



## FRANCHISE DISCLOSURE DOCUMENT

BNI Franchising, LLC  
 A Delaware Limited Liability Company  
 11525 North Community House Road, Suite 475  
 Charlotte, North Carolina 28277  
 T: (704) 248 4800  
 F: (704) 731 0699  
[tim@bni.com](mailto:tim@bni.com)

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. If you or your group members make referrals to broker-dealers or investment advisers, you or your group members may be subject to additional licensing requirements in certain states.

The total investment necessary to begin operation of a BNI franchise is between \$59,600 and \$81,300. This includes between \$53,600 and \$59,800 that must be paid to franchisor or its 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.**

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 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, D.C. 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.

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

Issuance Date: March 30, 2018 as amended December 10, 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 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 FIRST BY MEDIATION AND THEN BY ARBITRATION. OUR FRANCHISE AGREEMENT REQUIRES MEDIATION AND ARBITRATION PROCEEDINGS TO BE HELD IN NORTH CAROLINA. 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 NORTH CAROLINA THAN IN YOUR HOME STATE.
2. OUR FRANCHISE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THAT AGREEMENT, AND THESE LAWS MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.
4. YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTEE, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANCHISE BUSINESS. IF YOU LIVE IN A COMMUNITY PROPERTY STATE, YOUR SPOUSE MAY BE LIABLE FOR YOUR FINANCIAL OBLIGATIONS EVEN IF HE OR SHE HASN'T SIGNED ANYTHING. IN EITHER CASE, BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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.

### STATE EFFECTIVE PAGE

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Florida, Hawaii, Kentucky, Indiana, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws if an effective date is noted below for the state:

State	Effective Date
California	April 9, 2018
Florida (exemption)	March 20, 2018 as amended
Hawaii	May 8, 2018
Illinois	April 5, 2018
Indiana	April 10, 2018 as amended
Kentucky (one-time filing)	March 9, 2015 as amended
Maryland	
Michigan	April 5, 2018 as amended
Minnesota	May 18, 2018
Nebraska (one-time filing)	August 15, 2016 as amended
New York	April 11, 2018 as amended
North Dakota	April 11, 2018
Rhode Island	April 11, 2018
South Dakota	April 16, 2018 as amended
Texas (one-time filing)	February 20, 2015 as amended
Utah (exemption)	May 30, 2018 as amended
Virginia	May 1, 2018
Washington	May 16, 2018
Wisconsin	April 4, 2018 as amended

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