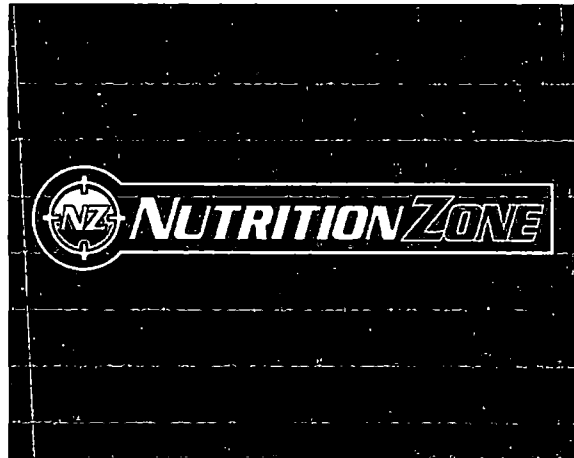


04/01/2016

FRANCHISE DISCLOSURE DOCUMENT

(Single-Unit Franchise)



Received
LA Mailroom

MAY 17 2016

Department of
Business Oversight

Nutrition Zone Franchising, Inc
19681 Da Vinci, Suite F
Foothill Ranch, CA 92610
Phone 888-604-1399
joe@nutritionzonefranchise.com
www.nutritionzonefranchise.com

FRANCHISE DISCLOSURE DOCUMENT

Nutrition Zone Franchising, Inc
a California corporation
19681 Da Vinci, Suite F
Foothill Ranch, CA 92610
Phone 888-604-1399
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The Franchised Business you will own and operate is a retail store operating under the name "Nutrition Zone" that sells nutritional supplements and related items for health-conscious customers

The total investment necessary to begin operation of a Franchised Business ranges from \$77,200 to \$178,950 This includes \$45,000 to \$85,000 that must be paid to us or our affiliates

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English Read this Franchise Disclosure Document and all accompanying agreements carefully You must receive this Franchise Disclosure Document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, us 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 Franchise Disclosure Document.**

You may wish to receive this Franchise Disclosure Document in another format that is more convenient for you To discuss the availability of this Franchise Disclosure Document in different formats, contact Joseph Eckstrom, President Nutrition Zone Franchising, Inc , 19681 Da Vinci, Suite F, Foothill Ranch, CA 92610 and 888-604-1399

The terms of your contract will govern your franchise relationship Don't rely on this Franchise Disclosure Document alone to understand your contract Read all of your contract carefully Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or an accountant

Buying a franchise is a complex investment The information in this Franchise 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 Franchise Disclosure Document, is available from the Federal Trade Commission You can contact the FTC at 1-877-FTCHELP or by writing to the FTC at 600 Pennsylvania Avenue, N W , 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

The date of issuance of this Franchise Disclosure Document is April 1, 2016

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 FRANCHISE DISCLOSURE DOCUMENT**

Call the state franchise administrator listed in Exhibit B 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION, ARBITRATION AND LITIGATION ONLY IN THE COUNTY WHERE OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED (CURRENTLY ORANGE COUNTY, CALIFORNIA). OUT OF STATE MEDIATION, ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE AND LITIGATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE

2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS

3 THE FRANCHISE AGREEMENT PROVIDES FOR THE IMPOSITION OF LIQUIDATED DAMAGES, IF WE TERMINATE YOUR FRANCHISE AGREEMENT FOR CAUSE

4 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATE INITIAL INVESTMENT RANGING FROM \$77,200 TO \$178,950. THIS AMOUNT EXCEEDS THE FRANCHISOR'S TOTAL EQUITY AS OF DECEMBER 31, 2015, WHICH IS REPORTED TO BE \$96,788

5 IF THE FRANCHISEE IS A BUSINESS ENTITY, THE OWNERS ARE REQUIRED TO SIGN PERSONAL GUARANTEES. THIS REQUIREMENT WILL PLACE THE PERSONAL ASSETS OF THE FRANCHISE OWNERS AT RISK

6 IF YOU FAIL TO MAINTAIN THE MINIMUM PERFORMANCE STANDARD, WE MAY REDUCE THE SIZE OF YOUR EXCLUSIVE TERRITORY OR TERMINATE THE FRANCHISE AGREEMENT

7 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date See the next page for state effective dates

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