

FRANCHISE DISCLOSURE DOCUMENT

FRANCHISOR

FORTUNE PRACTICE MANAGEMENT, INC.

A Delaware Corporation
1265 El Camino Real, Suite 205,
Santa Clara, CA 95050
(800) 628-1052
www.fortunemgmt.com



The franchise offered is for dental care consultant services. Fortune Practice Management offers a comprehensive practice management system which you (the consultant) offer to dental offices within your territory. The initial franchise fee is \$100 per dentist for each franchise territory. The estimated initial investment required for a franchise ranges from \$33,100 to \$150,000 which includes \$10,000 up to \$100,000 payable to the franchisor, Fortune Practice Management. You will have the option to buy 40% of the franchise over time by paying 40% of the franchise fee through your earnings. 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 fourteen calendar days before you sign a binding agreement with, or make payment to, the franchisor or affiliate in connection with the proposed franchise sale. Note, however, that no governmental agency has verified the information contained in this document.

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.

This Disclosure is provided in digital format. If you wish to receive your disclosure document in another format, please contact Brad Hunsaker, Chief Operating Officer; Fortune Practice Management, Inc.; 1265 El Camino Real, Suite 205, Santa Clara, CA 95050; 800-628-1052

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: ~~March 28, 2019~~ ~~July 16, 2019~~ ~~March 28, 2019~~

Fortune Practice Management
Franchise Disclosure Document 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 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 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 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 ONLY IN CALIFORNIA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT A REQUIRED STATE OR CALIFORNIA LAW GOVERNS THE AGREEMENT AND IF IT IS CALIFORNIA LAW, THIS LAW MAY OR MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS THE LAW OF YOUR STATE. IF APPLICABLE, YOU MAY WANT TO COMPARE THE LAWS.

~~3. THIS DISCLOSURE DOCUMENT IS PROVIDED FOR YOUR OWN PROTECTION AND CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THIS DISCLOSURE DOCUMENT AND ALL CONTRACTS AND AGREEMENTS SHOULD BE READ CAREFULLY IN THEIR ENTIRETY FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.~~

~~4. A FEDERAL TRADE COMMISSION RULE MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE WITHOUT FIRST PROVIDING THIS DISCLOSURE DOCUMENT TO THE PROSPECTIVE FRANCHISEE AT THE EARLIER OF FOURTEEN CALENDAR DAYS BEFORE THE SIGNING OF ANY FRANCHISE OR RELATED AGREEMENT, OR FOURTEEN CALENDAR DAYS BEFORE ANY PAYMENT. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT. IF YOU ARE NOT A CALIFORNIA RESIDENT THIS REQUIREMENT MAY OR MAY NOT APPLY AND YOU MAY WANT TO CHECK WITH YOUR OWN FRANCHISE ADMINISTRATOR.~~

~~5. IF THIS DISCLOSURE DOCUMENT IS NOT DELIVERED ON TIME, OR IF IT CONTAINS A FALSE, INCOMPLETE, INACCURATE OR MISLEADING STATEMENT, A VIOLATION OF FEDERAL AND STATE LAW MAY HAVE OCCURRED AND SHOULD BE REPORTED TO THE FEDERAL TRADE COMMISSION, WASHINGTON, DC 20580 AND THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT ANY OF ITS OFFICES OR YOUR OWN FRANCHISE ADMINISTRATOR IF YOU ARE NOT A CALIFORNIA RESIDENT.~~

6.3. THE CONTINUATION OF YOUR FRANCHISE IS DEPENDENT UPON MAINTAINING MINIMUM COLLECTIONS OF \$100 X THE NUMBER OF DENTISTS IN YOUR TERRITORY. FOR EXAMPLE, IF YOU HAVE 800 DENTISTS IN YOUR TERRITORY, YOUR MINIMUM COLLECTIONS FOR A YEAR WOULD BE \$80,000.00. THE MINIMUM COLLECTIONS WILL BE MEASURED ON A 12 MONTH OR CALENDAR YEAR BASIS STARTING 12 MONTHS AFTER YOU SIGN THE FRANCHISE AGREEMENT. THE FIRST 12 MONTHS WILL NOT BE CONSIDERED WHEN CALCULATING MINIMUM COLLECTIONS. FAILURE TO MAINTAIN MINIMUM COLLECTIONS FOR A 12-MONTH PERIODS COULD RESULT IN THE TERMINATION OF YOUR FRANCHISE AGREEMENT. THESE MINIMUM COLLECTION REQUIREMENTS WILL BE CALCULATED ON A PRO-RATA BASIS, IF NECESSARY, TO INITIALLY ALIGN WITH A CALENDAR YEAR.

7.4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See next page for state effective dates

IMPORTANT NOTE: Upon receipt of this Franchise Disclosure Document [FDD] and Franchise Agreement, you are required to sign and return the “Receipt Form” which is Exhibit J of the FDD and return it to Fortune Practice Management, Inc. by mail if this document has (i) been sent to you rather than personally delivered by a corporate representative or (ii) sent to you by email.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/fortune-management>