

FRANCHISE DISCLOSURE DOCUMENT**WE ROCK THE SPECTRUM, LLC**

A California limited liability company

5520 Crebs Avenue

Tarzana, California 91356

Telephone (818) 996-6620

www.wrtsfranchise.comReceived
LA Mailroom

AUG 14 2015

Department of
Business Oversight

As a We Rock The Spectrum Kid's Gym franchisee, you will operate a children's gym that provides a safe, nurturing and fun environment for all children, to foster learning, exploration and safe sensory experiences We offer 2 franchise programs

Single WRTS Kid's Gym Program Under this program, you will sign a Franchise Agreement for a single We Rock The Spectrum Kid's Gym The total investment necessary to begin operation of a We Rock The Spectrum Kid's Gym is approximately \$98,900 to \$114,700, which includes \$41,500 that must be paid to us or our affiliate

Area Development Program Under this program, you will agree to operate 2 - 3 WRTS Kid's Gyms in a defined geographic area within a specified period of time The total investment necessary to begin operation of a multiple development franchise for 2 - 3 WRTS Kid's Gyms is approximately \$119,900 to \$148,700 per WRTS Kid's Gym, which includes \$61,500 to \$71,500 that must be paid to us or our affiliate

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English Read the 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 payments to the Franchisor or its 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 different formats, contact Dina Kimmel, 5520 Crebs Avenue, Tarzana, California 91356, (818) 996-6620

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 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, N W, 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

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS APRIL 9, 2015 AS AMENDED ON AUGUST 10, 2015

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT**

Call the state franchise administrator listed on Exhibit G 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 YOU RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN CALIFORNIA 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 CALIFORNIA THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT REQUIRES THAT THE LAW OF CALIFORNIA 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 THE FRANCHISOR WAS FORMED IN SEPTEMBER, 2013 AND HAS A LIMITED OPERATING HISTORY AND RECORD OF PERFORMANCE A PROSPECTIVE FRANCHISEE SHOULD TAKE THIS FACTOR INTO CONSIDERATION WHEN DECIDING WHETHER TO PURCHASE A FRANCHISE

4 THE FRANCHISEE'S SPOUSE MUST EXECUTE A PERSONAL GUARANTY MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE WHETHER OR NOT SUCH SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER AND THEIR SPOUSE AT RISK

5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We may 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 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

SEE THE NEXT PAGE FOR STATE EFFECTIVE DATES

STATE EFFECTIVE DATES

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

California	April 28, 2015, as amended on _____
Hawaii	June 16, 2015, as amended on _____
Indiana	April 13, 2015, as amended on _____
Michigan	April 13, 2015
Minnesota	April 23, 2015, as amended on _____
New York	May 12, 2015, as amended on _____
North Dakota	May 6, 2015, as amended on _____
Rhode Island	April 14, 2015, as amended on _____
South Dakota	April 13, 2015
Washington	June 26, 2015, as amended on _____
Wisconsin	April 13, 2015, as amended on _____

In all other states the effective date of this Franchise Disclosure Document is the issuance date of April 9, 2015, as amended on August 10, 2015

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/we-rock-the-spectrum-kids-gym>