

FRANCHISE DISCLOSURE DOCUMENT

REBATH, LLC,
a Delaware limited liability company
421 West Alameda Drive
Tempe, Arizona 85282
(480) 844-1575 ♦ (800) 426-4573
www.rebath.com
newfranchise@rebath.com

As a Re-Bath franchisee, you will provide bathroom remodeling services, including installation of custom manufactured bathtub and shower base liners, replacement bathtubs and shower bases, wall panels and ancillary products such as shower doors, valves, plumbing fixtures, and installation tools, products and supplies.

The total investment necessary to begin operation of a Re-Bath franchise ranges from \$82,400 to \$332,695. This includes \$21,000 to \$120,000 that must be paid to the franchisor or an affiliate.

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 our Franchise Legal Department, 421 West Alameda Drive, Tempe, AZ 85282, (480) 754-8950.

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 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.

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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 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 BY ARBITRATION, MEDIATION OR LITIGATION ONLY IN ARIZONA. OUT-OF-STATE ARBITRATION, MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE, MEDIATE OR LITIGATE WITH US IN ARIZONA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT ARIZONA 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. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN INITIAL INVESTMENT RANGING FROM \$82,400 TO \$332,695. AS NOTED IN THE FINANCIAL STATEMENTS, THE FRANCHISOR'S PARENT COMPANY AND GUARANTOR (HOME BRANDS GROUP HOLDINGS, INC.) HAS A NEGATIVE STOCKHOLDERS EQUITY OF \$(26,775,142) AS OF DECEMBER 31, 2015. THE INITIAL INVESTMENT EXCEEDS THE NEGATIVE STOCKHOLDERS EQUITY OF THE PARENT COMPANY AND GUARANTOR. A PROSPECTIVE FRANCHISEE SHOULD CAREFULLY REVIEW THE FINANCIAL STATEMENTS AND BEAR THIS IN MIND WHEN FORMING ITS INVESTMENT DECISION.
4. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT www.corp.ca.gov
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We reserve the right to 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.

See next page for Effective Dates of this Disclosure Document in the various registration states.

STATE EFFECTIVE DATES

The following chart lists states that require the Disclosure Document to be registered or filed with the state or to be exempt from registration in order to offer or sell franchises within the state. In these states, the effective date of the Disclosure Document is as follows:

STATE	EFFECTIVE DATE
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

In all other states, the effective date of this Disclosure Document is the issuance date of April 28, 2016.

Some of the states listed above require that we give you additional disclosures. The additional required disclosures for these states are in Exhibit G to this Disclosure Document.

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