

FRANCHISE DISCLOSURE DOCUMENT

fab'rik Franchise, Inc.
A Georgia Corporation
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fab'rik[®]

You, the franchisee, will operate an independently owned women's clothing boutique that offers and sells unique, trendy clothing at affordable prices in a relaxing yet energizing, atmosphere (each, a "fab'rik Business" or "Store"). Your goal will be to create this proven experience through sales, marketing and first class customer service. The total investment necessary to begin operation of a fab'rik franchise ranges from \$113,700 to \$190,800. This includes \$35,000 which must 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 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 government 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, 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.

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 Maggie Russell, 3104 E. Shadowlawn Ave., Atlanta, Georgia 30305 or at 404-625-6264.

There may also be laws on franchising in your state. Ask your state agencies about them.

The Issue Date of this Franchise Disclosure Document ("FDD") is: March 18, 2016.

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 D to this Franchise Disclosure Document for information about the franchisor, about other franchisors, 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. AT OUR OPTION, THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN FULTON COUNTY, GEORGIA. OUT-OF-STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE WITH US IN GEORGIA THAN IN YOUR OWN STATE.
2. ANY DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION IN FULTON COUNTY, GEORGIA. IT MAY COST YOU MORE TO LITIGATE WITH US IN GEORGIA THAN IN YOUR OWN STATE.
3. THE FRANCHISE AGREEMENT STATES THAT IT IS GOVERNED BY GEORGIA LAW. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. IF THE FRANCHISEE IS A BUSINESS ENTITY, EACH SHAREHOLDER/PARTNER/MEMBER/MANAGER OF FRANCHISEE MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF EACH INDIVIDUAL AND THEIR SPOUSE AT RISK.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may 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 Dates in the Registration States are Listed on the Following Page.]

STATE EFFECTIVE DATES – 2016
fab'rik Franchise, Inc.

The following states require that the Franchise Disclosure Document be registered or filed with the state, or otherwise be exempt from registration: California, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, 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:

CALIFORNIA	Not Registered
FLORIDA	December 3, 2015
HAWAII	Not Registered
ILLINOIS	Pending Registration
INDIANA	Not Registered
KENTUCKY	Not Registered
MARYLAND	Pending Registration
MICHIGAN	Not Registered
MINNESOTA	Pending Registration
NEBRASKA	Not Registered
NEW YORK	Not Registered
NORTH DAKOTA	Not Registered
RHODE ISLAND	Not Registered
SOUTH DAKOTA	Not Registered
TEXAS	Effective
UTAH	Not Registered
VIRGINIA	Not Registered
WASHINGTON	Not Registered
WISCONSIN	Not Registered

In all other states, the effective date of this Franchise Disclosure Document is the Issue Date of: March 18, 2016.

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