

FRANCHISE DISCLOSURE DOCUMENT

PLANET BEACH FRANCHISING CORPORATION

(A Delaware Corporation)

5161 Taravella Road

Marrero, Louisiana 70072

(504) 361-5550

www.planetbeach.com

information@planetbeach.com



As a franchisee, you will operate a Planet Beach Contempo Spa that offers automated spa services. You will also sell related skin care products and other specialty items under the name and brand “Planet Beach.” The franchise location will be approximately 1,400 square feet.

The total investment necessary to begin operation of a Planet Beach Spa franchise is from \$164,450 to \$324,979. This initial investment includes \$128,850 to \$154,979 that must be paid to the franchisor or its affiliates.

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. **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 the Franchise Sales Department at 5161 Taravella Road, Marrero, Louisiana 70072, (504) 361-5550.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contracts 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 2, 2014

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 FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US ONLY IN LOUISIANA, THROUGH MEDIATION, ARBITRATION OR LITIGATION. OUT-OF-STATE DISPUTE RESOLUTION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO RESOLVE DISPUTES WITH US IN LOUISIANA THAN IN YOUR OWN STATE.**
2. **THE FRANCHISE AGREEMENT STATES THAT LOUISIANA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **IF A BUSINESS YOU OWN SIGNS A FRANCHISE AGREEMENT, YOU AND YOUR SPOUSE WILL BE REQUIRED TO SIGN A PERSONAL GUARANTY, PUTTING YOUR ASSETS AND YOUR SPOUSE'S ASSETS AT RISK.**
4. **THE FRANCHISEE WILL BE REQUIRED TO MAKE AN INITIAL INVESTMENT RANGING FROM \$164,450 TO \$324,979. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY WHICH IS A DEFICIT OF \$850,916 AS OF DECEMBER 31, 2013.**
5. **THE FRANCHISE AGREEMENT PROVIDES THAT YOU MUST ACHIEVE A MINIMUM OF \$12,500 MEMBERSHIP DRAFT BEFORE YOU CAN OPEN FOR OPERATION.**
6. **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 the next page for state effective dates.

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	April 29, 2014
Hawaii	PENDING
Illinois	April 30, 2014
Indiana	April 18, 2014
Maryland	PENDING
Michigan	April 10, 2014
Minnesota	April 21, 2014
New York	May 13, 2014
North Dakota	May 1, 2014
Rhode Island	April 14, 2014
South Dakota	April 11, 2014
Virginia	May 29, 2014
Washington	May 9, 2014
Wisconsin	April 8, 2014

In all other states, the effective date of this Franchise Disclosure Document is the Issuance Date of April 2, 2014.

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