

FRANCHISE DISCLOSURE DOCUMENT

U-SWIRL INTERNATIONAL, INC.

(a Nevada corporation)

265 Turner Drive

Durango, Colorado 81303 USA

970-375-5687

info@u-swirl.com

www.u-swirl.com; www.yogurtini.com; www.Cherryberryyogurtbar.com



U-Swirl International, Inc. (“USI”) offers franchises for the operation of self-service frozen yogurt stores under the marks “U-Swirl Frozen Yogurt”, “CherryBerry”, “Yogurtini”, “Yogli-Mogli”, “Josie’s”, “Aspen Leaf Yogurt”, “Let’s Yo” and “Fuzzy Peach”(collectively “USI Stores”), which stores may also offer beverages and other frozen dessert products.

The total investment necessary to begin operation of a USI Store franchise is from \$360,000 to \$466,000. These amounts include \$25,000 that must be paid to the franchisor or its affiliate.

USI also offers franchises for limited-product stores within non-traditional locations under the mark “U-Swirl-n-Go” (“U-Swirl-n-Go Stores”). The total investment necessary to begin operation of a U-Swirl-n-Go Store franchise is from \$60,000 to \$232,000. These amounts include \$9,000, \$12,000 or \$15,000 that must be paid to the franchisor or its affiliate.

USI may also offer to qualified candidates the right to develop USI Stores that are co-branded as a Rocky Mountain Chocolate Factory store. You will be given a copy of the Disclosure Document for Rocky Mountain Chocolate Factory. The total investment necessary to begin

operation of a USI Store franchise is from \$50,000 to \$266,000. These amounts include \$25,000 that must be paid to the franchisor or its 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 our Franchise Development Department at 265 Turner Drive, Durango, Colorado 81303 USA and 702-586-8700, e-mail: info@u-swirlinc.com.

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:

June 15, 2016.

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 A 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 OR LITIGATION ONLY IN COLORADO. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE OR LITIGATE WITH US IN COLORADO THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT COLORADO 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. YOU MUST COMPLY WITH MAXIMUM PRICES SET BY THE FRANCHISOR FOR ALL GOODS YOU SELL. THIS REQUIREMENT MAY REDUCE YOUR ANTICIPATED REVENUE AND NET INCOME.

4. YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.

5. IN THE LAST YEAR, A HIGH PERCENTAGE OF FRANCHISED OUTLETS CEASED OPERATIONS. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LOWER TURNOVER RATE.

6. 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/cherry-berry-self-serve-yogurt-bar>