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FRANCHISE DISCLOSURE DOCUMENT

BFK FRANCHISE COMPANY, LLC
A Nevada Limited Liability Company
DBA

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Bricks 4 Kidz®
701 Market St., Suite 113
St. Augustine, FL 32095
904-825-0873
www.bricks4kidz.com
bpappas@bricks4kidz.com

As a Bricks 4 Kidz® franchisee, you will own and operate a service business within a defined exclusive territory, providing project-based programs designed to teach principles and methods of engineering to children, ages 3-13+, using LEGO® bricks.

The total investment necessary to begin operation of a Bricks 4 Kidz® franchise is \$33,800 to \$51,050. This includes the initial franchise fee of \$25,900 that must be paid to the Franchisor.

This Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this document and all accompanying 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 the Franchise Administration Department at 701 Market St., Suite 113, St. Augustine, FL 32095.

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 "Buying a Franchise, A Consumer Guide" 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 also be laws on franchising in your state. Ask your state agencies about them.

ISSUING DATE:

STATE COVER PAGE

Your state may have franchise laws that require 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 "G" 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 OUR 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 ARBITRATE DISPUTES WITH US AND CONDUCT THE ARBITRATION IN FLORIDA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT FLORIDA GOVERNS THE 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 PAY THE FRANCHISOR MINIMUM ROYALTY FEES OF \$1000 FOR EVERY EIGHT-WEEK PERIOD COMMENCING AFTER YOUR FIRST SIXTEEN WEEKS OF OPERATION EVEN IF THE FRANCHISE BUSINESS HAS NO REVENUE. YOU WILL LOSE \$18,000 OF THE FRANCHISE FEE AND THE FRANCHISE RIGHTS TO THE PROTECTED TERRITORY IF YOU FAIL TO ESTABLISH A BRICKS 4 KIDZ[®] BUSINESS WITHIN THREE MONTHS FROM SIGNING THE FRANCHISE AGREEMENT.
4. THE FRANCHISOR HAS BEEN IN EXISTENCE FOR A SHORT PERIOD OF TIME (SINCE JUNE 2009). THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

NOTE: THE AGREEMENT PROVISIONS REFERRED TO IN THE RISK FACTORS MAY BE VOID UNDER SOME STATE FRANCHISE LAWS AND SOME STATE FRANCHISE LAWS MAY REQUIRE DISCLOSURE OF ADDITIONAL RISK FACTORS. SEE EXHIBIT "G".

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:

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EXHIBITS

- A. CERTIFIED FINANCIAL STATEMENTS
- B. FRANCHISE AGREEMENT
- C. MULTIPLE BUSINESS DEVELOPMENT AGREEMENT
- D. DISCLOSURE DOCUMENT RECEIPT
- E. LIST OF ALL FRANCHISEES
- F. TABLE OF CONTENTS OF OPERATIONS MANUAL
- G. LIST OF STATE ADMINISTRATORS
- H. LIST OF AGENTS FOR SERVICE OF PROCESS
- I. STATE SPECIFIC DISCLOSURES AND SPECIFIC ADDENDA TO AGREEMENTS

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