



FRANCHISE DISCLOSURE DOCUMENT

Big Blue Swim School Franchising, LLC
An Illinois limited liability company
4207 N. Western Avenue
Chicago, Illinois 60618
(847) 868-9167
franchising@bigblueswimschool.com
www.bigblueswimschool.com

The franchise offered is to develop and operate a swim school concept under the “BIG BLUE SWIM SCHOOL®” name and other trademarks that provides, following a proprietary curriculum, swim lessons and skills in approximately 90-degree water to children ranging in age from newborn to 10 years old.

The total investment necessary to begin operation of a new BIG BLUE Swim School is \$1,825,500 to \$3,687,000 (including real estate costs). This includes \$166,000 to \$219,000 that must be paid to the franchisor or affiliate. If you want development rights, you must pay us a development fee for all of the BIG BLUE Swim Schools you agree to develop (the amount of the development fee depends on the number of Schools to which you commit). The total investment necessary to begin operation if you acquire development rights is \$1,900,500 to \$3,762,000 (including real estate costs). This includes \$178,000 to \$431,000 that must be paid to the franchisor or affiliate.

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 governmental 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 Ariel Weiss, Executive Administrator, at 675 Ponce de Leon Avenue NE, Atlanta, Georgia 30308, (847) 868-9167.

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 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, D.C. 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 of this Franchise Disclosure Document: April 30, 2019

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor 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 E for information about the franchisor 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION AND LITIGATION ONLY IN CITY AND STATE WHERE WE HAVE OUR PRINCIPAL BUSINESS ADDRESS WHEN THE ACTION IS COMMENCED (IT CURRENTLY IS IN CHICAGO, ILLINOIS). OUT-OF-STATE ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE AND LITIGATE WITH US IN OUR HOME CITY AND STATE THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT ILLINOIS LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.
4. THE FRANCHISEE OR AREA DEVELOPER WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$1,825,500 to \$3,687,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2018, WHICH IS \$304,799.
5. YOU MUST MAKE MINIMUM ROYALTY AND SOFTWARE LICENSE FEE PAYMENTS, REGARDLESS OF YOUR SALES LEVELS. YOUR INABILITY

TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.

6. YOU MUST PURCHASE ALL OR NEARLY ALL OF THE INVENTORY OR SUPPLIES THAT ARE NECESSARY TO OPERATE YOUR BUSINESS FROM THE FRANCHISOR, ITS AFFILIATES, OR SUPPLIERS THAT THE FRANCHISOR DESIGNATES, AT PRICES THE FRANCHISOR OR THEY SET. THESE PRICES MAY BE HIGHER THAN PRICES YOU COULD OBTAIN ELSEWHERE FOR THE SAME OR SIMILAR GOODS. THIS MAY REDUCE THE ANTICIPATED PROFIT OF YOUR FRANCHISE BUSINESS.
7. 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 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.

Effective Date: See the next page for state effective dates.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/big-blue-swim-school>