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LA Room
MAY 11 2017
Department of
Business Oversight

FRANCHISE DISCLOSURE DOCUMENT
FRANLOGIC SCOUT DEVELOPMENT, LLC
a Pennsylvania limited liability company
640 Freedom Business Center Drive, Suite 131
King of Prussia, PA 19406
610-768-0114

info@scoutandmollys.com
www.scoutandmollys.com



The Franchisee will own and operate a business offering women's clothing, jewelry, handbags and accessories in brick and mortar retail location. Franchisor, FRANLOGIC SCOUT DEVELOPMENT, LLC, provides services to Franchisees including assistance with training, operations, advertising, purchasing and promotional techniques.

The total investment necessary to begin operation of a Scout & Molly's franchise is between \$252,300.00 to \$301,000.00. This includes \$56,000.00 that must be paid to the franchisor or its affiliate. We also offer multi-unit franchises, where you can purchase the right to develop between two (2) and ten (10) units. The total investment necessary to begin operation of a Scout & Molly's multi-unit franchise is between \$282,300.00 and \$491,000.00. This includes \$85,000.00 to \$245,000.00 that must be paid to the franchisor or its affiliate, depending on the number of units purchased.

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, 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.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact the Franchise Administration Department of FRANLOGIC SCOUT DEVELOPMENT, LLC, 640 Freedom Business Center Dr, Suite 131, King of Prussia, PA 19406. The phone number for FRANLOGIC SCOUT DEVELOPMENT, LLC is 610-768-0114.

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 contracts 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.



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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 E 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 ENGAGING IN VARIOUS STAGES OF DISPUTE RESOLUTION INCLUDING FACE-TO-FACE ARBITRATION ONLY IN MONTGOMERY COUNTY, PENNSYLVANIA. 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 PENNSYLVANIA THAN IN YOUR OWN STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT PENNSYLVANIA 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 THE FRANCHISE AGREEMENT REQUIRES BOTH YOU AND YOUR SPOUSE TO SIGN A PERSONAL GUARANTY MAKING THE SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF THE SPOUSE IS NOT INVOLVED IN THE FRANCHISED BUSINESS. THE PERSONAL GUARANTY PLACES BOTH YOUR AND YOUR SPOUSE'S PERSONAL AND MARITAL ASSETS AT RISK.
- 4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more franchise brokers to assist us in selling franchises. 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.

Effective Date See following page

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