

FRANCHISE DISCLOSURE DOCUMENT



Cellairis Franchise, Inc.
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The franchisee will sell wireless device accessories including cellular telephone accessories and related services such as cell phone and wireless device repair from one of three types of outlets. The three types of outlets are (1) a Retail Merchandising Unit (an “RMU”); (2) an Interactive Kiosk; or (3) a Full Store.

The total investment necessary to begin operation of (1) a Cellairis RMU franchise ranges from \$58,110 to \$149,970, (2) an Interactive Kiosk franchise ranges from \$102,310 to \$221,470, and (3) a Full Store franchise ranges from \$204,440 to \$389,925. This includes (1) \$25,760 to \$87,920 that must be paid to the franchisor or its affiliate for an RMU, (2) \$63,460 to \$146,920 that must be paid to the franchisor or its affiliate for an Interactive Kiosk, and (3) \$142,560 to \$272,920 that must be paid to the franchisor or its affiliate for a Full Store.

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 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, D.C. 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 B** 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 CERTAIN DISPUTES WITH US BY ARBITRATION ONLY AT A SUITABLE LOCATION WITHIN THE BOUNDARIES OF THE CITY OF ATLANTA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. WE HAVE THE RIGHT TO BRING CERTAIN ACTIONS, CLAIMS, AND SUITS IN THE FEDERAL OR STATE COURT IN GEORGIA. IT MAY COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN GEORGIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT GEORGIA 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. AT THE FRANCHISOR'S DISCRETION, YOUR SPOUSE AND EACH SPOUSE OF THE FRANCHISE OWNERS/PARTNERS/MEMBERS MAY BE REQUIRED TO SIGN A PERSONAL GUARANTY TO THE FRANCHISE AGREEMENT AND SUB-LICENSE AGREEMENT MAKING THEM JOINTLY AND SEVERALLY LIABLE FOR ALL DEBTS AND OBLIGATIONS OF THE FRANCHISE WHETHER THEY ARE INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL AND MARITAL ASSETS OF YOU, YOUR SPOUSE, AND YOUR OWNERS AT RISK.
4. YOU MUST OPERATE THE FRANCHISE ONLY AT THE LOCATION SPECIFIED WHEN THE FRANCHISE IS PURCHASED. IF YOU

- SUBSEQUENTLY LOSE THE RIGHT TO OPERATE AT THE ORIGINAL LOCATION, WE HAVE THE RIGHT TO TERMINATE YOUR FRANCHISE.
5. YOU DO NOT RECEIVE AN EXCLUSIVE TERRITORY. WE MAY ESTABLISH COMPANY OWNED AND FRANCHISED OR LICENSED OUTLETS ANYWHERE, AND MAY ESTABLISH OTHER CHANNELS OF DISTRIBUTION AND SELL OR DISTRIBUTE ANY PRODUCT OR SERVICE TO THE GENERAL PUBLIC, UNDER THE SAME AND/OR DIFFERENT TRADEMARK, IN COMPETITION WITH YOU.
 6. YOU MUST PAY ROYALTY FEES OF AT LEAST \$1,000 PER MONTH FOR YOUR FIRST YEAR, \$1,050 PER MONTH FOR YOUR SECOND YEAR, \$1,100 PER MONTH FOR YOUR THIRD YEAR, \$1,150 PER MONTH FOR YOUR FOURTH YEAR, AND \$1,200 PER MONTH FOR YOUR FIFTH YEAR, EVEN IF THE FRANCHISE HAS NO REVENUE.
 7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the service 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 make sure to do your own investigation of the franchise.

Effective Date: See the next page for state effective dates.

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