNT IS CANCELED, FOR ANY REASON, WITHIN 6-12 MONTHS OF ACCEPTING THE ACCOUNT, WE ARE ONLY OBLIGATED TO OFFER ACCOUNTS REPRESENTING 50% OF THE FULL REVENUE VALUE OF THE LOST ACCOUNT**
- 6 THE FRANCHISE AGREEMENT COULD TERMINATE WITHOUT CAUSE IF THE MASTER FRANCHISE AGREEMENT TERMINATES OR ENDS**

- 7 THE FRANCHISE AGREEMENT AND THIS DISCLOSURE DOCUMENT CONTAIN PROVISIONS THAT REQUIRE FRANCHISEE TO ACKNOWLEDGE THAT IT IS AN INDEPENDENT CONTRACTOR WHETHER A FRANCHISEE IS CONSIDERED AN EMPLOYEE OF INDEPENDENT CONTRACTOR IN CALIFORNIA IS DETERMINED ON A CASE BY CASE BASIS COURTS LOOK AT THE LANGUAGE IN THE CONTRACT AS WELL AS THE DEGREE OF CONTROL THE FRANCHISOR EXERTS OVER THE FRANCHISEE THEREFORE, DEPENDING ON THE CIRCUMSTANCES, SUCH PROVISIONS THAT STATE THE FRANCHISEE IS AN INDEPENDENT CONTRACTOR MAY NOT BE ENFORCEABLE IN CALIFORNIA
- 8 YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL
- 9 FRANCHISEES AND SPOUSES MAY BE REQUIRED TO SIGN A PERSONAL GUARANTEE, MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT IF YOU ARE MARRIED THE GUARANTEE WILL PLACE YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS
- 10 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date Pending

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/vanguard-cleaning-systems>