

# FRANCHISE DISCLOSURE DOCUMENT



## Childrens Lighthouse Franchise Company

a Texas Corporation

101 South Jennings Avenue, Suite 306

Fort Worth, Texas 76104

888-338-4466

[www.childrenslighthousefranchise.com](http://www.childrenslighthousefranchise.com)

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You will operate a high quality childcare and developmental learning center that provides affordable childcare for children ranging in age from six weeks to 12 years old.

The total investment necessary to begin operation of a Childrens Lighthouse Learning Center franchise is as follows: (1) for a leased Learning Center, the estimated initial investment ranges from \$635,500 - \$907,000, which includes \$100,000 to be paid to the franchisor or affiliate, or (2) for an owned Learning Center, the estimated initial investment ranges from \$2,822,500 - \$4,511,000, which includes \$100,000 to be paid to the franchisor or 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 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 101 South Jennings Avenue, Suite 306, Fort Worth, TX 76104.

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 "[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](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 also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: April 19, 2017

## STATE COVER PAGE

Your state may have 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 OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit F for the 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 RESOLVE DISPUTES WITH US BY MEDIATION AND/OR ARBITRATION IN THE THEN-CURRENT CITY OF OUR PRINCIPAL BUSINESS OFFICE, WHICH IS CURRENTLY FORT WORTH, TEXAS. OUT-OF-STATE MEDIATION AND/OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE AND/OR ARBITRATE WITH US IN A STATE OTHER THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT TEXAS 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. THE TERRITORY RIGHTS PROVIDED UNDER THE FRANCHISE AGREEMENT ARE NOT EXCLUSIVE.

4. THE COMPANY'S AUDITOR HAS IDENTIFIED THE FOLLOWING INTERNAL CONTROL AS BEING A MATERIAL WEAKNESS SUCH THAT THERE IS A REASONABLE POSSIBILITY THAT A MATERIAL MISSTATEMENT OF THE COMPANY'S FINANCIAL STATEMENTS MAY NOT BE PREVENTED, DETECTED, AND CORRECTED ON A TIMELY BASIS. THE COMPANY DOES NOT ANALYZE AND RESERVE POTENTIALLY UNCOLLECTIBLE AMOUNTS PRIMARILY RELATED TO MONTHLY ROYALTIES OWED BY FRANCHISEES IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

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: See State Effective Dates Page

## STATE EFFECTIVE DATES

The following states require that the disclosure document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This disclosure document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
South Dakota	
Virginia	
Washington	

In all other states, the effective date of this disclosure document is the issuance date of April 19, 2017.

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