

# FRANCHISE DISCLOSURE DOCUMENT

<p><b>BOR Franchising, LLC</b> A Colorado Limited Liability Company 8200 Southpark Circle, Suite 300 Littleton, Colorado 80120 720-204-2095 <a href="http://www.BORestoration.com">www.BORestoration.com</a> <a href="mailto:Info@BORestoration.com">Info@BORestoration.com</a></p>	    <p><b>BEST OPTION RESTORATION</b></p>
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The franchise offered is for the establishment, operation, and delivery to the owners of residential, commercial, and governmental properties water, fire, contents cleaning, mold remediation, and after-remediation repair services.

The total investment to begin operations of a BOR franchise is between \$185,918 and \$230,468. This includes \$168,994 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully. You must receive this disclosure document at least 14 calendar days before you can 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 Nick-Anthony Zamucen, Member at 8200 Southpark Circle, Suite 300, Littleton, CO 80120, 720-204-2095.

The terms of your contract will govern your franchise relationship. Do not 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

A). There may also be laws on franchising in your state. Ask your state agencies about them (Exhibit

The issuance date is: March 26, 2024; Amended May 31, 2024

**INITIAL FEES**

The initial franchise fee (IFF) is \$35,000. The IFF represents payment for expenses incurred by us in furnishing valuable resources to you, including the Manuals, training, and pre-opening services (Item 11), to pay sales costs and a profit.

We will deliver the BOR Application (“Application” - Exhibit H to this FDD) to you when you receive this FDD. No earlier than 14 calendar days after the date that you sign and return the Receipt (the last page of this FDD) (or after any other date that may be defined by state law), you must complete and return the Application and must pay us the Application Fee of \$1,000. If we disapprove of your Application, the fee will be fully returned. If we accept your Application, you qualify for a franchise award and must sign the Franchise Agreement within 90 days. If you do not sign the Franchise Agreement within that time, your Application Fee will become non-refundable. If you sign the Franchise Agreement at any time, your Application Fee is credited against the IFF.

You are required to purchase from our approved vendor, an Affiliate, or us your initial package of equipment, tools, and supplies needed to open your Business (Opening Package) that includes air movers, air scrubbers, dehumidifier(s), one or more liquid extractors, mold-remediation equipment, smoke removal equipment including ozone generators, thermal imaging equipment, hand tools, a Microsoft or equivalent computer tablet (Tablet) loaded with the “BOR Software Suite,” and other equipment needed to operate the Business for \$127,000 (Opening Package Cost). You must pay the Opening Package Cost when you pay your IFF.

You will purchase a license to use the BOR Software Suite from us at the cost of \$3,999 (BOR Software Suite Initial License Fee). The BOR Software Suite contains proprietary estimating software and client relationship management (CRM) software.

You will pay us \$2,995 as your “Technology Startup Fee,” which will be used to set up your landing page on our website.

Unless stated above, all fees are payable in one lump sum, are uniform, and are non-refundable.

You pay our Affiliate or us no other fees or payments for services or goods before your Business opens.

**ITEM 6**

**OTHER FEES**

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Royalty	The greater of 7% of “Gross Sales” <del>on water, fire, contents cleaning, and mold remediation services, plus 5% on any after remediation repair services (each being the “Percentage Royalty”)</del> or \$500 (Minimum Royalty). (Note 2)	Payable by you on or before the 16th day of each month. If the 16th falls on a Saturday, Sunday, or federal or state holiday, the Royalty will be due on the next business day.	Payable to us through an automated clearinghouse (ACH) transaction.

item. It cannot be substituted for a tablet or other computer you may already own. ~~The Opening Package costs \$87,558.~~

You must pay the BOR Software Suite Initial License Fee and the BOR Software Suite Monthly License Fee. All updates are supplied as part of the BOR Software Suite Monthly License Fee without additional charge.

You must also activate the licenses for and then maintain throughout the term of the Franchise Agreement, Microsoft Office 365, and Constant Contact by paying their then-current license fees. Currently, (a) Microsoft Office 365 costs approximately \$99 annually, and Constant Contact costs approximately \$25 monthly. As each software package is cloud-based, any updates are included in the manufacturer's yearly or monthly fee.

We may require you to update the Tablet no more often than once every three years. This could cost between \$500 and \$1,000. We reserve the right to change the make and model of the Tablet at any time, though you will not be required to conform to this change other than once every three years.

We do not provide any Tablet maintenance services and do not require you to have a maintenance contract. Yearly maintenance could cost you \$50 to \$100 per year to maintain.

The Tablet must, at all times, be connected to a high-speed internet connection.

Data from the Tablet is uploaded to our server each time you use it, and we will always have independent access to your databases. There are no other contractual limitations on our right to access such information.

In the future, we may require you to use other proprietary software, web-based programs, or new or additional software modules that will be integrated into the BOR Software Suite, for which you will pay the then-current fees for licenses associated with each. We do not have a schedule for such additions and do not have a formula for determining the cost of any such change or additions. As a result, we cannot estimate any cost to you.

### **Franchisee Manual and Table of Contents**

We will loan you one copy of the Franchisee Manual, though it will always remain our property. It is part of the System and contains our confidential, proprietary, and trade secret information. The Table of Contents of the Franchisee Manual is found in Exhibit C to this Disclosure Document. The Franchisee Manual contains approximately 96 pages.

### **Location Selection**

It is anticipated and expected that you will operate the Business out of your home (Franchised Location). We have no criteria or requirements for your Franchised Location except that it must be located in your Exclusive Territory. You may decide to lease storage space for which we have no criteria. We will not review your lease.

### **Training**

#### **Initial Training**

## State Effective Dates

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
Illinois	March 29, 2024
Indiana	<del>Pending</del> April 30, 2024
Maryland	April 19, 2024
Michigan	<del>Pending</del> April 8, 2024
Minnesota	April 25, 2024
Virginia	April 10, 2024
Wisconsin	March 31, 2024

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

## RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all agreements carefully.

If BOR Franchising, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an Affiliate in connection with the proposed franchise sale.

New York and Rhode Island law requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan and Oregon require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If BOR Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and to the New York State Department of Law, 120 Broadway, 23rd floor, New York, N.Y. 10271, and the appropriate state agency identified on Exhibit A.

Date of Issuance: March 26, 2024; Amended May 31, 2024

The Franchisor is BOR Franchising, LLC, 8200 Southpark Circle, Suite 300, Littleton, CO 80120, 720-204-2095.

The franchise seller for this offering is Nick-Anthony Zamucen, 8200 Southpark Circle, Suite 300, Littleton, CO 80120, 720-204-2095.

BOR Franchising, LLC authorizes the respective state agencies identified in Exhibit A to receive services of process for it in the particular state.

I have received a disclosure document dated March 26, 2024; Amended May 31, 2024, that included the following Exhibits:

<u>Exhibit A.</u>	List of State Agencies/Agents for Service of Process
<u>Exhibit B.</u>	Franchise Agreement
<u>Exhibit C.</u>	Table of Contents
<u>Exhibit D.</u>	Current Franchisees and Franchisees that Have Left the System
<u>Exhibit E.</u>	Trademark Specific Franchisee Associations and Independent Franchisee Associations
<u>Exhibit F.</u>	State Specific Addenda
<u>Exhibit G.</u>	Financial Statements
<u>Exhibit H.</u>	Application
<u>Exhibit I.</u>	Receipts

\_\_\_\_\_  
Prospective Franchisee

\_\_\_\_\_  
Date Signed

You should return one copy of the signed receipt by signing by electronic-signature software or by signing, dating, and mailing it to BOR Franchising, LLC, BOR Franchising, LLC, 8200 Southpark Circle, Suite 300, Littleton, CO 80120, 720-204-2095

Save For Your Files

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Prospective Franchisee

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**Return to Franchisor**



**“Percentage Royalty”** is the Royalty determined by multiplying monthly Gross Sales of water, fire, contents cleaning, and mold remediation by 7%. You will also pay 5% of the Gross Sales generated if you perform after remediation repairs, including, for instance, the replacement of drywall or flooring.

**“Permanent Disability”** means a mental or physical disability, impairment, or condition that is reasonably expected to prevent or does prevent the Principal Operator or you from supervising the management and operation of the Franchised Business for 120 days from the onset of such disability, impairment, or condition.

**“Person”** means a natural person, a business entity of any nature or kind, and the equity holders in any business entity. If in doubt, the reference to a Person in a sentence or paragraph will refer to a natural person, a business entity, and the equity holders of a business entity

**“Principal Operator”** means the Person authorized by the business-entity Franchisee to receive our training, to operate the Business, and to act as the contact between us. The Principal Operator must own no less than 10% of the equity in the franchisee business entity.

**“Proposed Transferee”** means the Person to whom or entity to which Franchisee wishes to Transfer an interest, as more fully described in Article 9.

**“Proprietary Information”** has the meaning given to it in Article 6.

**“Reasonable Business Judgment”** Use of our Reasonable Business Judgment will mean that our determination on a given matter will prevail even in cases where other alternatives are also reasonable so long as we intend to benefit or are acting in a way that could reasonably benefit any component of the System or the Marks, any one or more of the franchisees, or any other aspect of the franchise system. Such decisions may include, but will not be limited to, decisions that may enhance or protect the Marks and the System; increase client satisfaction, increase the use of the Services all franchisees offer; and matters that correspond with franchisee satisfaction. We are not required to consider any particular franchisee’s economic or other circumstances when exercising our Reasonable Business Judgment. Reasonable Business Judgment decisions will not affect all franchisees equally, and some will benefit while others will not. You and we intend that the exercise of our Reasonable Business Judgment will not be subject to limitation or review. If Applicable Law implies a covenant of good faith and fair dealing in this Franchise Agreement, you and we agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Franchise Agreement.

**“Regional Advertising Program”** has the meaning set forth in Article 3.

**“Report Late Fee”** means the then-current fee that we charge if you are late filing any reports required by this Franchise Agreement. The Report Late Fee applies to each separate report that you file late. We may increase the fee in any amount at any time after giving you no less than 60 days’ prior written notice.

**“Royalty” or “Royalties”** means the Minimum Royalty or Percentage Royalty as applicable.

**“Services”** means the then-current suite of services that you offer Clients. We may change, update, and alter this at any time after giving you reasonable notice.