

## FRANCHISE DISCLOSURE DOCUMENT

AN AROUND TOWN COMMUNITY MAGAZINES



**Around Town Community Magazines, Inc.**  
**1025 Rose Creek Drive, Suite 340**  
**Woodstock, Georgia 30189**  
**Phone: (770) 516-7105**  
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We grant Office franchises known as Around Town Community Magazines, specializing in producing a free, direct mail community magazine through the sale of advertising in the magazine. We also grant Regional Developer franchises which recruit prospective Office franchises in a designated development area, which provide certain sales and support services to Office franchises located in the development area, and which may establish and operate one Office as a Pilot Office in their development area.

The total investment necessary to begin operation of an Office franchise ranges from \$49,675 to \$71,840, plus working capital of \$5,000 to \$10,000. The total investment includes the initial franchise fee for an Office franchise.

The total investment necessary to begin operation of a Regional Developer franchise ranges from \$170,700 to \$463,500, if you choose to also operate a Pilot Office; and from \$176,200 to \$477,000, if you operate a Regional Developer franchise without a Pilot Office. These amounts include the initial development fee for a Regional Developer franchise. There is no additional franchise fee charged to a Regional Developer that chooses to operate a Pilot Office, as this is included in the initial development fee paid by the Regional Developer.

This disclosure document ("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, us 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 Herbert R. Sims at 1025 Rose Creek Drive, Suite 340, Woodstock, Georgia 30189, (770) 516-7105.

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 statement to an advisor, like a lawyer or 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](http://www.ftc.gov) for additional information on franchising.

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

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Sample Only

## STATE COVER PAGE

Your state may have a franchise law that requires a franchise 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 AND REGIONAL DEVELOPER AGREEMENT PERMIT THE FRANCHISOR TO ENFORCE ITS RIGHTS IN THE APPROPRIATE COURTS LOCATED IN CHEROKEE COUNTY, GEORGIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT ALSO MAY COST MORE TO SUE THE FRANCHISOR IN GEORGIA THAN IN YOUR HOME STATE.**
- 2. THE FRANCHISE AGREEMENT AND REGIONAL DEVELOPER AGREEMENT STATE THAT GEORGIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
- 3. THE FRANCHISOR'S PROPRIETARY MARKS ARE REGISTERED WITH THE STATE OF GEORGIA, NOT WITH THE U.S. PATENT AND TRADEMARK OFFICE. THE COMPANY DOES NOT BELIEVE THAT IT CAN ACHIEVE SUCH REGISTRATION WITH THE U.S. PATENT AND TRADEMARK OFFICE. ALL FRANCHISE OWNERS MAY BE FORCED TO CHANGE ITS TRADENAME AND MARK AT SOME TIME IN THE FUTURE, IF A NEW TRADENAME AND MARK IS REGISTERED BY THE COMPANY WITH THE U.S. PATENT AND TRADEMARK OFFICE. IN SUCH EVENT, YOU MUST CHANGE, AT YOUR EXPENSE, ALL SIGNS, MARKETING LITERATURE AND OTHER MATERIALS WHEN THE COMPANY INDICATES TO YOU THAT A NEW PROPRIETARY NAME AND MARK HAS BEEN REGISTERED WITH THE U.S. PATENT AND TRADEMARK OFFICE.**
- 4. 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 our 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.

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**EXHIBITS TO DISCLOSURE DOCUMENT:**

**A — STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS**

**B — STANDARD FRANCHISE AGREEMENT**

**C — REGIONAL DEVELOPER AGREEMENT**

**D — OFFICE FRANCHISE OPERATIONS MANUAL TABLE OF CONTENTS**

**E — REGIONAL DEVELOPER OPERATIONS MANUAL TABLE OF CONTENTS**

**F — AUDITED AND UNAUDITED FINANCIAL STATEMENTS OF FRANCHISOR**

**G — CONFIDENTIALITY AGREEMENT**

**H — GUARANTY OF FRANCHISE OWNER’S UNDERTAKINGS**

**I — LIST OF FRANCHISE OWNERS**

**J — GENERAL RELEASE AGREEMENTS**

**K — TRANSFER AGREEMENTS**

**L — FORM UCC-1 FINANCING STATEMENT**

**M — RECEIPT**