

## FRANCHISE DISCLOSURE DOCUMENT



### SUNSTONE FRANCHISING, LLC

2525 Turtle Creek Blvd. #111

Dallas, Texas 75219

(214) 764-2119

[www.sunstoneyoga.com](http://www.sunstoneyoga.com)

<http://www.facebook.com/sunstoneyoga>

<http://twitter.com/sunstoneyoga>

[contact@sunstoneyoga.com](mailto:contact@sunstoneyoga.com)

The franchise offered is for the operation of an exercise studio featuring the practice of and instruction in yoga methods and techniques and the retail sale of yoga-related products.

The total investment necessary to begin operation of a SUNSTONE YOGA Studio is from \$463,050 to \$706,650. This includes the \$40,000 initial franchise fee that must be paid to the franchisor or an affiliate.

This Franchise Disclosure Document summarizes certain provisions of your franchise agreement and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise 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 Franchise Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Brookes Ebetsch, 2525 Turtle Creek Blvd. #111, Dallas, Texas 75219, (214) 764-2119.

The terms of your contract will govern your franchise relationship. Don't rely on the Franchise Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise 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](http://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: June 7, 2010 as amended April 25, 2011**

## 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 FRANCHISE 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 FRANCHISE AGREEMENT REQUIRES THAT MOST DISPUTES BE SUBMITTED TO ARBITRATION OR LITIGATION IN DALLAS COUNTY, TEXAS. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN TEXAS THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT TEXAS 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.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: April 25, 2011

## TABLE OF CONTENTS

ITEM	PAGE
ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES .....	1
ITEM 2 BUSINESS EXPERIENCE.....	2
ITEM 3 LITIGATION.....	2
ITEM 4 BANKRUPTCY.....	2
ITEM 5 INITIAL FEES.....	2
ITEM 6 OTHER FEES .....	3
ITEM 7 ESTIMATED INITIAL INVESTMENT .....	6
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES.....	10
ITEM 9 FRANCHISEE’S OBLIGATIONS.....	12
ITEM 10 FINANCING.....	13
ITEM 11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING .....	13
ITEM 12 TERRITORY .....	19
ITEM 13 TRADEMARKS .....	20
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION .....	21
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS.....	22
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	22
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION .....	23
ITEM 18 PUBLIC FIGURES.....	30
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS.....	30
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION.....	31
ITEM 21 FINANCIAL STATEMENTS .....	33
ITEM 22 CONTRACTS .....	34
ITEM 23 RECEIPTS .....	34

### Exhibits

- Exhibit A List of State Administrators
- Exhibit B List of Agents for Service of Process
- Exhibit C Franchise Agreement
- Exhibit D Development Agreement
- Exhibit E Table of Contents of Confidential Operations Manual
- Exhibit F Financial Statements
- Exhibit G List of Franchisees
- Exhibit H Franchisee Disclosure Questionnaire
- Exhibit I Receipts

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