

California

FRANCHISE DISCLOSURE DOCUMENT

DivaDance Company
A Texas Corporation
1600 Lake Air Drive, Ste 122
Waco, TX 76710
(254) 307-2781
www.divadancecompany.com



The franchise offered is for the operation of a DivaDance outlet, hereinafter, referred to as DivaDance. The franchise will conduct dance classes for adults of all ages, but primarily for women 24-40 years of age.

The total investment necessary to begin operation of a DivaDance Franchise is between \$36,750 and \$51,600. This includes \$24,000 that must be paid to the franchisor.

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 Charles Williams, 1600 Lake Air Drive, Ste 122, Waco, TX 76710, 254/498-6743.

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.

DATE OF ISSUANCE April 1, 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 D 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 DOES NOT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION
- 2 THE FRANCHISE AGREEMENT REQUIRES THAT TEXAS 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. LOCAL LAW MAY SUPERSEDE THIS REQUIREMENT IN YOUR STATE. PLEASE REFER TO ANY STATE-SPECIFIC ADDENDUM THAT MAY BE ATTACHED TO THE DISCLOSURE DOCUMENT FOR DETAILS.
- 3 YOU ARE REQUIRED TO PAY A ROYALTY FEE BEGINNING THE MONTH FOLLOWING FULL EXECUTION OF THE FRANCHISE AGREEMENT. ROYALTY FEES ARE BASED ON THE PRECEDING MONTH'S NET REVENUE ACCORDING TO THE NORMAL MONTHLY ROYALTY SCHEDULE. THE MINIMUM ROYALTY FEE IS \$250. YOU MUST PAY US MINIMUM ROYALTY FEES EACH MONTH, EVEN IF THE FRANCHISE HAS NO REVENUE.
- 4 YOU MUST MAKE MINIMUM ROYALTY OR TECHNOLOGY PAYMENTS, REGARDLESS OF YOUR SALES LEVELS. YOUR INABILITY TO MAKE THE PAYMENTS MAY RESULT IN TERMINATION OF YOUR FRANCHISE AND LOSS OF YOUR INVESTMENT.
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date See the next page for state effective dates.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

New York	July 6, 2018
Florida	May 12, 2018
Illinois	April 30, 2018
Virginia	October 4, 2018
California	June 28, 2018

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