

APR 23 2017

**FRANCHISE DISCLOSURE DOCUMENT**

SNAPOLOGY, LLC

A Pennsylvania Limited Liability Company

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www.snapology.com

We offer qualified individuals and entities a franchise for the right to independently own and operate a Snapology business that provides curriculum based courses events and hands on learning experiences using LEGO® brand bricks, K Nex® brand toys their substitutes and other building toys, robotics, animation and engineering techniques and products using our system and the Snapology trademarks (the Snapology Business')

The estimated total investment necessary to begin operation of a home based mobile Snapology Business ranges from \$34,500 to \$70,000 This includes \$18,000 to \$34,000 that must be paid to us or our affiliate for the initial franchise fee The estimated total investment necessary to begin operation of a mobile Snapology Business that also includes a fixed location retail discovery center ranges from \$69,500 to \$185,000 This includes \$18,000 to \$34,000 that must be paid to us or our affiliate for the initial 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 government agency has verified the information contained in this document**

You may wish to receive your disclosure document in another form that is more convenient for you To discuss the availability of disclosures in different forms contact Laura Coe, Snapology, LLC, 1699 Washington Road, Suite 200 Pittsburgh, PA 15228

The terms of your contract will govern your franchise relationship Do not rely on the disclosure document alone to understand your contract Read your entire 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 April 3, 2017

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administration 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 to this Franchise Disclosure Document for information about the franchisor, about other franchisors 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 SUE THE FRANCHISOR ONLY IN THE COMMONWEALTH OF PENNSYLVANIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE THE FRANCHISOR IN THE COMMONWEALTH OF PENNSYLVANIA.

2 THE FRANCHISE AGREEMENT STATES THAT PENNSYLVANIA LAW GOVERNS EACH AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU SHOULD COMPARE THESE LAWS.

3 YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

4 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$34,500 TO \$185,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2016, WHICH IS \$(84,025).

5 YOU MUST MAKE THE MINIMUM ROYALTY AND BUSINESS MANAGEMENT SYSTEM PAYMENTS, REGARDLESS OF SALES LEVELS. YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

6 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

The 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:

Effective Dates					
California		Michigan		South Dakota	
Hawaii		Minnesota		Virginia	
Illinois		New York		Washington	
Indiana		North Dakota		Wisconsin	
Maryland		Rhode Island			

In all other states the effective date of this Franchise Disclosure Document is the issuance date of April 3, 2017

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