

Y2 ACADEMY

FRANCHISE DISCLOSURE DOCUMENT

Y2 Academy Franchising, LLC
A New Jersey limited liability company
300 Marlton Pike West
Cherry Hill, New Jersey 08002
Tel (856) 888 2123
Email FranchiseInfo@Y2Academy.com
www.Y2Academy.com



The franchise that we offer is for a Y2 Academy college entrance examination, preparation, instruction and tutoring business offered in an intensive academy based classroom setting (the "Y2 Academy Business") The franchisee will establish, develop and operate a Y2 Academy Business that offers and provides structured classroom based preparation, instruction and tutoring services for college preparation, college entrance examinations including SAT and ACT, and advanced placement examinations under the Y2 Academy trademark and brand

The total investment necessary to begin operation of a Y2 Academy Business ranges from \$143,400 to \$198,100 This includes \$80,000 that must be paid to the Franchisor or Franchisor's 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 Terry Yang, Y2 Academy Franchising, LLC, 300 Marlton Pike West, Cherry Hill, New Jersey 08002

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 June 9, 2016

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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 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.

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.

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.

Please consider the following RISK FACTORS before you buy this Franchise:

1. THE FRANCHISE AGREEMENT PERMITS YOU TO SUE THE FRANCHISOR ONLY IN THE STATE OF NEW JERSEY. 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 STATE OF NEW JERSEY.
2. THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND ITS PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.
3. THE FRANCHISOR IS A DEVELOPMENT-STAGE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY TO ASSIST A PROSPECTIVE FRANCHISEE IN DECIDING TO MAKE THIS INVESTMENT.
4. THE FRANCHISE AGREEMENT STATES THAT NEW JERSEY LAW GOVERNS EACH AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU SHOULD COMPARE THESE LAWS.
5. YOU AND YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOU INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THE GUARANTEE WILL PLACE YOUR PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

- 6 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$143,400 TO \$198,100 THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF JULY 10, 2015, WHICH IS \$36,000
- 7 YOU MUST MAKE MINIMUM ROYALTY OR ADVERTISING PAYMENTS, REGARDLESS OF YOUR SALES LEVELS YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT
- 8 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

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

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 June 9, 2016

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