

## FRANCHISE DISCLOSURE DOCUMENT



**RedLine Athletics Franchising, LLC**  
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**Scottsdale, Arizona 85255**  
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We are offering Regional Developer franchise(s) under this Franchise Disclosure Document. Note that the term “Regional Developer” as used in this document has the same definition and meaning as an “Area Representatives” under the new NASAA Multi-Unit Commentary adopted in September 2014. Regional Developers will recruit prospective Location franchises in a defined Development Area, and provide certain sales and support services to the Location franchises located within the Development Area. Location franchises conduct business under the name of “RedLine Athletics®” and/or “RedLine®”, and operate training centers that provide sports performance training products and services to the public, with a focus on ages 8 through 18. Location franchises are offered under a separate disclosure document.

The estimated total initial investment necessary to begin operations of your Regional Developer franchise will range from \$80,825 to \$332,775. This amount includes a Development Fee ranging from \$68,250 to \$292,500 that must be paid to the franchisor or an affiliate.

This disclosure document (“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 (14) calendar days before you sign a binding agreement with, or make any payment to, us 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 Lyle Myers, RedLine Athletics Franchising, LLC, 8377 East Hartford Drive, Suite 105, Scottsdale, Arizona 85255, (480) 386-9708.

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 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](http://www.ftc.gov) for additional information on franchising. Call your state agency or visit your public library for other sources of information on franchising. There may be laws on franchising in your state. Ask your state agencies about them.

**Issuance Date: March 5, 2018**

## 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 REGIONAL DEVELOPER AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND LITIGATION ONLY IN ARIZONA. OUT-OF-STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN ARIZONA THAN IN YOUR OWN STATE.

2. THE REGIONAL DEVELOPER AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THE REGIONAL DEVELOPER WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$80,825 TO \$332,775. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S NEGATIVE EQUITY OF \$2,598,373 AS OF DECEMBER 31, 2017.

4. THE FRANCHISOR IS A DEVELOPMENT STATE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE.

5. A REGIONAL DEVELOPER IS NOT A PARTY TO THE FRANCHISE AGREEMENT SIGNED BY A FRANCHISEE AND IS NOT AUTHORIZED TO ENTER A FRANCHISE AGREEMENT OR ANY OTHER RELATED AGREEMENT WITH A FRANCHISEE UNLESS THE REGIONAL DEVELOPER IS REGISTERED AS A SUBFRANCHISOR OR EXEMPT FROM REGISTRATION.

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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.

**Effective Date: March 5, 2018**

**Except for the States listed on next page.**

The effective dates of registration of this Disclosure Document in these states are:

<b><u>State</u></b>	<b><u>Effective Date</u></b>
California	May 22, 2017
Hawaii	Not Registered
Illinois	April 25, 2017
Indiana	July 6, 2017
Maryland	Not Registered
Michigan	Not Registered
Minnesota	Not Registered
New York	February 2, 2018
North Dakota	Not Registered
Rhode Island	April 26, 2017
South Dakota	Not Registered
Virginia	August 8, 2017
Washington	July 3, 2017
Wisconsin	Not Registered

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