

JUN 22 2016

Department of
Business Oversight



FRANCHISE DISCLOSURE DOCUMENT

The Bar Method Franchising Inc
a California corporation
3717 Buchanan Street, Suite 300
San Francisco, California 94123
(415) 624-3631
franchising@barmethod.com
www.barmethod.com

The franchise offered is to operate a Bar Method® Studio featuring barre-based exercise classes using proprietary and non-proprietary techniques, formats and methods designed to provide fitness training in an attractive atmosphere. The total investment necessary to begin operation of a Bar Method Studio is \$291,500 to \$543,500. This includes \$40,100 to \$59,000 that must be paid to the franchisor or an affiliate. The total investment necessary to begin operation under the Development Rights Agreement is \$15,000 to \$48,000. This includes \$10,000 to \$40,000 that must be paid to the franchisor or an 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 governmental 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 a different format contact Tim Hicks, our Vice President – Franchising, at 3717 Buchanan Street, Suite 300, San Francisco, California 94123 (415) 624-3631.

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 an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. 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 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 of this Franchise Disclosure Document June 10, 2016

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STATE COVER PAGE

Your state may have 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 FRANCHISE AGREEMENT AND DEVELOPMENT RIGHTS AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN OUR HOME STATE (CURRENTLY CALIFORNIA). 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 OUR HOME STATE THAN IN YOUR OWN STATE.**
2. **THE FRANCHISE AGREEMENT AND DEVELOPMENT RIGHTS AGREEMENT STATE THAT CALIFORNIA LAW GOVERNS THE AGREEMENT (OTHER THAN THE CONFIDENTIALITY AND NON-COMPETE COVENANTS), 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 Dates See the next page for state effective dates.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

California	Pending
Hawaii	Pending
Illinois	Pending
Maryland	Pending
Michigan	June 10, 2016
Minnesota	Pending
New York	Pending
Virginia	June 22, 2016
Washington	Pending
Wisconsin	June 21, 2016

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