

FRANCHISE DISCLOSURE DOCUMENT



Buff City Soap Franchising, LLC
(a Delaware Limited Liability Company)
3080 Stage Post Drive,
Suite Number 104,
Bartlett, TN 38133
(662) 288-8532
franchise@buffcitysoap.com
www.buffcitysoap.com

Buff City Soap Franchising, LLC offers franchises to operate a Buff City Soap® personal care product retail shop, providing consumers with high-quality, fresh, hand-made, plant-based soaps, bath soap “bombs,” body and facial products and related custom services. The total investment necessary to begin operation of a Buff City Soap retail shop franchise ranges from \$209,050 to \$344,500. This includes \$50,000 that must be paid as an initial fee, \$28,000 that must be paid for inventory and supplies to the franchisor or its affiliates, and \$25,000 for opening day marketing to the franchisor or its affiliates. If you enter into a Multi-Unit Operator Agreement with us, the total investment necessary to begin operation of at least four retail shops ranges from \$761,200 to \$1,303,000, including the Multi-Unit Development fees of at least \$125,000 that you pay to us.

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, us 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 Brad Kellum at Buff City Franchising, LLC, 3080 Stage Post Drive, Suite Number 104, Bartlett, TN 38133, via email at franchise@buffcitysoap.com or by phone at (662) 288-8532.

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, D.C. 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 May 20, 2019.

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 H for information about us, 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 THE MULTI-UNIT OPERATOR AGREEMENT EACH REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN THE JUDICIAL DISTRICT WHERE OUR HOME OFFICE IS LOCATED, WHICH IS CURRENTLY IN MEMPHIS, TENNESSEE. 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 TENNESSEE THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND THE MULTI-UNIT OPERATOR AGREEMENT EACH STATES THAT TENNESSEE 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. 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.
4. THE FRANCHISEE OR MULTI-UNIT OPERATOR WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$229,050 TO \$424,500. THESE AMOUNTS EXCEED THE FRANCHISOR'S OWNERS' EQUITY AS OF DECEMBER 31, 2018, WHICH IS (\$56,814).
5. YOUR SPOUSE MAY HAVE TO SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF THE FRANCHISE FAILS.
6. 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.

Effective Date: See the next page for state effective dates.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/buff-city-soap>