

FRANCHISE DISCLOSURE DOCUMENT



Body and Brain Center, LLC an Arizona limited liability company 1223 S. Clearview Ave., Suite 101 Mesa, Arizona 85209 Phone: (480) 550-8644 Fax: (866) 324-4805 E-Mail: support@bodynbrain.com Website: www.bodynbrain.com

Body and Brain Center, LLC offers franchises for Body & Brain Centers that provide holistic health and healing programs to individuals and small groups and sell related products and subscription services. A Body & Brain Center 2 is a center of 400 square feet or less and a Body & Brain Center 3 is a center of more than 400 square feet.

The total investment necessary to begin operation of a Body & Brain franchise ranges from: (i) \$43,130 to \$81,300 for a Body & Brain Center 2; and (ii) \$56,630 to \$116,150 for a Body & Brain Center 3. This includes an amount ranging from: (i) \$29,150 to \$29,300 that must be paid to us and our affiliates for a Body & Brain Center 2; or (ii) \$34,150 to \$34,300 that must be paid to us and our affiliates for a Body & Brain Center 3.

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 for 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 1223 S. Clearview Ave., Suite 101, Mesa, Arizona 85209 or call (480) 550-8644.

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, for instance "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 "FTC"). 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: February 14, 2017 (amended June 1, 2017)



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 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 TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. ALL DISAGREEMENTS MUST 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 STATES THAT ARIZONA 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.

3. FRANCHISEES WILL BE SUBJECT TO A ROYALTY FEE OF 10% OF MONTHLY PROGRAM SALES.

4. YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.

5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: March 22, 2017 (amended effective , 2017)



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