



HUNTINGTON LEARNING CENTERS, INC.
FRANCHISE DISCLOSURE DOCUMENT

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Huntington Learning Centers, Inc., a Delaware corporation

496 Kinderkamack Road; Oradell, New Jersey 07649

800-653-8400

franchise@HLCMail.com

www.huntingtonfranchise.com



You will provide tutoring principally to school-aged children using the methods and trademarks that Huntington Learning Center® has developed over time. Through the end of your business's first calendar year of operation, these services consist of tutoring in reading, phonics, study skills, mathematics, and related areas and tutoring in junior high school, high school, and college math and science subjects. Beginning with your business's second full calendar year of operation, you also will offer tutoring to prepare for state and standardized entrance examinations, principally the SAT and ACT, although you may offer it earlier.

The total investment necessary to begin operation of a single Huntington Learning Center® franchise is between \$117,976 and \$269,529. This includes between \$40,550 and \$44,750 that must be paid to us or our affiliate. If you enter into a Development Agreement to develop more than one Huntington Learning Center® franchise, you must pay us a nonrefundable development fee of \$5,000 per Huntington Learning Center® franchise. If you are in full compliance with the Development Agreement, we will credit a pro rata portion of the development fee towards the initial franchise fee payable under each Franchise Agreement you sign under the Development Agreement.

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.**

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 Raymond Huntington, Huntington Learning Centers, Inc. at 496 Kinderkamack Road, Oradell, New Jersey 07649, (800) 653-8400.

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, 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 EFFECTIVE DATES

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 FRANCHISOR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit I 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 YOUR DISPUTE WITH US FIRST BY MEDIATION AND THEN IN A COURT OF LAW. THE FRANCHISE AGREEMENT REQUIRES YOU TO MEDIATE AND SUE US ONLY IN THE STATE WHERE WE HAVE OUR PRINCIPAL PLACE OF BUSINESS AT THE TIME YOU BRING THE LAWSUIT, WHICH IS CURRENTLY NEW JERSEY. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE US IN OUR STATE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT DELAWARE 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 FRANCHISE AGREEMENT REQUIRES THAT YOU WAIVE ANY RIGHT YOU MAY HAVE TO A TRIAL BY JURY.
4. WE MAY TERMINATE THE FRANCHISE AGREEMENT IF YOU DO NOT MEET MINIMUM REVENUE REQUIREMENTS.
5. YOU MUST AGREE IN THE FRANCHISE AGREEMENT THAT ALL CLAIMS AND COUNTERCLAIMS BY YOU OR ANY OF YOUR AFFILIATES AGAINST US OR OUR AFFILIATES MUST BE BROUGHT BEFORE THE EARLIER OF THE EXPIRATION OF ONE YEAR AFTER THE ACT, TRANSACTION, OR OCCURRENCE UPON WHICH THE CLAIM OR COUNTERCLAIM IS BASED OR ONE YEAR AFTER THE AGREEMENT EXPIRES OR IS TERMINATED.
6. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO, YOU COULD LOSE TERRITORIAL RIGHTS OR THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT AND YOU COULD LOSE YOUR INVESTMENT.
7. THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTEE MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, WHICH ALSO PLACES THE SPOUSE'S PERSONAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
8. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE BUSINESS. THIS GUARANTEE WILL PLACE BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.

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