

FRANCHISE DISCLOSURE DOCUMENT

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®

MODE

designer fashion
closeout prices

The franchisee will operate a MODE retail store selling women's clothing and accessories (a "MODE Store"). A MODE Store is an outlet store offering designer items at discount prices 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 \$108,900 to \$234,500, plus monthly operating expenses, including, but not limited to, rent if you lease the building and real estate. This includes \$81,500 to \$205,000 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.

Issuance date: February 28, 2015

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 YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN THE STATE OF NORTH DAKOTA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN NORTH DAKOTA THAN IN YOUR OWN STATE. THE FRANCHISE AGREEMENT STATES THAT NORTH DAKOTA 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.
2. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Dates:

North Dakota	April 15, 2014
Minnesota	April 15, 2014
South Dakota	February 28, 2014

TABLE OF CONTENTS

<u>Item</u>		<u>Page</u>
1	The Franchisor and any Parents, Predecessors and Affiliates.....	1
2	Business Experience.....	2
3	Litigation.....	2
4	Bankruptcy.....	2
5	Initial Fees.....	2
6	Other Fees.....	3
7	Estimated Initial Investment.....	6
8	Restrictions on Sources of Products and Services.....	9
9	Franchisee’s Obligations.....	11
10	Financing.....	12
11	Franchisor’s Assistance, Advertising, Computer Systems and Training.....	12
12	Territory.....	16
13	Trademarks.....	18
14	Patents, Copyrights and Proprietary Information.....	19
15	Obligation to Participate in the Actual Operation of the Franchise Business.....	19
16	Restriction on What the Franchisee May Sell.....	20
17	Renewal, Termination, Transfer and Dispute Resolution.....	21
18	Public Figures.....	23
19	Financial Performance Representation.....	24
20	Outlets and Franchisee Information.....	25
21	Financial Statements.....	27
22	Contracts.....	27
23	Receipt.....	28

EXHIBITS

- Exhibit A State Agencies
- Exhibit B Agents for Service of Process
- Exhibit C Franchise Agreement
- Exhibit D Financial Statements
- Exhibit E Table of Contents for Operations Manual
- Exhibit F State Specific Addendum

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/mode>