



PEPT OF GORPORATIONS FRANCHISE DISCLOSURE DOCUMENT A NOISEA

TT&B, INC. 12
a Michigan corporation
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Okemos, Michigan 48864
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As a franchisee, you will operate a specialty toy store offering high-quality, enriching products and aesthetic appeal.

The total investment necessary to begin operation of a Brilliant Sky franchised business is \$196,000 to \$424,000. This includes \$35,000 that must be paid to the franchisor and/or its affiliate, as appropriate.

We also offer to certain qualified people the right to become a Development Agent. A Development Agent will be required to pay a Development Agent Rights fee that will range from \$105,000 to \$175,000 depending on the size of the development area and the number of units to be developed. The estimated initial investment will vary based on the number of units to be developed.

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 the 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 or grant. 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 Brent M. Taylor at 5100 Marsh Road, Suite D-2, Okemos Michigan 48864 and (517) 381-1655.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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 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 DEVELOPMENT AGENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION (OR LITIGATION, IN CERTAIN STANCES) ONLY IN MICHIGAN. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW 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. EVEN THOUGH THE FRANCHISE AGREEMENT AND DEVELOPMENT AGENT AGREEMENT PROVIDE THAT MICHIGAN LAW APPLIES, LOCAL LAW MAY SUPERSEDE IT IN YOUR STATE. PLEASE REFER TO ANY STATE SPECIFIC ADDENDUM THAT MAY BE ATTACHED TO THE DISCLOSURE DOCUMENT FOR DETAILS.
- 4. OUR APPLICATION FOR A FEDERAL TRADEMARK REGISTRATION FOR THE NAME/MARK "BRILLIANT SKY TOYS & BOOKS" IS PENDING. BY NOT HAVING A PRINCIPAL REGISTER FEDERAL REGISTRATION FOR THE MARK "BRILLIANT SKY TOYS & BOOKS," WE DO NOT HAVE CERTAIN PRESUMPTIVE LEGAL RIGHTS GRANTED BY A REGISTRATION.
 - 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: _____FOR USE ONLY IN THE STATE OF CALIFORNIA

Brilliant Sky/ufdd-14



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