



FRANCHISE DISCLOSURE DOCUMENT

KLA FRANCHISE, LLC
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Miami, Florida 33145
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www.klaschoolsfranchise.com

The franchise offered is for the establishment and operation of an upscale childcare/pre-school center that provides educational programs to children that emphasize the child's curiosity about the world in a secure and safe environment (“**KLA School(s)®**”) using our System and Marks.

The total investment necessary to begin operation of a KLA School is \$1,121,000 to \$5,804,750. This includes \$78,500 to \$248,500 that must be paid to the franchisor or an affiliate. The initial franchise fee for a KLA School is \$78,500, and the site selection and development fee is \$20,000. If you elect to enter into a Center Development Agreement, you must pay us a center development fee of \$150,000. In addition, if you sign an Area Development Agreement, you must pay us a development fee equal to \$20,000 for each additional KLA School that you agree to develop; \$20,000 will be credited towards the initial franchise fee for each additional KLA School as described in the Area Development Agreement.

This Disclosure Document summarizes certain provisions of your Franchise Agreement, Center Development Agreement, Area Development 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 KLA Schools, Roberto Ortega, President and Chief Executive Officer, 1750 Coral Way, Suite 301, Miami, Florida 33145, telephone: (877) 552-2533 Ext 249.

The terms of your contract will govern your franchise relationship. Don't rely on this 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 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.

Date of Issuance: March 29, 2019, as amended on August 28, 2019.

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, IF APPLICABLE, THE AREA DEVELOPMENT AGREEMENT AND THE CENTER DEVELOPMENT AGREEMENT, REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION IN MIAMI-DADE COUNTY, FLORIDA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN FLORIDA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT AND, IF APPLICABLE, THE AREA DEVELOPMENT AGREEMENT AND THE CENTER DEVELOPMENT AGREEMENT, STATE THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND FLORIDA LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The effective date for this Franchise Disclosure Document is listed on the next page.

STATE EFFECTIVE DATES RIDER

The following states require that the Franchise 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.

State	Effective Date
California	Pending
Hawaii	Not applicable
Illinois	Exemption pending
Indiana	Not applicable
Maryland	Pending
Michigan	September 12, 2019
Minnesota	Not applicable
New York	Pending
North Dakota	Not applicable
Rhode Island	Pending
South Dakota	Not applicable
Virginia	Pending
Washington	Pending
Wisconsin	Not applicable

The following states require a notice of exemption from the registration or filing requirements of the state's business opportunity laws with respect to the offering described in this disclosure document:

State	Effective Date
Florida	5/01/19
Kentucky*	Not applicable
Nebraska*	Not applicable
Texas*	June 24, 2009
Utah	Not applicable

*One-time filing

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