

FRANCHISE DISCLOSURE DOCUMENT



Kline Franchising, Inc.
a North Carolina corporation
307 Gilead Road
Huntersville, North Carolina 28078
Direct Line: (704) 258-0403
Devan@BurnBootCamp.com
www.BurnBootCamp.com

The franchise offered is for the operation of a fitness boot camp specializing in women's fitness programs, complemented by nutritional and goal setting assistance for members who wish to lose weight, gain muscle and build confidence under the Burn Boot Camp® mark and system.

The total investment necessary to begin the operation of a Burn Boot Camp® franchise ranges from \$142,330.00 to \$349,150.00. This includes \$43,000 to \$45,000 that must be paid to the Franchisor or an affiliate.

Franchisor also offers to qualified persons the right to develop multiple "Burn Boot Camp®" businesses within a specific geographic area under an area development agreement. The total investment necessary to begin operation of a multi-unit business is \$142,330.00 to \$349,150.00 for the first facility, plus the development fee set forth in your area development agreement, which will depend on the number of facilities you agree to open.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read the 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 Devan Kline at 307 Gilead Road, Huntersville, North Carolina 28078 or at (704) 258-0403.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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.

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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 C 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US, AT OUR OPTION, BY MEDIATION ONLY IN NORTH CAROLINA. OUT OF STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE WITH US IN NORTH CAROLINA THAN IN YOUR OWN STATE. CERTAIN DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION IN MECKLENBURG COUNTY, NORTH CAROLINA. IT MAY COST YOU MORE TO LITIGATE WITH US IN NORTH CAROLINA THAN IN YOUR OWN STATE.
- 2) THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAWS. YOU MAY WANT TO COMPARE THESE LAWS.
- 3) YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, OR OUTLETS OWNED BY US, OR OUR AFFILIATES.
- 4) THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTY MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT WHICH ALSO PLACES THE SPOUSE'S PERSONAL ASSETS AND YOUR MARITAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
- 5) YOU MAY BE REQUIRED TO MAINTAIN A MINIMUM LEVEL OF INVENTORY OR EXERCISE EQUIPMENT, EVEN IF YOU DO NOT NEED THAT MUCH. THE FRANCHISOR MAY TERMINATE YOUR FRANCHISE IF YOU DO NOT.
- 6) THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE OPPORTUNITY.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. Any franchise broker or referral source is our agent and represents us, not you. We pay this

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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 Dates for this Franchise Disclosure Document are Listed on the following page]

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