

**FRANCHISE DISCLOSURE DOCUMENT****ESTRELLA FRANCHISING CORP**

A Florida Corporation
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Miami, Florida 33134
Phone (305) 443-2829
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estrellainsurance.com (web address)

As a franchisee, you will operate an insurance agency and financial services business ("Franchised Business") under the ESTRELLA INSURANCE trademark and system. The total initial investment required for each individual Franchised Business ranges from \$49,950 to \$84,000. This includes \$25,000 that must be paid to the franchisor.

We also offer an area development agreement under which you will pay us an initial fee equal to \$25,000 for the first Franchised Business you will develop, plus a deposit of \$10,000 for each additional Franchised Business you will develop in your development territory, and each Franchised Business will operate according to its own Franchise Agreement. For each Franchised Business developed after the first one, we will apply \$10,000 of the initial fee you paid toward the initial franchise fee due for that Franchised Business, and you must pay the balance of the initial franchise fee \$10,000 for the second Franchised Business and \$6,000 for the third and all additional Franchised Businesses, when you sign the Franchise Agreement for that Franchised Business. Your total initial investment will vary based on the number of Franchised Businesses you will develop, own and operate.

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 government 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 Jose Merille at 3750 West Flagler Street, Miami, Florida 33134, 305-443-2829.

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, DC 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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Exhibits:

Exhibit "A"	State Agencies and Administrators/Agents for Service of Process
Exhibit "B"	Franchise Agreement
Exhibit "B-1"	Area Development Agreement
Exhibit "C"	Table of Contents of Confidential Operating Manual
Exhibit "D"	Franchisees as of December 31, 2014
Exhibit "E"	Franchises Not Yet Open as of December 31, 2014
Exhibit "F"	Former Franchisees
Exhibit "G"	Financial Statements
Exhibit "H"	Franchisee Disclosure Questionnaire
Exhibit "I"	State Addenda and Amendments
Exhibit "J"	Release
Exhibit "K"	Receipt

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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION AND/OR LITIGATION ONLY IN FLORIDA OUT-OF-STATE ARBITRATION AND/OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE AND/OR LITIGATE WITH US IN FLORIDA THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT FLORIDA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 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

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date SEE FOLLOWING PAGE

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