

FRANCHISE DISCLOSURE DOCUMENT

MAMA MIA, INC., D/B/A MODE 4302 13th Ave S, Ste 13 Fargo, ND 58103 (701) 478-5858 ciara@shopmodestore.com www.shopmodestore.com

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MODE designer fashion closeout prices

Mama Mia, Inc. (hereinafter generally referred to as MODE), offers a franchise to operate a MODE store at a specific agreed-upon location, using our proprietary know-how, methods, procedures and designs. MODE owns and operates a retail store selling women's, men's and children's clothing, accessories, and household goods. MODE is an outlet store and does not guarantee any particular brands, sizes, or style selection.

The total investment necessary to begin operation of a MODE Store franchise is estimated to be \$108,500 to \$139,500, plus monthly operating expenses, including, but not limited to, rent if you lease the building and real estate. This includes \$77,000 to \$95,000 that must be paid to the franchisor. The amount paid to franchisor includes a \$30,000 franchise fee.

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.

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 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 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 REQUIRES THAT NORTH DAKOTA LAW GOVERNS THE AGREEMENT. YOU MAY WANT TO REVIEW THESE LAWS.
- 2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Dates:

North DakotaSeptember 19, 2012MinnesotaSeptember 19, 2012South DakotaFebruary 28, 2013



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