



DEPARTMENT OF CORPORATIONS RECEIVED LOS ANGELES OFFICE

APR 2 0 2012

FRANCHISE DISCLOSURE DOCUMENT

Megadance USA Corp , a Delaware corporation 10 Bliss Road Longmeadow, MA 01106 -1420 (413) 567-3200 corporate@fredastaire com www fredastaire.com

CLEAN

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

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 the Megadance Franchise Administration Department at 10 Bliss Road, Longmeadow, MA 01106 and (413) 567-3200

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 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 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 <u>www ftc.gov</u> 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 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 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 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 FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN MASSACHUSETTS 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 MASSACHUSETTS THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT MASSACHUSETTS 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 SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND DISCLOSURE DOCUMENT

3 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date

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