

APR 22 2014

FRANCHISE DISCLOSURE DOCUMENT

Dept of Business Oversight



ERC Franchising, LLC
 A Delaware Limited Liability Company
 900 Main Street South, Building No 2
 Southbury, Connecticut 06488
 (203) 405-2112
 www.ercfranchise.com
 kthurston@franchisesource.com

Expense Reduction Coaching® franchises operate businesses that offer expense analysis and reduction services to commercial customers, including evaluating expense categories for clients, focusing on practical, long-term solutions to reduce the clients' costs for regularly purchased goods and services by consolidating the number of suppliers the clients use, negotiating better terms with existing suppliers, and/or recommending alternative suppliers ("ERC Business(es)")

The total investment necessary to begin operation of an ERC Business is between \$66,000 and \$74,250. This includes \$55,510 that must be paid to the franchisor or its affiliates. Franchisees may also choose to become an area developer ("Area Developer"), earning the right to establish and operate a certain number of ERC Businesses in a specified area ("Area Development Business"). The total investment necessary to begin operation of an Area Development Business will depend on the number of ERC Businesses to be opened. The total initial investment necessary to begin operation of a five (5) unit Area Development Business is between \$141,000 and \$149,250, which includes \$130,510 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a ten (10) unit Area Development Business is between \$216,000 and \$224,250, which includes \$205,510 that must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a 15 unit Area Development Business is between \$266,000 and \$274,250, which includes \$255,510 that must be paid to the franchisor or its affiliates.

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 in connection with the franchise sale. **Note, however, that no governmental 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 Kimberly Thurston at 900 Main Street South, Building 2, Southbury, CT 06488, (203) 405-2112.

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 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 agencies 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 14, 2014

 {00032132.DOCX }
 [2014.FDDv1F]

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 AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION, ARBITRATION AND/OR LITIGATION ONLY IN CONNECTICUT. OUT OF STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE AND/OR LITIGATE WITH US IN CONNECTICUT THAN IN YOUR OWN STATE.
- 2 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT CONNECTICUT LAW GOVERNS THE AGREEMENTS AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 YOUR FRANCHISE BUSINESS HAS NO TERRITORIAL PROTECTION, AND WE AND OUR AFFILIATES HAVE THE RIGHT WITHOUT ANY RESTRICTIONS TO ENGAGE IN ANY AND ALL ACTIVITIES WE AND THEY DESIRE, IN COMPETITION WITH YOUR FRANCHISE.
- 4 THE FRANCHISOR MAY ESTABLISH MAXIMUM, MINIMUM OR OTHER PRICING REQUIREMENTS TO THE FULLEST EXTENT ALLOWED BY LAW.
- 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 is our agent and 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 the next page for state effective dates

STATE EFFECTIVE DATES

The following states require 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

The 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

Effective Dates for States Requiring Registration and Notice Filings

STATE	EFFECTIVE DATE
CALIFORNIA	NOT REGISTERED
HAWAII	NOT REGISTERED
ILLINOIS	PENDING
INDIANA	PENDING
MARYLAND	NOT REGISTERED
MICHIGAN	PENDING
MINNESOTA	PENDING
NEW YORK	PENDING
NORTH DAKOTA	NOT REGISTERED
RHODE ISLAND	NOT REGISTERED
SOUTH DAKOTA	NOT REGISTERED
VIRGINIA	PENDING
WASHINGTON	PENDING
WISCONSIN	PENDING

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