

FRANCHISE OFFERING CIRCULAR

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MAR 3 0 2006

Department of Corporations
Los Angeles

Stroller Strides, LLC 1531 Crescent Place San Marcos, CA 92078 (866) 348-4666 www.strollerstrides.com

Stroller Strides, LLC offers franchises for pre- and postnatal exercise classes to mothers with children ages newborn to approximately 4 years old (i.e., "stroller age" children). You may, but are not required to, offer for sale related retail products with the "Stroller Strides" trademarked logo.

You must pay us a \$99 non-refundable application fee after our disclosure-we provide this disclosure statement to you.

The initial single territory franchise fee is \$3,000, \$4,250, or \$5,500, depending on the size of the territory selected by you. In addition to the initial franchise fee, you are also required to pay us a monthly fee of \$160, \$270, or \$380 per month, which may increase with the Consumer Price Index. Your cost depends on the size of the territory purchased. The estimated initial investment required ranges from \$3,209 to \$16,984. It is not necessary to lease office space for this business.

Information about comparisons of franchisors is available. Call the state administrators listed in Exhibit A or your public library for sources of information.

Registration of this franchise with the state does not mean that the state recommends it or has verified the information in this offering circular. If you learn that anything in this offering circular is untrue, contact the Federal Trade Commission and the appropriate state authority, if any.

Risk Factors:

- 1. THE FRANCHISE AGREEMENT PERMITS YOU TO SUE US ONLY IN CALIFORNIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE IN CALIFORNIA THAN IN YOUR HOME STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA 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. SOME STATE FRANCHISE LAWS PROVIDE THAT CHOICE OF LAW PROVISIONS ARE VOID OR SUPERSEDED. YOU MAY WANT TO INVESTIGATE WHETHER YOU ARE PROTECTED BY A STATE FRANCHISE LAW. YOU SHOULD REVIEW ADDITIONAL DISCLOSURES ATTACHED TO THIS OFFERING CIRCULAR FOR DISCLOSURE REGARDING STATE FRANCHISE LAWS.
- 3. THE FRANCHISE AGREEMENT CONTAINS A COVENANT NOT TO COMPETE AND OTHER PROVISIONS, WHICH EXTEND BEYOND THE TERM OF THE FRANCHISE AGREEMENT.
- 4. THE FRANCHISE AGREEMENT PROVIDES FOR TERMINATION UPON BANKRUPTCY. THIS PROVISION MAY NOT BE ENFORCEABLE UNDER FEDERAL BANKRUPTCY LAW (11 U.S.C.A. §101, ET SEQ.).
- 5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The effective date of this Offering Circular is March 31, 2006, unless otherwise indicated on an addendum for your state included in Exhibit J of this Offering Circular.

SS UFOC 3/31/06A



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Information for Prospective Franchisees Required by Federal Trade Commission

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To protect you, we've required your franchisor to give you this information. We haven't checked it, and don't know if it's correct. It should help you make up your mind. Study it carefully. While it includes some information about your contract, don't rely on it alone to understand your contract. Read all of your contract carefully. Buying a franchise is a complicated investment. Take your time to decide. If possible, show your contract and this information to an advisor, like a lawyer or an accountant. If you find anything important that's been left out, you should let us know about it. It may be against the law.

There may also be laws on franchising in your state. Ask your state agencies about them.

FEDERAL TRADE COMMISSION, Washington, D.C.