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Department of FRANCHISE DISCLOSURE DOCUMENTss Oversight

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Vitanya Franchise, Inc. A Wyoming corporation 8010 East McDowell Road, Suite 101 Scottsdale, Arizona 85257 Phone: (480) 696-3800 E-Mail: franchising@vitanya.com Website: www.vitanya.com

Vitanya Franchise, Inc. offers franchises for the operation of a business that provides wellness products and services to the public utilizing technology and natural supplements.

The total investment necessary to begin operation of a Vitanya Wellness Center ranges from \$104,850 to \$120,100 (if you operate your Center as an adjunct to an existing business) or \$109,550 to \$168,800 (if you operate a dedicated stand-alone Vitanya Wellness Center). This includes \$97,600 that must be paid to us.

The initial franchise fee for a single franchise is \$29,500. However, if you enter into an area development agreement to establish multiple franchises, the initial franchise fee for your first franchise will be \$29,500 and the initial franchise fee for each additional franchise established under the area development agreement will be \$25,000. If you purchase area development rights, the total investment necessary to begin operation of a Vitanya Wellness Center franchise ranges from \$104,850 to \$120,100 (if you operate your Center as an adjunct to an existing business) or \$109,550 to \$168,800 (assuming you operate a dedicated stand-alone Vitanya Wellness Center), plus an additional amount equal to 50% of the total initial franchise fees that you must pay for your second and subsequent franchises established under the area development agreement (*i.e.*, \$12,500 per additional franchise). This includes \$97,600 that must be paid to us plus 50% of the total initial franchise fees that you must pay for your second and subsequent franchises, which must also be paid to us.

This Disclosure Document summarizes certain provisions of your franchise agreement and area development 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 franchisor at 8010 East McDowell Road, Suite 101, Scottsdale, Arizona 85257 or by phone at (480) 696-3800.

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 "*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 (the "<u>FTC</u>"). 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.

Issuance Date: October 3, 2016

## Franchise Disclosure Document (2016 California)



## **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 <u>EXHIBIT "A"</u> 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 AREA DEVELOPMENT AGREEMENT REQUIRE THAT ALL DISAGREEMENTS BE SETTLED BY MEDIATION, ARBITRATION OR LITIGATION IN ARIZONA. OUT-OF-STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE, ARBITRATE OR LITIGATE WITH US IN ARIZONA THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT ARIZONA LAW GOVERNS THESE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. EVEN THOUGH THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT PROVIDE THAT "HOME STATE" LAW APPLIES, LOCAL LAW MAY SUPERSEDE IT IN YOUR STATE. PLEASE REFER TO ANY STATE-SPECIFIC ADDENDUM THAT MAY BE ATTACHED TO THIS DISCLOSURE DOCUMENT FOR DETAILS.

3. THE FRANCHISOR IS A START-UP COMPANY THAT WAS FORMED ON SEPTEMBER 8, 2016 AND HAS ONLY JUST BEGUN TO OFFER FRANCHISES. THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER TO MAKE THIS INVESTMENT.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: \_\_\_\_\_, 2016

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