

# FRANCHISE DISCLOSURE DOCUMENT



MMS Franchising, LLC  
a Florida limited liability company  
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Orlando, Florida 32819  
(407) 370-9343  
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marilynmonroespas.com

MMS Franchising, LLC is offering franchises for the use of the trademarks, “MARILYN MONROE”, “MARILYN MONROE SPAS”, and related trademarks and service marks for the operation of either: (i) a small format, full service spa offering hair (cut, color, and style), nail, waxing, massage and facial services (“**Small Format, Full Service Spa**”); or (ii) a large format, full service spa offering hair (cut, color, and style), makeup, nail, waxing and other salon and spa services (“**Large Format, Full Service Spa**”). For the remainder of this disclosure document, the Small Format, Full Service Spa and Large Format, Full Service Spa will each be referred to generally as a “**Spa Business**”.

The total investment necessary to begin operation of a Small Format, Full Service Spa ranges from \$292,950 to \$421,800. This includes \$63,000 to \$65,000 that must be paid to the franchisor or affiliate. We also offer to qualified individuals the right to operate multiple Small Format, Full Service Spas under an Area Development Agreement. The total investment necessary to begin operating an “**Area Development Business**” will vary depending upon the number of Small Format, Full Service Spas we agree you will open in your designated territory (the “**Development Area**”). The total investment necessary to begin operation of your first Small Format, Full Service Spa under an Area Development Agreement where you agree to open three Small Format, Full Service Spas ranges from \$352,950 to \$481,800. This includes \$123,000 to \$125,000 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation of a Large Format, Full Service Spa ranges from \$415,500 to \$605,300. This includes \$70,000 to \$75,000 that must be paid to the franchisor or affiliate. We also offer to qualified individuals the right to operate multiple Large Format, Full Service Spas under an Area Development Agreement. The total investment necessary to begin operating an “Area Development Business” will vary depending upon the number of Large Format, Full Service Spas we agree you will open in your Development Area. The total investment necessary to begin operation of your first Large Format, Full Service Spa under an Area Development Agreement where you agree to open three Large Format, Full Service Spas ranges from \$485,500 to \$675,300. This includes \$140,000 to \$145,000 that must be paid to the franchisor or affiliate.

The 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 Gerald Woelcke at 7700 Municipal Drive, Orlando, Florida 32819 and (407) 370-9343.

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.

**Issuance Date: April 11, 2018.**

## 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 OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in **Exhibit D** 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY NON-BINDING MEDIATION THEN LITIGATION ONLY IN FLORIDA. OUT OF STATE 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 FLORIDA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT REQUIRE THAT FLORIDA 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. IF THE FRANCHISEE IS A BUSINESS ENTITY, EACH SHAREHOLDER/PARTNER/MEMBER/MANAGER OF FRANCHISEE AND THEIR RESPECTIVE SPOUSES MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF EACH INDIVIDUAL AND THEIR SPOUSE AT RISK.
4. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$292,950 TO \$675,300. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S NEGATIVE EQUITY OF \$204,062 AS OF DECEMBER 31, 2016.
5. FRANCHISOR IS A DEVELOPMENT STAGE COMPANY WITH LIMITED FRANCHISE OPERATING HISTORY. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE.

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