



FRANCHISE DISCLOSURE DOCUMENT

Scout Guide, LLC
a Virginia limited liability company
3465 Ivy Road Charlottesville
Virginia 22903 (434) 244-2817
www.thescoutguide.com

We offer franchises for the establishment and operation of an advertising publication business, specializing in the production and distribution of high quality advertising guides. We require you to sign a Franchise Agreement, which gives you the right to operate a Scout Guide business in a specific territory under the terms and conditions of the Franchise Agreement. The total investment necessary to begin operation of a new Scout Guide business ranges from \$50,650 to \$57,500. This includes \$50,000.00 that must be paid to us.

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 fourteen (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.**

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 "*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.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: May 15, 2014

05/15/2014

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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 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 ONLY IN VIRGINIA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE IN VIRGINIA THAN IN YOUR HOME STATE.*
2. THE FRANCHISE AGREEMENT STATES THAT VIRGINIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.*
3. OTHER THAN THE ACTIONS DISCLOSED IN ITEM 3 OF THIS DISCLOSURE DOCUMENT, NO LITIGATION OR OTHER DISPUTE IS REQUIRED TO BE DISCLOSED IN THIS DISCLOSURE DOCUMENT.
4. THE FRANCHISE AGREEMENT STATES THAT THE TERM IS FOR AN INITIAL PERIOD OF THREE (3) YEARS, SUBJECT TO RENEWAL EXTENSION TERMS.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

* State laws may supersede certain provisions of the Franchise Agreement. You may want to investigate whether state law protects you. You should review any addenda or riders attached to this Disclosure Document for disclosures regarding state franchise laws.

Information comparing franchisors is available. Call the state administrators listed in Exhibit A to this Disclosure Document or your public library for sources of information.

Registration of this franchise with a state does not mean that the state recommends it or has verified the information in this Disclosure Document. If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and/or the state administrator for your state listed on Exhibit A to this Disclosure Document.

SCOUT GUIDE, LLC

STATE REGISTRATIONS

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.

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>
Maryland	February 7, 2014

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