

FRANCHISE DISCLOSURE DOCUMENT



YESCO Franchising LLC
a Utah limited liability company
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As a franchisee, you will operate a sign and lighting service and maintenance business, in a specific geographic area, using our trademarks, copyrighted materials, operating procedures, marketing methods and materials for acquiring customer accounts. You will operate your franchise using our proprietary sign and lighting service processes and systems, customer reporting procedures, operating manuals and custom YESCO® Software, and other software solutions.

The total investment necessary to begin operation of a YESCO business will range from \$65,000 to \$352,200. This includes \$50,650 to \$65,950 that must be paid to the franchisor or an 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 for you. To discuss the availability of disclosures in different formats, contact Mr. Joshua M. Young at 2401 Foothill Drive, Salt Lake City, Utah 84109, 801.464.4600 or jmyoung@yesco.com.

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 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 1, 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 A** 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 LITIGATION OR MEDIATION ONLY IN UTAH. OUT OF STATE DISPUTE RESOLUTION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST MORE TO LITIGATE WITH US IN UTAH THAN IN YOUR OWN STATE.**
- 2. THE FRANCHISE AGREEMENT STATES THAT, EXCEPT TO THE EXTENT THAT FEDERAL LAW APPLIES, UTAH LAW GOVERNS THE FRANCHISE AGREEMENT AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
- 3. YOU MUST PRODUCE A SALES QUOTA OF \$400,000 IN GROSS REVENUE DURING THE FIRST 24 MONTHS OF OPERATION AND EVERY 12 MONTHS THEREAFTER OF \$250,000. IF YOU FAIL TO DO SO, WE MAY REDUCE THE GEOGRAPHIC SIZE OF YOUR TERRITORY.**
- 4. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.**
- 5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

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 make sure to do your own investigation of the franchise.

Effective Date (for non-registration states): See the next page for state effective dates.

STATE EFFECTIVE DATES

The following states require that the 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 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:

State	Effective Date	State	Effective Date
Illinois	April 2, 2019	North Dakota	_____, 2019
Indiana	April 2, 2019	Rhode Island	_____, 2019
Maryland	_____, 2019	South Dakota	April 2, 2019
Michigan	April 2, 2019	Virginia	_____, 2019
Minnesota	_____, 2019	Wisconsin	April 1, 2019
New York	_____, 2019		

In the states listed below, the effective date (and issuance date) of this disclosure document is April 1, 2019.

Alabama	Kentucky	Ohio
Alaska	Louisiana	Oklahoma
Arizona	Maine	Oregon
Arkansas	Massachusetts	Pennsylvania
Colorado	Mississippi	South Carolina
Connecticut	Missouri	Tennessee
Delaware	Montana	Texas
District of Columbia	Nebraska	Utah
Florida	Nevada	Vermont
Georgia	New Hampshire	West Virginia
Idaho	New Jersey	Wyoming
Iowa	New Mexico	
Kansas	North Carolina	

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