

FRANCHISE DISCLOSURE DOCUMENT

(Area Representative)

LAB Holding Company, LLC

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The franchises offered are area representative franchises to solicit and recruit third parties to enter into unit franchise agreements with us for the establishment and operation of L.A. Bikini Studios, and to provide support services to those third parties entering into unit franchise agreements with us. L.A. Bikini Studios offer body and facial hair removal for both women and men. L.A. Bikini Studios feature proprietary techniques and sugaring (not wax) products and other items that are available from L.A. Bikini, its affiliates, or designated suppliers. L.A. Bikini Studios offer only sugaring services. L.A. Bikini has offered unit franchises to establish and operate an L.A. Bikini Studio since April 2015. We have offered area representative franchises to solicit and recruit potential unit franchisees and to provide support services to unit franchisees since 2017. The total investment necessary to begin operation of an L.A. Bikini area representative franchise is \$38,000 to \$184,000. This includes an amount that must be paid to the franchisor or an affiliate equal to \$0.03 times the number of people residing (year-round or seasonally) within the geographic area (the “ARA Territory”) we grant to you, which we estimate to be between \$30,000 and \$150,000.

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 or grant. **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 disclosure in different formats, contact us at LAB Holding Company, LLC, 4441 Creekside Avenue, Suite 129, Hoover, Alabama 35244, Tel: 205-369-3895, clay.haley@labholdingco.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. There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: March 1, 2019

Revision Date: September 1, 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 A 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 AREA REPRESENTATIVE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN BIRMINGHAM, ALABAMA. 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 ALABAMA THAN IN YOUR OWN STATE.
2. THE AREA REPRESENTATIVE AGREEMENT STATES THAT ALABAMA 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 FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$38,000 to \$184,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY AS OF DECMEBER 31, 2018, WHICH IS \$10,192.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: 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:

Registrations:

None

In all the other states, the effective date of this Franchise Disclosure Document is the issuance date of March 1, 2019.

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