

FRANCHISE DISCLOSURE DOCUMENT



H.E.W. ENTERPRISES, INC.
10190 Riverside Drive #101
Palm Beach Gardens, FL 33410
Phone: 561-339-9035
Email: info@hardexerciseworks.com
www.hardexerciseworks.com

As a franchisee, you operate a Hard Exercise Works[®] Center, an instructional and educational exercise facility that offers weight management, fitness training, and boot camp classes, based on similar principles as U.S. Navy S.E.A.L. workouts to get clients into shape. Our introductory program is a mandatory 5-week boot camp whereby the customer attends 5-days per week for 5-straight weeks.

The total investment necessary to begin operation of an HEW franchise ranges from \$107,125 to \$339,550. This includes \$29,900 that must be paid to the franchisor. Upon execution of the Franchise Agreement, you have the option to pay to us the Initial Franchise Fee of \$29,900, in two installments. The first installment of \$19,900 is paid upon execution of the Franchise Agreement and approval of the Franchisor. The second installment of \$10,000 is payable upon our approval of the Franchise Owner's proposed site and the Lease Agreement or Purchase Agreement for that site.

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, Franchisor or an affiliate in connection with 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 Franchise Administration H.E.W. Enterprises, Inc., 10190 Riverside Drive #101, Palm Beach Gardens, FL 33410 and 561-339-9035 or franchise@hardexerciseworks.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. 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising. Call your state agency or visit your public library for other sources of information on franchising.

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.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: January 1, 2014

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 A for information about 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 ARBITRATION ONLY IN FLORIDA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT PROVIDES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THIS IS A DEVELOPMENT STAGE COMPANY WHICH MAY ENTAIL ADDITIONAL RISK OF FINANCIAL LOSS. THE FRANCHISOR WAS FORMED IN MAY, 2011 AND HAS LITTLE OPERATING HISTORY OR RECORD OF PERFORMANCE. A PROSPECTIVE FRANCHISEE WOULD TAKE THESE FACTORS INTO CONSIDERATION WHEN DECIDING WHETHER TO PURCHASE A FRANCHISE.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

State laws may supersede certain provisions of the Franchise Agreement. Certain states require the superseding provisions to appear in the State Addenda (Exhibit F) of the Disclosure Document and the Franchise Agreement. You may want to investigate whether you are protected by state law.

Effective Date: January 1, 2014 (in non-registration states; see the following page for the effective date, if any, in each registration state)

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:

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