



FRANCHISE DISCLOSURE DOCUMENT

BNI Franchise Corp
A California Corporation
545 College Commerce Way
Upland California 91786
(909) 608-7575
(909) 608-7676
sue@bni.com

RECEIVED

JUN 04 2014

Dept of Business Oversight

You will open and operate a region consisting of referral groups composed of non-competing business professionals known as Chapters. Each of the Chapters will have members that are business professionals that Your franchise will train and instruct as to how to grow each one's own business through qualified referrals using the structure and format provided by Us.

The total investment necessary to begin operation of a BNI franchise is between \$25,750 and \$48,500. This includes between \$14,000 and \$18,000 depending upon the type of franchise that must be paid to franchisor or affiliate. This sum does not include an additional \$1,000 that You must pay for every Chapter already operating within Your specific region at the time You purchase Your Franchise from Us. This sum does not include any real estate costs.

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.**

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 contracts 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 be laws on franchising in your state. Ask your state agencies about them.

Issuance Date April 21, 2014

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. 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 OFFERING CIRCULAR.

Call the state franchise administrator listed in Attachment 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 FIRST BY MEDIATION AND THEN BY ARBITRATION. ALL MEDIATION AND ARBITRATION PROCEEDINGS MUST BE HELD IN CALIFORNIA. OUT-OF-STATE MEDIATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE.
- 2 ONE OF OUR FRANCHISE AGREEMENTS STATES THAT TEXAS LAW GOVERNS THAT AGREEMENT WHILE OUR OTHER FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THAT AGREEMENT. AND EITHER OF THESE LAWS MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The franchise seller is BNI Franchise Corp, 545 College Commerce Way, Upland, California 91786.

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 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

TABLE OF CONTENTS

ITEM		PAGE
1	The Franchisor and any Parents Predecessors and Affiliates	1
2	Business Experience	2
3	Litigation	2
4	Bankruptcy	2
5	Initial Fees	3
6	Other Fees	3
7	Estimated Initial Investment	6
8	Restrictions on Sources of Products and Services	7
9	Franchisee s Obligations	8
10	Financing	9
11	Franchisor's Assistance Advertising Computer Systems and Training	10
12	Territory	12
13	Trademarks	12
14	Patents Copyrights and Proprietary Information	13
15	Obligation to Participate in the Actual Operation of the Franchise Business	14
16	Restrictions on What the Franchisee May Sell	14
17	Renewal Termination Transfer and Dispute Resolution	15
18	Public Figures	18
19	Financial Performance Representations	18
20	Outlets and Franchisee Information	19
21	Financial Statements	26
22	Contracts	26
23	Receipts	26

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