

FRANCHISE DISCLOSURE DOCUMENT TUTOR DOCTOR SYSTEMS INC. a Delaware Corporation 2711 Centerville Road, Suite 400 Wilmington, Delaware 19808 (877) 988-8679 Website Address: www.tutordoctor.com franchise@tutordoctor.com



"We Make House Calls!"

The franchise offered is for the operation of a business under the name "Tutor Doctor" which offers affordable tutoring and online services at a student's home. This franchise system or platform offers an effective alternative to students and parents who prefer to receive tutoring help in their own home instead of traveling to a learning center.

The total investment necessary to begin operation of a Tutor Doctor franchised business is \$67,500 to \$170,700. This includes between \$43,700 to \$131,700 that must be paid to the franchisor and/or its affiliate, as appropriate.

We currently offer five types of franchises: (a) a Local Territory Franchise is \$39,700; (b) a Regional Territory Franchise is \$44,700; (c) a National Territory Franchise is \$54,700; (d) a Multinational Territory Franchise is \$87,700; and (e) an International Territory Franchise is \$127,700.

We also offer an "empire builder" program that includes one Regional Territory and two Local Territories. The total initial fees payable to us under the empire builder program are \$88,400.

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 Frank Milner at 2070 Codlin Cres., Unit #1, Toronto, Ontario M9W 7J2 and 416-646-0364.

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: July 30, 2012



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, 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 RESOLVE DISPUTES WITH US BY ARBITRATION IN TORONTO, ONTARIO, CANADA, WITH ANY PERMISSIBLE LITIGATION TO TAKE PLACE IN THE STATE OF NEW YORK. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE IN TORONTO, ONTARIO, CANADA, OR LITIGATE IN NEW YORK THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT NEW YORK 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. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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 is <u>our</u> agent and 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 the next page for the 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, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin; as well as exemption from the business opportunity registration requirements in Florida, Kentucky, Nebraska, Texas, and Utah.

STATES	EFFECTIVE DATE
California	August 30, 2012
Florida	July 30, 2012
Hawaii	August 21, 2012
Illinois	September 4, 2012 [See Illinois-specific FDD]
Indiana	August 24, 2012
Kentucky	July 30, 2012
Maryland	
Michigan	July 30, 2012
Minnesota	August 15, 2012
Nebraska	July 30, 2012
New York	
North Dakota	August 27, 2012
Rhode Island	September 5, 2012
South Dakota	August 14, 2012
Texas	July 30, 2012
Utah	August 14, 2012
Virginia	December 3, 2012 [See Virginia-specific FDD]
Washington	February 22, 2013
Wisconsin	August 21, 2012

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of July 30, 2012.

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