

## FRANCHISE DISCLOSURE DOCUMENT

FLOYD'S 99 FRANCHISING, LLC (a Colorado limited liability company)

5340 S Quebec Street, Suite 205N Business Oversight Greenwood Village, CO 80111 Phone (303) 779-8400 Fax (303) 779-8403 Toll Free (888) 771-2899 Website www floydsbarbershop com

Department of DC 1 17 2014 RECEIVED San Francisco



Floyd's 99 Franchising, LLC is offering franchises for the operation of retail hair care businesses operated under the service mark "FLOYD'S 99" and featuring haircutting, coloring and barbering provided to clients in a modern atmosphere by a staff of well-trained, licensed professionals

The total estimated investment necessary to begin operation of a FLOYD'S 99 business ranges from \$238,000 to \$457,000 These amounts include between \$38,150 and \$38,500 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 Karen O'Brien at 5340 S Quebec Street, Suite 205N, Greenwood Village, Colorado 80111, (888) 771-2899

The terms of your contract will govern your franchise relationship Do not 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 "Buying a Franchise A Consumer's Guide," 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

October 10, 2014



## 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 <u>Exhibit A</u> 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

- THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN COLORADO OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT IT MAY ALSO COST MORE TO LITIGATE WITH US IN COLORADO THAN IN YOUR HOME STATE
- 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
- SECTION 20 5 OF THE FRANCHISE AGREEMENT PROVIDES THAT IF THE FRANCHISE AGREEMENT IS TERMINATED BY US, WE WILL HAVE THE RIGHT TO REQUEST AN AWARD OF LOST FUTURE ROYALTIES FOR ANY PERIOD IN WHICH YOU FAIL TO PAY ROYALTIES, INCLUDING THE REMAINDER OF THE TERM OF THE FRANCHISE AGREEMENT DEPENDING ON THE LENGTH OF THE REMAINING TERM OF THE FRANCHISE AGREEMENT, WE ESTIMATE THE AMOUNT OF LOST FUTURE ROYALTIES COULD BE AS HIGH AS \$408,000 THE PRECEDING ESTIMATE IS NOT INTENDED AND SHOULD NOT BE CONSTRUED AS A FINANCIAL PERFORMANCE REPRESENTATION

## 4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We reserve the right to 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 is our agent and 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.

The effective dates of this Disclosure Document in the states with registration laws are on the following page



## FRANCHISE DISCLOSURE DOCUMENT – 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

| California Pending         |                           |
|----------------------------|---------------------------|
| Michigan November 13, 2013 |                           |
|                            |                           |
| EXEMPTION STATES           |                           |
| Connecticut July 3, 2006   | Florida November 29, 2013 |
| Nebraska October 11, 2005  | Texas September 1, 2005   |
| Utah August 14, 2014       |                           |
|                            |                           |

In all the other states, the effective date of this Franchise Disclosure Document is the issuance date of October 10, 2014

| This is a document preview downloaded from FranchisePanda.com. free by visiting: https://franchisepanda.com/franchises/floyds-99 | The full document is available for |
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