

Form B – Franchisor’s Costs and Sources of Funds

FRANCHISOR’S COSTS AND SOURCE OF FUNDS

1. Disclose the Franchisor’s total costs for performing its pre-opening obligations to provide goods or services in connection with establishing each franchised business, including real estate, improvements, equipment, inventory, training and other items stated in the offering:

Category	Costs
Real Estate	_____
Improvements	_____
Equipment	_____
Inventory	_____
Training	_____
Other (describe)	
_____	_____
_____	_____
_____	_____
Totals	_____

2. State separately the sources of all required funds:

**Instructions for Preparing
Form B: Franchisor's Costs and
Source of Funds**

The Franchisor's Costs and Source of Funds form should accompany each initial or renewal filing (if required by the Franchise Filing State). Do not use with amendments.

1. In Section 1, estimate the franchisor's total costs to perform its pre-opening obligations to provide goods or services for establishing a new, typical franchised business.
2. Provide only incremental cost estimates; i.e., expenses incurred that are independent of salaries and overhead for the franchisor's own employees or employees of affiliates that may provide these services.
3. In Section 2, state separately the sources of all required funds. For example, this could include the franchisor's operating funds, initial franchise fees collected, etc.