

**POSTNET INTERNATIONAL FRANCHISE CORPORATION**

**INFORMATION FOR PROSPECTIVE FRANCHISEES  
REQUIRED BY FEDERAL TRADE COMMISSION**

**RECEIVED**

**MAR 15 2006**

\*\*\*\*\*

Department of Corporations  
Los Angeles

To protect you, we've required your franchisor to give you this information. *We haven't checked it, and don't know if it's correct.* It should help you make up your mind. Study it carefully. While it includes some information about your contract, don't rely on it alone to understand your contract. Read all of your 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's been left out, you should let us know about it. It may be against the law.

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

*Federal Trade Commission  
Washington, D.C. 20580*

**FOR FRANCHISEES AND DEVELOPERS**

**EFFECTIVE DATE: \_\_\_\_\_, 2006**

## FRANCHISE OFFERING CIRCULAR



POSTNET INTERNATIONAL  
FRANCHISE CORPORATION  
1819 Wazee Street  
Denver, Colorado 80202  
(303) 771-7100  
Facsimile (303) 771-7133  
E-mail [info@postnet.com](mailto:info@postnet.com)  
Internet <http://www.postnet.com>

PostNet offers franchises for retail stores which provide business and consumer services and products under the trade name "POSTNET" ("Centers"). The initial franchise fee is \$29,900, except for those who convert an existing similar type of business to a Center, in which event it ranges from \$7,500 to \$19,500. The estimated initial investment required to begin operation of a Center ranges from \$175,875 to \$197,600.

PostNet may, in some instances, offer to franchisees the right to become an area franchisee, for which a fee is negotiated on a case-by-case basis as further described in Item 5, and which is likely to range from \$75,000 to \$250,000. In addition to this fee, the initial investment required for becoming an area franchisee ranges from \$1,950 to \$17,475, as described in Item 7.

PostNet also may, in some instances, offer development rights to developers which enable them to open a certain number of Centers within a specified area under individual franchise agreements. The development fee is \$15,000 for each Center to be established.

### RISK FACTORS

1. THE FRANCHISE AGREEMENT, AREA FRANCHISE AGREEMENT, AND DEVELOPMENT AGREEMENT STATE THAT COLORADO LAW GOVERNS THE AGREEMENT UNLESS A PROVISION IS NOT ENFORCEABLE UNDER THE LAWS OF COLORADO AND YOUR CENTER OR TERRITORY IS LOCATED IN A STATE WHERE THE PROVISION IS ENFORCEABLE. THE LAWS OF COLORADO MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. UNDER CALIFORNIA LAW, A PROVISION IN A FRANCHISE AGREEMENT REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THE CALIFORNIA FRANCHISE INVESTMENT LAW.
2. THE FRANCHISE AGREEMENT, AREA FRANCHISE AGREEMENT, AND DEVELOPMENT AGREEMENT PERMIT YOU TO MEDIATE, ARBITRATE, AND SUE ONLY IN THE JUDICIAL DISTRICT IN WHICH WE HAVE OUR PRINCIPAL PLACE OF BUSINESS AT THE TIME THAT THE PROCEEDING

BEGINS, AND WHICH, AS OF THE DATE OF THIS OFFERING CIRCULAR, IS DENVER, COLORADO. OUT-OF-STATE MEDIATION, ARBITRATION, AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE, ARBITRATE, AND SUE US AT THE LOCATION WHERE WE HAVE OUR PRINCIPAL PLACE OF BUSINESS AT THE TIME THE PROCEEDING BEGINS THAN IN YOUR HOME STATE. UNDER CALIFORNIA LAW, A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE OF CALIFORNIA IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THE CALIFORNIA INVESTMENT LAW.

3. THERE MAY BE OTHER RISKS CONCERNING THE FRANCHISE.

Information comparing franchises is available. Call the state administrators listed in Exhibit I or your public library for sources of information.

Registration of this franchise by a state does not mean that the state recommends it or has verified the information in this offering circular. If you learn anything in the offering circular is untrue, contact the Federal Trade Commission and applicable State authority listed in Exhibit I.

The effective date of this California offering circular is \_\_\_\_\_, 2006.