

MAR 22 2013

## FRANCHISE DISCLOSURE DOCUMENT

**KOSAMA FRANCHISING LLC**

a Minnesota limited liability company

2411 Galpin Court, Suite 110

Chanhausen, MN 55317

(952) 474-5422

info@kosama.com

www.kosama.com

facebook.com/kosama.official

http://twitter.com/#!/kosamabody

www.franchise.kosama.com

http://www.youtube.com/playlist?list=UU

VX7g9bxD1xJksNgeVQDOQA

The franchise offered is for a personal fitness club featuring a program for complete body transformation and designed to help members achieve physical performance and weight management goals ("Complete Body Transformation Program").

The total investment necessary to begin operation of a single Kosama franchise ranges from \$67,245 to \$229,190. This includes \$49,360 to \$98,300 that must be paid to the franchisor or an affiliate.

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 the 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 Gary Findley at Kosama Franchising, LLC, 2411 Galpin Court, Suite 110, Chanhausen, Minnesota 55317, (952) 474-5422 or at info@kosama.com.

The terms of your contract will govern your franchise relationship. Don't rely upon the disclosure document alone to understand your contract. Read your entire 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.

Issuance Date: March 21, 2013

## 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 the franchisor, about other franchisors, 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 PERMITS YOU TO MEDIATE, SUE, OR ARBITRATE WITH US ONLY IN MINNESOTA. OUT OF STATE MEDIATION, LITIGATION, OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE, SUE, OR ARBITRATE WITH US IN MINNESOTA THAN IN YOUR HOME STATE.**
2. **THE FRANCHISE AGREEMENT STATES THAT MINNESOTA 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 FRANCHISE AGREEMENT MAY BE TERMINATED IF AN AUTHORIZED LOCATION IS NOT DESIGNATED WITHIN 90 DAYS FROM THE DATE OF THE AGREEMENT OR YOUR CLUB IS NOT OPERATING WITHIN 90 DAYS OF THE DATE THE FRANCHISE AGREEMENT WAS SIGNED OR WHEN THE AUTHORIZED LOCATION IS DESIGNATED, WHICHEVER OCCURS LATER.**
4. **WE WERE FORMED ON NOVEMBER 29, 2011 AND HAVE A BRIEF OPERATING HISTORY. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.**
5. **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 be sure to do your own investigation of the franchise.

**Effective Date: See State Effective Dates Page**

**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:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of March 21, 2013.

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