## FRANCHISE DISCLOSURE DOCUMENT FOR USE IN THE STATE OF CALIFORNIA

Pla-Fit Franchise, LLC
(a New Hampshire Limited Liability Company)
26 Fox Run Road
Newington, NH 03801
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www.planetfitness.com





**PLANET FITNESS®** businesses are fitness training facilities offering exercise machines and free weights, fitness training services, tanning services, related services and ancillary goods. We offer for sale **PLANET FITNESS** franchises for new locations and for existing fitness facilities that want to convert to a **PLANET FITNESS**.

The total investment necessary to begin operation of a single **PLANET FITNESS®** facility ranges from \$857,080 to \$3,314,600 if you finance your equipment, which most franchisees do. This includes \$56,930 to \$308,190 that must be paid to the franchisor or its affiliate. If you choose to purchase your equipment, the total investment necessary to begin operation of a single **PLANET FITNESS®** facility ranges from \$1,338,400 to \$4,234,750. This includes \$380,300 to \$969,550 that must be paid to the franchisor or its affiliate. These estimated initial investment ranges also apply to each location that you develop under the Area Development Agreement (plus the Area Development Fee you pay at the time you sign the Area Development Agreement). If you sign an Area Development Agreement, you must develop multiple **PLANET FITNESS®** facilities, and you will pay an Area Development Fee of \$10,000 per planned location (paid in full when you sign the Area Development Agreement) in addition to the then-current initial franchise fee due for each location at the time the Franchise Agreement for that location is executed.

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, us 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 Candace Couture, our Vice President of Franchise Sales, at 26 Fox Run Road, Newington, NH 03801 and (603) 750-0001.

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 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.

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## 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 <u>Exhibit A</u> for information about the franchisor, about other franchisors, 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 LITIGATION THE IN CITY WHERE OUR CORPORATE HEADQUARTERS IS LOCATED (CURRENTLY, NEWINGTON, NEW HAMPSHIRE). OUT-OF-STATE MEDIATION, ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE OR LITIGATE WITH US IN THAT LOCATION THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT REQUIRES THAT NEW HAMPSHIRE 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. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

California Effective Date:



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