



STATE OF CALIFORNIA

Department of Financial Protection and Innovation

GOVERNOR **Gavin Newsom** • COMMISSIONER **Clothilde V. Hewlett**

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Contact:

DFPI.media@dfpi.ca.gov

DFPI Issues Action Against F45 Training, Inc. for Violations of California Franchise Law

SACRAMENTO — The California Department of Financial Protection and Innovation (DFPI) announced today that it has [signed a consent order](#) with F45 Training, Inc. for violations of the Franchise Investment Law. The company has agreed to pay \$152,500 in administrative penalties and offer to terminate franchise agreements for the 29 owners of the 31 franchised locations in California.

The DFPI found that F45 made unlawful financial performance representations to prospective franchisees from 2015 to 2019. F45 promised prospective franchisees certain returns on investment and made cash flow projections during the sale of its franchises while failing to include any financial performance representations in its franchise disclosure documents that it filed with the DFPI.

Under California law, franchisors may not make any financial performance representations that are not included in their franchise disclosure document. This ensures that franchise regulators can evaluate whether a franchisor's financial performance representation has a reasonable basis and is not misleading.

In addition, the DFPI found that F45 used public figures in its franchise sales materials without including the required disclosures in its franchise disclosure documents. Franchisors must disclose the material terms of agreements with public figures who are used to endorse or recommend the franchise to prospective franchisees, including the public figures' investment in the franchise and any compensation they receive in exchange for the use of their name and likeness. These disclosures provide prospective franchisees with the information necessary to weigh the value of a public figure's endorsement.

The DFPI joins state franchise regulators in Washington, Michigan, and Illinois in reaching settlements with F45 for franchise law violations.

The DFPI works to strengthen protections for investors and prospective franchisees through material disclosure and compliance with the [California Franchise Investment Law](#). For information and resources on franchises in California, visit the [DFPI website](#).

About DFPI

The California Department of Financial Protection and Innovation (DFPI) protects consumers, regulates financial services, and fosters responsible innovation. The DFPI protects consumers by establishing and enforcing financial regulations that promote transparency and accountability. We empower all Californians to access a fair and equitable financial marketplace through education and preventing potential risks, fraud, and abuse. Learn more at [dfpi.ca.gov](#).

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