

FRANCHISE DISCLOSURE DOCUMENT



Best In Class Education Center, LLC
A Washington Limited Liability Company
3712 88th Avenue SE
Mercer Island, Washington 98040
Phone: (425) 880-2688
Email: franchise@bestinclasseducation.com
Website: www.bestinclasseducation.com

Best In Class Education Center, LLC offers franchises for the operation of an education center that provides school-aged children with supplemental learning opportunities in the areas of Mathematics and English as well as SAT and ACT preparation courses.

If you purchase a single franchise, the total investment necessary to begin operation of a Best In Class Education Center franchise ranges from \$67,375 to \$127,730. This includes \$38,340 to \$41,030 that must be paid to us and our affiliate.

If you enter into an area development agreement to establish multiple franchises, you must pay us the full initial franchise fee for each of the franchises that you commit to develop. If you purchase area development rights, the total investment necessary to begin operation of a Best In Class Education Center franchise ranges from \$67,100 to \$126,980, plus an additional amount equal to the aggregate initial franchise fee for all franchises to be developed excluding the first franchise (i.e., \$30,000 for your 2nd franchise and \$25,000 for each additional franchise). This includes \$38,340 to \$41,030 that must be paid to us and our affiliate plus an additional amount, ranging from \$25,000 to \$30,000 per franchise, for each franchise you commit to develop (excluding your first franchise), which must also be paid to us.

This Disclosure Document summarizes certain provisions of your franchise agreement, area development 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 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 the franchisor at 3712 88th Avenue SE, Mercer Island, Washington 98040 or by phone at (425) 880-2688.

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 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 (the "FTC"). 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 "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 AND AREA DEVELOPMENT AGREEMENT REQUIRE THAT ALL DISAGREEMENTS BE SETTLED BY MEDIATION, ARBITRATION OR LITIGATION IN KING COUNTY, WASHINGTON. OUT-OF-STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE, ARBITRATE OR LITIGATE WITH US IN KING COUNTY, WASHINGTON THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT WASHINGTON LAW GOVERNS THESE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. YOU MUST MEET THE MINIMUM PERFORMANCE REQUIREMENTS DESCRIBED IN ITEM 12 OF THIS DISCLOSURE DOCUMENT. IF YOU FAIL TO MEET THESE REQUIREMENTS, WE MAY TERMINATE YOUR FRANCHISE OR ELIMINATE YOUR TERRITORIAL PROTECTIONS.

4. ALL FRANCHISE OWNERS AND THEIR SPOUSES MUST SIGN A FRANCHISE OWNER AGREEMENT MAKING THE OWNERS AND THEIR SPOUSES JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE WHETHER OR NOT SUCH SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER AND THEIR SPOUSE AT RISK.

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 be sure to do your own investigation of the franchise.

Effective Date: _____, 2019

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