

## FRANCHISE DISCLOSURE DOCUMENT

# PRETTY IN PAINT PARTIES

PIP FRANCHISE, LLC  
A New Jersey Limited Liability Company  
800 Denow Road, Suite C-361  
Pennington, New Jersey 08534  
Tele: 800-381-9512  
[info@prettyinpaintparties.com](mailto:info@prettyinpaintparties.com)

We offer qualified individuals the right to operate a mobile business that offers painting classes and instruction in a social setting area under our “Pretty in Paint Parties” mark.

The total investment necessary to begin operation of a Pretty in Paint business ranges from \$14,775 to \$37,300. This includes \$5,000 to \$15,000 in fees that must be paid to us or our affiliates prior to opening.

The total investment necessary to operate three (3) Pretty in Paint Businesses under our form of area development agreement ranges from \$44,775 to \$57,300. This includes \$35,000 in fees that must be paid to us or our affiliates prior to opening.

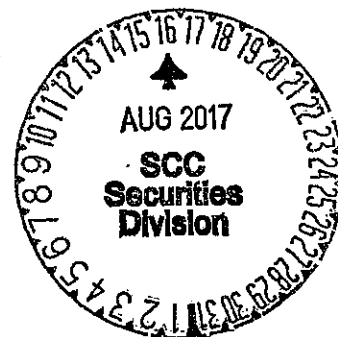
This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, us or an affiliate of ours 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 to you. To discuss the availability of disclosures in different formats, contact our Franchise Department c/o PIP Franchise, LLC at 800 Denow Road, Suite C-361, Pennington, New Jersey 08534. The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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.

The Issuance Date of this disclosure document is April 30, 2017.



**STATE SPECIFIC ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT**

**ADDENDUM REQUIRED BY THE COMMONWEALTH OF VIRGINIA**

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for PIP Franchise, LLC for use in the Commonwealth of Virginia shall be amended as follows:

With respect to disclosures in Item 6 of the Disclosure Document regarding a franchisee securing funds by selling securities in the franchise, be advised that any securities offered or sold by an Investor Franchisee as part of its PIP Franchise, LLC Franchise must be either registered or exempt from registration under Section 13.1-514 of the Virginia Securities Act.

Additional Disclosure: The following statements are added to Item 17h:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

Item 5 of the Franchise Disclosure Document and the Franchise Agreement are hereby amended to reflect that the Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

**FOR RESIDENTS OF ALL STATES LISTED IN THIS ADDENDUM**

Notwithstanding Section 22.3 of the Franchise Agreement or Section 27 of the Development Agreement to the contrary, this Addendum shall not be merged with or into, or superseded by, the Franchise Agreement and/or Development Agreement (as applicable). In the event of any conflict between the Franchise/Development Agreement and this Addendum, this Addendum shall be controlling. Except as otherwise expressly set forth herein, no other amendments or modifications of the Franchise Agreement and Development Agreement are intended or made by the parties.

Applicable State: Virginia

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum on the day and year first above written.

**FRANCHISOR**

**FRANCHISEE**

**PIP FRANCHISE, LLC**

**[FRANCHISEE NAME]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administration 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 administrators listed in Exhibit A 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 WHATEVER TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. AT OUR OPTION, THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN PENNINGTON, NEW JERSEY. OUT-OF-STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE WITH US IN NEW JERSEY THAN IN YOUR OWN STATE.
2. CERTAIN DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION IN PENNINGTON, NEW JERSEY. IT MAY COST YOU MORE TO LITIGATE WITH US IN NEW JERSEY THAN IN YOUR OWN STATE.
3. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT NEW JERSEY LAW GOVERNS. NEW JERSEY LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. WE MAY REQUIRE THE FRANCHISEE AND THEIR SPOUSE TO EXECUTE A PERSONAL GUARANTEE MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISEE UNDER THE FRANCHISE AGREEMENT, AND, IF APPLICABLE THE DEVELOPMENT AGREEMENT, WHETHER OR NOT SUCH SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER AND THEIR SPOUSE AT RISK.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may 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 is our agent and 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.

*[State effective dates listed on following page]*

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