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Dept of Business Oversight



## FRANCHISE DISCLOSURE DOCUMENT



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TAF Franchising, LLC A Delaware limited liability company 3200 Windy Hill Road, S E , Suite 175 East Atlanta, Georgia 30339 770-612-5100



franchiseinfo@theathletesfoot com www.theathletesfoot.com

TAF Franchising, LLC ("we," "us," or "our") offers single unit franchises for the operation of retail stores selling athletic footwear, athletic apparel, and related accessories under "THE ATHLETE'S FOOT" and "TAF" marks ("Stores") We also offer area development franchises for the development of multiple Stores and that may permit you to recruit prospective franchisees for Stores within a designated Development Area

The total investment necessary to begin operation of a The Athlete's Foot franchise is \$214,950 to \$500,250 This includes \$30,000 that must be paid to us or our affiliates for a Store

The total investment necessary to begin operation of a THE ATHLETE'S FOOT Area Development franchise is \$45,000 and up This includes \$45,000 or more that must be paid to us or our affiliates

This Franchise Disclosure Document ("Disclosure Document") summarizes certain provisions of your Franchise Agreement, Area Development 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.

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 Luana Frederick at 3200 Windy Hill Road, S.E., Suite 175 East, Atlanta, Georgia 30339 (Tel. 770-612-5100)

The terms of your contract will govern your franchise relationship. Don't 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, D.C. 20580. You also can 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 also may be laws on franchising in your state. Ask your state agencies about them

We issued this Disclosure Document on April 1, 2014



## STATE COVER PAGE

Your state may have a franchise law that requires us 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 H 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 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 TO RENEW

Please consider the following RISK FACTORS before you buy this franchise

- THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT, REQUIRE YOU TO RESOLVE DISPUTES WITH US BY LITIGATION IN DELAWARE OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT ALSO MAY COST MORE TO LITIGATE IN DELAWARE THAN IN YOUR HOME STATE
- THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT STATE
  THAT DELAWARE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE
  THE SAME PROTECTION AND BENEFITS AS YOUR LOCAL LAW YOU MAY WANT TO
  COMPARE THESE LAWS
- 3 YOU MUST MAINTAIN AT ALL TIMES MINIMUM INVENTORY OF TAF PRODUCTS AND OTHER APPROVED PRODUCTS EVEN IF YOU CANNOT SELL THIS INVENTORY WE MAY CHANGE THE PRODUCTS YOU MUST PURCHASE AND INCREASE THE MINIMUM INVENTORY REQUIREMENTS AT ANY TIME
- 4 YOUR SPOUSE MUST SIGN THE GUARANTY MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE AGREEMENT WHICH PLACES THE SPOUSE'S PERSONAL ASSETS AT RISK
- THE FRANCHISE AGREEMENT PROVIDES FOR YOUR PAYMENT OF LIQUIDATED DAMAGES IF WE TERMINATE THE FRANCHISE AGREEMENT FOR CAUSE
- YOU MUST OFFER THE SPECIFIC BRAND WE REQUIRE WE MAY CHANGE THE AUTHORIZED PRODUCTS AND SERVICES AT OUR DISCRETION WE HAVE THE RIGHT TO AUTOMATICALLY ORDER AND SHIP TO YOU INVENTORY AND PROMOTIONAL ITEMS
- 7 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

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