

## FRANCHISE DISCLOSURE DOCUMENT

**GPPI, Inc.**  
**500 Howard Street**  
**San Francisco, CA 94105**  
**(415) 278-7000**  
**www.gymboreeclasses.com**



This Disclosure Document describes the offer of the right to establish and operate a single Play & Music Center or a single Metro Play Center, as well as the right to establish and operate more than one of these Centers (or a combination of both). Gymboree Play & Music Centers offer non-therapeutic sensory-motor, child programs (with or without a parent), early childhood music and art programs, exercise programs, birthday parties, theme parties and story line parties for infants and children in specified ages, and programs for parents and parents-to-be, using specially designed equipment and program aids. Gymboree Metro Play Centers offer a limited selection of the above programming.

Play & Music Center. The total investment necessary to begin operation of a single Play & Music Center is \$150,135 to \$279,900. This includes \$104,485 – 109,000 that must be paid to us or our affiliate.

Metro Play Center. The total investment necessary to begin operation of a single Metro Play Center is \$120,935 to \$224,100. This includes \$91,385 – \$95,700 that must be paid to us or our affiliate.

Development Agreement. In addition to these amounts, if you enter into a Development Agreement for the right to develop one or more Centers, you must pay to us a lump sum, non-refundable development fee. The development fee will be the sum of the applicable initial franchise fees for the number of Centers you agree to develop. The initial franchise fee for a single Play & Music Center is \$45,000. The initial franchise fee for a single Metro Play Center is \$35,000. The development fee will be credited towards the initial franchise fee for each Center developed.

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 different formats, contact the Franchise Development Department at 500 Howard Street, San Francisco, California 94105 or (415) 278-7925.

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](http://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.

Issue Date: **June 22, 2016, as amended December 29, 2016** (See State Cover Page for state effective dates.)

## 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 G 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 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND LITIGATION ONLY IN CALIFORNIA. OUT-OF-STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN CALIFORNIA THAN IN YOUR OWN 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.

3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date:

State	Effective Date	State	Effective Date
California		New York	
Connecticut	April 20, 2010	North Dakota	
Florida		Rhode Island	
Indiana		South Dakota	
Kentucky	November 17, 2004	Texas	January 23, 2003
Maryland		Utah	
Michigan		Washington	
Minnesota		Wisconsin	
Nebraska	February 9, 1998		

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