

## FRANCHISE DISCLOSURE DOCUMENT



Gold's Gym Franchising LLC a Delaware limited liability company 4001 Maple Avenue, Suite 200 Dallas, Texas 75219 (214) 574-4653 franchise@goldsgym.com www.goldsgym.com

The franchise offered is to operate a Gold's Gym Facility.

The total investment necessary to begin operation of a Gold's Gym Facility is \$2,218,250 to \$5,000,500. This includes \$32,000 to \$51,100 that must be paid to the franchisor or an affiliate. The total investment necessary to begin operation under the Development Rights Agreement for a two-Facility development transaction is \$25,000. This includes \$20,000 that must be paid to the franchisor or an affiliate. If you wish to develop more than two Facilities, the investment will be an additional \$10,000 per Facility.

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 a different format contact Craig Sherwood, our Senior Vice President, Franchise, at 4001 Maple Avenue, Suite 200, Dallas, Texas 75219, (214) 296-5003, csherwood@goldsgym.com.

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. 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 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: May 9, 2018



## STATE COVER PAGE

Your state may have 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 you 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 DEVELOPMENT RIGHTS AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION OR LITIGATION ONLY IN OUR HOME STATE (CURRENTLY TEXAS). OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN OUR HOME STATE THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT AND DEVELOPMENT RIGHTS AGREEMENT STATE THAT TEXAS 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. YOUR SPOUSE MUST CONSENT TO YOU SIGNING A GUARANTY WHICH PLACES YOUR SPOUSE'S INTERESTS IN THE MARITAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
- 4. 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 represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

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



## STATE EFFECTIVE DATES

The following states require that the Franchise 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 Franchise 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:

Exempt
Pending
Exempt
Exempt
Exemption Pending
May 9, 2018
Pending
Exempt
Exemption Pending
Exemption Pending
May 9, 2018
Exemption Pending
Exemption Pending
May 9, 2018

In all other states that do not require registration, the effective date of this disclosure document is the issuance date of May 9, 2018.

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