

FRANCHISE DISCLOSURE DOCUMENT



AmerisourceBergen Drug Corporation A Delaware Corporation 1 West First Avenue, Conshohocken, PA, 19428 (610) 727-7000 www.AmerisourceBergen.com

The franchise offered ("GNP Premier Program") is for one or more retail outlets properly licensed as a retail pharmacy offering prescription services, over-the-counter health and beauty aids, and complementary services under the trade name of **Good Neighbor Pharmacy**[®] ("GNP Premier Pharmacy"). This offering is being made to pharmacies operating under a distribution agreement with us that sign a GNP Premier Agreement (Exhibit B).

The total investment necessary for an existing pharmacy to begin operating a GNP Premier Pharmacy franchise, depending on your pharmacy's existing fit-out, equipment and inventory, ranges from \$1,797 to \$446,405, which includes between \$1,797 to \$279,497 which must be paid to us or our affiliates.

For a start-up pharmacy, the total investment necessary to begin operating a GNP Premier Pharmacy franchise ranges from \$278,797 to \$574,705, which includes between \$81,797 to \$165,297 which must be paid to us or our affiliates.

This Disclosure Document is required by law and summarizes certain provisions of your GNP Premier 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.**

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 your account representative or the Good Neighbor Pharmacy program at 1 West First Avenue, Conshohocken, PA, 19428. You can also e-mail programs@amerisourcebergen.com.

The terms of your **franchise agreement with us** (the "**GNP Premier Agreement**") will govern our franchise relationship. Do not 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, D.C. 20580. You can also visit the FTC's home page at <u>www.ftc.gov</u> 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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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about
	outlet sales, costs, profits or losses. You
	should also try to obtain this information
	from others, like current and former
	franchisees. You can find their names and
	contact information in Item 20 or Exhibit
	D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying
	to the franchisor or at the franchisor's
	direction. Item 7 lists the initial
	investment to open. Item 8 describes the
	suppliers you must use.
Does the franchisor have the financial	Item 21 or Exhibit E includes financial
ability to provide support to my	statements. Review these statements
business?	carefully.
Is the franchise system stable, growing,	Item 20 summarizes the recent history of
or shrinking?	the number of company-owned and
	franchised outlets.
Will my business be the only Good	Item 12 and the "territory" provisions in
Neighbor Pharmacy business in my	the franchise agreement describe whether
area?	the franchisor and other franchisees can
	compete with you.
Does the franchise have a troubled legal	Items 3 and 4 tell you whether the
history?	franchisor or its management have been
	involved in material litigation or
	bankruptcy proceedings.
What's it like to be an Good Neighbor	Item 20 or Exhibit D lists current and
Pharmacy franchisee?	former franchisees. You can contact them
	to ask about their experiences.
What else should I know?	These questions are only a few things you
	should look for. Review all 23 Items and
	all Exhibits in this disclosure document to
	better understand this franchise
	opportunity. See the table of contents.



What You Need To Know About Franchising Generally

<u>Continuing responsibility to pay fees</u>. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

<u>Supplier restrictions</u>. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

<u>**Competition from franchisor**</u>. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

<u>Renewal</u>. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

<u>When your franchise ends</u>. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends that franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda. This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/good-neighbor-pharmacy