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FRANCHISE DISCLOSURE DOCUMENT

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Zoom Room Franchising, LLC
a Colorado limited liability company
11836 Teale Street
Culver City, CA 90230
Phone (877) 966-6766
E-mail admin@zoomroom.com
www.zoomroom.com

Zoom Room Franchising, LLC grants franchises for the operation of businesses that provide obedience and agility training, solution-oriented pet retail products, social events for dogs and their owners, and other related services (“**Zoom Room Business(es)**”)

If you purchase the right to operate single a Zoom Room Business, the total investment necessary to begin operation of a Zoom Room Business is between \$147,125 00 and \$300,625 00, including \$49,900 00 that must be paid to the franchisor or its affiliates

Certain prospective franchisees may also be offered the opportunity to become a Multi-Unit Operator, earning the right to establish and operate a minimum of three and a maximum of five Zoom Room Businesses under a Multi-Unit Development Agreement containing a development schedule. If you sign a Multi-Unit Development Agreement with us for three Zoom Room Business, the total investment necessary to begin operation of a Multi-Unit Operator business is between \$217,625 00 and \$371,125 00, which includes \$121,400 00 that must be paid to franchisor or its affiliates at the time the Multi-Unit Development Agreement is signed. If you sign a Multi-Unit Development Agreement with us for five Zoom Room Business, the total investment necessary to begin operation of a Multi-Unit Operator business is between \$277,625 00 and \$431,125 00, which includes \$181,400 00 that must be paid to franchisor or its affiliates at the time the Multi-Unit Development Agreement is signed

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 different formats, contact Mark Van Wye at 11836 Teale Street, Culver City, CA 90230 and (877) 966-6766

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, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. In addition, there may be laws on franchising in your state. Ask your state agencies about them.

Issuance Date March 15, 2018, as amended October 1, 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 FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION/LITIGATION IN LOS ANGELES COUNTY, CALIFORNIA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE/LITIGATE WITH US IN LOS ANGELES COUNTY, CALIFORNIA THAN IN YOUR HOME STATE
- 2 YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOU AND YOUR SPOUSE'S MARITAL PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS
- 3 THE FRANCHISOR'S FINANCIAL CONDITION, AS REFLECTED IN ITS FINANCIAL STATEMENTS (SEE ITEM 21), CALLS INTO QUESTION THE FRANCHISOR'S FINANCIAL ABILITY TO PROVIDE SERVICES AND SUPPORT TO YOU
- 4 DURING THE LAST 3 YEARS, A HIGH PERCENTAGE OF FRANCHISED OUTLETS (MORE THAN 59%) WERE TERMINATED, NOT RENEWED, REACQUIRED, OR CEASED OPERATIONS FOR OTHER REASONS. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LOWER TURNOVER RATE
- 5 THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY
- 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 Dates See next page for state effective dates

STATE EFFECTIVE DATES

The following states require the 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 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

Effective Dates for States Requiring Registration and Notice Filings

STATE	EFFECTIVE DATE
CALIFORNIA	April 10, 2018
FLORIDA	August 29, 2018
HAWAII	Not Registered
ILLINOIS	March 20, 2018
INDIANA	March 20, 2018
KENTUCKY*	August 31, 2017
MARYLAND	April 27, 2018
MICHIGAN	March 19, 2018
MINNESOTA	March 26, 2018
NEBRASKA*	August 29, 2017
NEW YORK	See Separate FDD
NORTH DAKOTA	Not Registered
RHODE ISLAND	June 5, 2018
SOUTH DAKOTA	Not Registered
TEXAS*	August 29, 2017
UTAH	August 27, 2018
VIRGINIA	March 19, 2018
WASHINGTON	April 27, 2018
WISCONSIN	March 16, 2018

*One-time filing

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