



FRED ASTAIRE
FRANCHISED DANCE STUDIOS

SUB-FRANCHISE DISCLOSURE DOCUMENT

Area Franchisor:
**Dance Works of Wisconsin, LLC, a
Wisconsin limited liability company**
615 Ryan Street, Suite 100
Pewaukee, WI 53072
(262) 691-9121
www.fredastairewisconsin.com

Franchisor:
Megadance USA Corp.,
a Delaware corporation
10 Bliss Road
Longmeadow, MA 01106
(413) 567-3200
mail to: info@fredastaire.com
www.fredastaire.com

The sub-franchisee will operate an adult dance studio offering dance instruction and related services operating under the name “Fred Astaire Franchised Dance Studio®.” The estimated total investment necessary to begin operation of a sub-franchised business is from \$87,500 to \$191,000. This includes an initial sub-franchise fee of \$25,000 that must be paid to the area franchisor.

This Disclosure Document summarizes certain provisions of your Sub-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 (14) calendar days before you sign a binding agreement with, or make any payment, to the area franchisor or an affiliate in connection with the proposed sub-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 the Area Franchisor, at Dance Works of Wisconsin, LLC, at 615 Ryan Street, Suite 100, Pewaukee, WI 53072 and (262) 691-9121.

The terms of your contract will govern your sub-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 accountant.

Buying a franchise, including a sub-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 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, 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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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. The State of Wisconsin has a franchise law that requires a franchisor or its area franchisor to register or file with a state franchise administrator before offering or selling in this state. **REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in **Exhibit B** for information about the franchisor, the area franchisor or about franchising in your state or in the State of Wisconsin.

MANY SUB-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 YOUR 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 SUB-FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN WISCONSIN. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN WISCONSIN THAN IN YOUR OWN STATE.

2. THE SUB-FRANCHISE AGREEMENT STATES THAT WISCONSIN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS. SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE SUB-FRANCHISE AGREEMENT AND DISCLOSURE DOCUMENT.

3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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