

Franchise Disclosure Document FDD



MediaCentric Franchise Corp.
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The franchise offered is for the operation of an audiovisual technology business that offers services to integrate video and audio technologies into functional systems used for presentations, conferencing and collaboration solutions for business of all sizes. This is service-oriented business that designs, installs, maintains and supports a full spectrum of audiovisual and collaboration solutions using a wide range of equipment all of which is installed by certified technicians, under the name “MediaCentric™”. The Initial Franchise Fee is \$15,000 to either convert an existing audiovisual-related business into a MediaCentric™ business (“Conversion Model”) or for a new startup business (“Standard Model”) with protected rights to operate in a specific area as defined by us. The total estimated initial investment necessary to begin operation of a MediaCentric™ franchise ranges from \$24,500 to \$39,300 for a Conversion Model and from \$39,750 to \$74,650 for a Standard Model which will depend on a number of factors which are further discussed in Item 7. These figures include the Initial Franchise Fee of \$15,000 for either a Conversion Model or a Standard Model (as discussed in Item 5) that 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 the 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 any affiliate in connection with the proposed franchise sale. **Note, however, 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:

David Lopez, President
MediaCentric Franchise Corp.
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The terms of your contract will govern your franchise relationship. Don’t 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 WWW.FTC.GOV for additional information. Call your state agency or visit your public library for other sources of information on franchising.

We currently do not engage the services of franchise brokers.

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

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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 B 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 PERMITS THE FRANCHISEE TO MEDIATE AND ARBITRATE ONLY IN CALIFORNIA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH MEDIACENTRIC FRANCHISE CORP. IN CALIFORNIA THAN IN YOUR HOME STATE.
- 2) THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAWS. YOU MAY WANT TO COMPARE THESE LAWS.
- 3) THE DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT.
- 4) WE CURRENTLY DO NOT ENGAGE THE SERVICES OF FRANCHISE BROKERS.
- 5) YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY OR ANY TYPE OF PROTECTED TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE OWN.
- 6) THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTY 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.
- 7) WE WERE FORMED ON MAY 2, 2017 AND HAVE A BRIEF OPERATING HISTORY. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
- 8) THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE OPPORTUNITY.

Effective Date: see next page for state effective dates

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