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Sacramento Office

FRANCHISE DISCLOSURE DOCUMENT

NATURE REPUBLIC

Nature Republic FC, LLC
a New York limited liability company
12 East 14th Street
New York, New York 10003
Tel (646) 952-0856
www.naturerepublic.com
franchising@naturerepublic.com

The franchise offered is for retail store selling Nature Republic cosmetic products, using the franchisor's trade dress, trademarks, and logos, in a clean and modern style, which communicates a warm "green" ambiance

The total investment necessary to begin operation of a new Nature Republic franchised business ranges from \$898,725 to \$1,410,295, which includes \$20,000 which must be paid to us when you sign the Franchise Agreement for the initial franchise fee. The total investment necessary for an existing Nature Republic licensee to convert to, and begin operation as, a Nature Republic franchised business ranges from \$49,575 to \$211,441, which includes a conversion franchise fee of \$1,000 that must be paid to us when you sign the Franchise Agreement.

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 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 us at franchising@naturerepublic.com or (646) 952-0856.

The terms of our 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. 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 20, 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 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 PERMIT YOU TO SUE US ONLY IN NEW YORK COUNTY, NEW YORK. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE US IN NEW YORK THAN IN YOU HOME STATE. YOUR STATE LAW MAY SUPERSEDE THIS PROVISION AND IT MAY NOT BE ENFORCEABLE IN YOUR STATE. SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND THIS DISCLOSURE DOCUMENT.
- 2 THE FRANCHISE AGREEMENT STATES THAT NEW YORK LAW GOVERNS THE AGREEMENT. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS. YOUR STATE LAW MAY SUPERSEDE THIS PROVISION AND IT MAY NOT BE ENFORCEABLE IN YOUR STATE. SEE SPECIAL STATE DISCLOSURES IN THE STATE ADDENDA TO THE FRANCHISE AGREEMENT AND THIS DISCLOSURE DOCUMENT.
- 3 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$901,710 TO \$1,413,277. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF JULY 31, 2017, WHICH IS \$45,000.
- 4 THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

CERTAIN STATES REQUIRE FRANCHISORS TO MAKE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. If applicable, these additional disclosures will be furnished to you in Exhibit F to this DISCLOSURE Document.

STATE EFFECTIVE DATES

The following states require that this Disclosure Document be registered or filed with the state, or be exempt from registration California, Connecticut, Hawaii, Illinois, Indiana, Maine, Maryland, Michigan, Minnesota, New York, North Carolina, North Dakota, Rhode Island, South Carolina, South Dakota, Virginia, Washington and Wisconsin

Our Disclosure Document dated September 22, 2017 is registered in the following states having franchise registration and disclosure laws, with the following effective dates

New York April 4, 2018

This Disclosure Document is not required to be registered, and is effective, in the following states since the applicant has a Trademark registered with the United States Patent and Trademark Office

Connecticut
Maine
North Carolina
South Carolina

This Disclosure Document is not required to be registered and an exemption is not required to be filed in the following states and this Disclosure Document is effective as of the Date of Issuance Alabama, Alaska, Arizona, Arkansas, Colorado, Delaware, Georgia, Idaho, Iowa, Kansas, Louisiana, Massachusetts, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, Tennessee, Vermont, West Virginia and Wyoming

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