

FRANCHSE DISCLOSURE DOCUMENT FOR AREA REPRESENTATIVE OMEGA LEARNING CENTER FRANCHISORDIAMAY - 1 AM 10.42

Palladian Office Park 5150 Stilesboro Rd Building 400, Suite 410 Kennesaw, GA 30152 (770) 792-7431

DEPARTMENT OF BUSINESS OVERSIGHT SAN FRANCISCO

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The franchise is for the operation and establishment and operation of an area representative business ("Area Representative Business") Area Representative will solicit and screen prospective franchisees for and assist us in providing certain services to Omega Learning Center franchisees

The total investment necessary to begin operation of an Omega Learning Center Area Representative Business is \$284,195 to \$303,745 This includes an initial fee of \$254,995 that must be paid to the franchisor or an affiliate, which includes franchise fee and software license 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 or grant 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 Ms Kimberly Smith at Omega Learning® Franchisor, Palladian Office Park, 5150 Stilesboro Rd, Building 400, Suite 410, Kennesaw, Georgia 30152, (770) 792-7431, or email her at kimberlysmith@omegalearning com

The terms of your contract will govern your franchise relationship Don't rely on this 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 "<u>A Consumer's Güide to Buying a Franchise</u>," 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 April 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 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 AREA REPRESENTATIVE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION, IN COBB COUNTY, GEORGIA 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 GEORGIA THAN IN YOUR HOME STATE
- 2 THE AREA REPRESENTATIVE AGREEMENT STATES THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND GEORGIA LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW YOU MAY WANT TO COMPARE THESE LAWS
- 3 THE U S FEDERAL GOVERNMENT AND THE GOVERNMENTS OF SOME STATES ARE ENACTING LAWS THAT MAY SIGNIFICANTLY INCREASE THE COSTS OF DOING BUSINESS AND DISCOURAGE COMMERCE GENERALLY YOU SHOULD CONSIDER THESE LAWS CAREFULLY WHEN YOU DECIDE WHETHER TO PURCHASE A FRANCHISE
- 4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you We pay this person a fee for selling our franchise or referring you to us You should make sure to do your own investigation of the franchise

Effective Date See Attachment 1 for state effective dates



Supplemental Cover Page for Transactions Regulated by Michigan

THE STATE OF MICHIGAN PROHIBITS, CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise

(a) A prohibition on the right of a Franchisee to join an association of Franchisees

(b) A requirement that a Franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a Franchisee of rights and protections provided in this act. This shall not preclude a Franchisee, after entering into a Franchise Agreement, from settling any and all claims

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause Good cause shall include the failure of the Franchisee to comply with any lawful provision of the Franchise Agreement and to cure that failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure that failure

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the Franchisee by repurchase or other means for fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures, and furnishings Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. The subsection applies only if (i) the term of the franchise is less than five years and (ii) the Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the Franchise does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances This section does not require a renewal provision

(f) A provision requiring that arbitration or litigation be conducted outside this state This shall not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to (i) the failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards, (ii) the fact that the proposed transferee is a competitor of the franchisor or subfranchisor, (iii) the unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations, or (iv) the failure of the Franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/omega-learning-center