

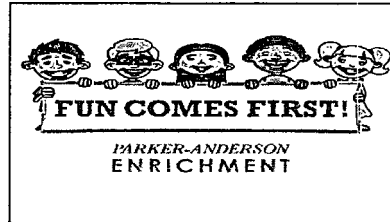
FRANCHISE DISCLOSURE DOCUMENT

Parker-Anderson Enrichment, Inc., a California corporation
 16526 Arminta Street, Van Nuys, California 91406
 800-362-8606; www.parker-anderson.org; franchise@parker-anderson.org

Received
 LA Mailroom

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Department of
 Business Oversight



This franchise is a business offering children's education, recreation and entertainment interactive enrichment activities using our system and our trademark: "Parker-Anderson Enrichment."

The total investment necessary to start a Parker-Anderson business is \$15,980 - \$81,100 for a new Parker-Anderson business that you start. Within this total is \$0 to \$30,000 that must be paid to the franchisor.

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 the 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 government 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 Jamie Anderson at Parker-Anderson Enrichment, Inc., 16526 Arminta Street, Van Nuys, California 91406, telephone: 800-362-8606.

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, DC 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: March 27, 2018, as amended November 29, 2018.

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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION IN CALIFORNIA. IF YOU ARE LOCATED OUTSIDE CALIFORNIA, 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 CALIFORNIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT SAYS CALIFORNIA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. IF YOU ARE MARRIED, YOUR SPOUSE MAY BE REQUIRED TO SIGN A PERSONAL GUARANTY, MAKING HIM/HER JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE, WHETHER OR NOT SUCH SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL AND MARITAL ASSETS OF THE FRANCHISE OWNER(S) AND SPOUSE(S) AT RISK.
4. YOU WILL ONLY RECEIVE INCOME FROM THE FRANCHISE BUSINESS AFTER WE DEDUCT 8% AND OTHER CHARGES FROM THE GROSS REVENUE ACTUALLY RECEIVED FROM THE CUSTOMER. THE BALANCE SHALL BE REMITTED TO YOU WITHIN 30 DAYS AFTER RECEIVING PAYMENT FROM YOUR CUSTOMERS.
5. THE FRANCHISE AGREEMENT REQUIRES YOU TO SIGN A MINIMUM NUMBER OF ACCOUNTS WITHIN THE FIRST YEAR OF OPERATION AND TO ACHIEVE A SPECIFIC AMOUNT OF GROSS REVENUE AFTER THE FIRST TWO YEARS OF OPERATIONS.
6. WE MAY 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 BE SURE TO DO YOUR OWN INVESTIGATION OF THE FRANCHISE.
7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See next page for state effective dates.

STATE EFFECTIVE DATES

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, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

| <u>State</u> | <u>Effective Date</u> |
|--------------|----------------------------------|
| California | April 4, 2018, as amended _____ |
| Illinois | March 30, 2018, as amended _____ |
| New York | April 11, 2018, as amended _____ |
| Maryland | April 13, 2018, as amended _____ |
| Washington | May 4, 2018, as amended _____ |

This Franchise Disclosure Document is not required to be registered in the following states, but an exemption has been filed as required by the state’s business opportunity laws, effective as of the date specified below (N/A means “not applicable,” indicating no exemption request has been filed in the state):

| | |
|-------------|----------------|
| Connecticut | June 5, 2015 |
| Florida | March 13, 2018 |
| Kentucky | March 9, 2016 |
| Nebraska | March 1, 2016 |
| Texas | June 12, 2015 |

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