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FURLA

FEB 23 2006

Department of Corporations
® Los Angeles

389 Fifth Avenue
New York, NY 10016
(212) 213-1177

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INFORMATION FOR PROSPECTIVE FRANCHISEES REQUIRED BY THE FEDERAL TRADE COMMISSION

TO PROTECT YOU, WE HAVE REQUIRED YOUR FRANCHISOR TO GIVE YOU THIS INFORMATION. WE HAVE NOT CHECKED IT, AND DO NOT KNOW IF IT IS CORRECT. IT SHOULD HELP YOU MAKE UP YOUR MIND. STUDY IT CAREFULLY. WHILE IT INCLUDES SOME INFORMATION ABOUT YOUR CONTRACT, DO NOT RELY ON IT ALONE TO UNDERSTAND YOUR CONTRACT. READ YOUR ENTIRE CONTRACT CAREFULLY. BUYING A FRANCHISE IS A COMPLICATED INVESTMENT. TAKE YOUR TIME TO DECIDE. IF POSSIBLE, SHOW YOUR CONTRACT AND THIS INFORMATION TO AN ADVISOR, LIKE A LAWYER OR AN ACCOUNTANT. IF YOU FIND ANYTHING YOU THINK MAY BE WRONG OR ANYTHING IMPORTANT THAT HAS BEEN LEFT OUT, YOU SHOULD LET US KNOW ABOUT IT. IT MAY BE AGAINST THE LAW.

THERE ALSO MAY BE LAW ON FRANCHISING IN YOUR STATE. ASK YOUR STATE AGENCIES ABOUT THEM.

FEDERAL TRADE COMMISSION
WASHINGTON D.C. 20560

The next page has registration date information for the United States.

This document may be given to persons in the following states:

Alabama	Louisiana	Ohio
Alaska	Massachusetts	Oklahoma
Arizona	Mississippi	Oregon
Arkansas	Missouri	Pennsylvania
Colorado	Montana	South Carolina
Delaware	Nevada	Tennessee
Georgia	New Hampshire	Vermont
Idaho	New Jersey	West Virginia
Iowa	New Mexico	Wyoming
Kansas	North Carolina	

This document may be given to persons in the following states **ONLY** if a registration date is filled in after the name of the state:

	<i>Registration Date</i>		<i>Registration Date</i>		<i>Registration Date</i>
California	February 28, 2005	Maine	Exempt	Rhode Island	
Connecticut	Exempt	Maryland		South Dakota	
Florida		Michigan	June 17, 2005	Texas	Exempt
Hawaii		Minnesota		Utah	June 2, 2005
Illinois	August 5, 2004 (Renewal Pending)	Nebraska	Exempt	Virginia	April 28, 2005
Indiana	October 6, 2005	New York	April 5, 2005	Washington	March 30, 2005
Kentucky	Exempt	North Dakota		Wisconsin	

[The disclosure document continues on the next page]

FURLA®

FRANCHISE OFFERING CIRCULAR

FURLA LICENSING (USA), INC.
A Delaware Corporation
389 Fifth Avenue, Suite 700
New York, New York 10016
(212) 213-1177

The franchisee will operate a shop selling FURLA® leather goods, shoes and accessories, either in the United States or elsewhere in the western hemisphere.

There is a \$25,000 initial franchise fee. We estimate that the cost of the opening inventory of FURLA® products that you must purchase from us before your franchised shop opens will range from \$75,000 to \$125,000, depending on season. The estimated initial investment required is from \$279,000 to \$474,000 (including the opening inventory but excluding real property).

SPECIAL RISK FACTORS:

THE FRANCHISE AGREEMENT PERMITS YOU TO SUE US ONLY IN NEW YORK, NEW YORK. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE US IN NEW YORK, NEW YORK THAN IN YOUR HOME STATE OR COUNTRY. YOUR STATE OR COUNTRY'S LAW MAY SUPERSEDE THIS PROVISION AND IT MAY NOT BE ENFORCEABLE IN YOUR STATE OR COUNTRY. SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND OFFERING CIRCULAR.

THE FRANCHISE AGREEMENT STATES THAT NEW YORK LAW GOVERNS THE AGREEMENT. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS THE LAW OF YOUR STATE OR COUNTRY. YOU MAY WANT TO COMPARE THESE LAWS. YOUR STATE OR COUNTRY'S LAW MAY SUPERSEDE THIS PROVISION AND IT MAY NOT BE ENFORCEABLE IN YOUR STATE. SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND OFFERING CIRCULAR.

YOU MUST SATISFY AN ANNUAL MINIMUM SALES REQUIREMENT. YOUR FAILURE TO DO SO WILL NOT BE GROUNDS FOR TERMINATION OF THE FRANCHISE AGREEMENT, BUT YOU WILL LOSE YOUR RIGHTS OF TERRITORIAL EXCLUSIVITY. SEE ITEM 12.

IF YOU DO NOT PURCHASE AND MAINTAIN THE REQUIRED PRODUCT INVENTORY OR MAINTAIN AN ADEQUATE CURRENT SEASON INVENTORY OF EACH CATEGORY OF FURLA® PRODUCT SUFFICIENT TO SATISFY CUSTOMER DEMAND, WE CAN TERMINATE THE FRANCHISE AGREEMENT UNLESS YOU CURE THE VIOLATION WITHIN THE TIME PROVIDED. SEE ITEMS 6, 10, 11 AND 17.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

INFORMATION ABOUT COMPARISONS OF FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT 3 OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION.

REGISTRATION OF THIS FRANCHISE WITH THE STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS OFFERING CIRCULAR. IF LEARN THAT ANYTHING IN THE OFFERING CIRCULAR IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE STATE ADMINISTRATORS LISTED ON EXHIBIT 3.