

FRANCHISE DISCLOSURE DOCUMENT

 DEPARTMENT OF CORPORATIONS
 DIVISION OF BUSINESS REGISTRATION
 RECEIVED LOS ANGELES OFFICE

DEC 13 2010



THE SAILTIME GROUP, LLC
 (a Maryland limited liability company)
 7076 Bembe Beach Road, Suite 105
 Annapolis, MD 21403
 (443) 221-4915
 E-Mail: info@sailtime.com
 Website: www.sailtime.com

The franchise offered is for the establishment and operation of a fractional boating business which offers sailboat and/or powerboat shared usage memberships.

The total investment necessary to begin operation of a SailTime franchise is from \$79,675 to \$215,450. This includes from \$25,000 to \$35,000 that must be paid to the franchisor or 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.**

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, 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.

Issuance Date: July 6, 2010, as amended through September 30, 2010.

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. AS OF DECEMBER 31, 2009, THE FRANCHISOR HAD ONLY \$78,698 IN CURRENT ASSETS AND HAD \$187,012 IN CURRENT LIABILITIES. THIS MEANS THAT FOR EVERY DOLLAR OF LIABILITIES DUE WITHIN ONE YEAR, THE FRANCHISOR HAD ONLY \$0.42 IN CURRENT ASSETS. SINCE ITS INCEPTION, THE FRANCHISOR HAS LOST \$142,342. FRANCHISOR'S WORKING CAPITAL DEFICIT IS \$108,314.

2. DUE TO THE COMPANY'S PAST FINANCIAL PERFORMANCE, THE STATES OF CALIFORNIA, ILLINOIS, MARYLAND, VIRGINIA AND WASHINGTON HAVE REQUIRED US TO AGREE THAT YOU DO NOT HAVE TO PAY US THE INITIAL FRANCHISE FEE UNTIL WE HAVE COMPLETED SATISFYING OUR PRE-OBLIGATIONS TO YOU AND HAVE AUTHORIZED YOU TO BEGIN OPERATING THE FRANCHISED BUSINESS.

3. THE FRANCHISE AGREEMENT REQUIRES THAT MOST DISAGREEMENTS BE SUBMITTED TO MEDIATION OR ARBITRATION IN THE STATE AND COUNTY WHERE WE MAINTAIN OUR PRINCIPAL PLACE OF BUSINESS, CURRENTLY ANNE ARUNDEL COUNTY, MARYLAND. OUT-OF-STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN MARYLAND THAN IN YOUR HOME STATE.

4. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE OF MARYLAND GOVERNS THE AGREEMENT. THIS STATE'S LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS. SOME STATE FRANCHISE LAWS PROVIDE THAT CHOICE OF LAW PROVISIONS ARE VOID OR SUPERSEDED. YOU SHOULD CONSIDER INVESTIGATING WHETHER ANY STATE FRANCHISE LAWS PROTECT YOU. YOU SHOULD REVIEW THE STATE-SPECIFIC ADDENDA ATTACHED TO THIS DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENT FOR STATE-SPECIFIC PROVISIONS.

5. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$79,675 TO \$215,450. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS' EQUITY AS OF DECEMBER 31, 2009 WHICH WAS \$[142,342].

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6. IN SOME CASES, SPOUSES OF FRANCHISE OWNERS MUST EXECUTE A PERSONAL GUARANTY PLACING THEIR PERSONAL ASSETS AT RISK.

7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Information comparing THE SAILTIME GROUP, LLC with other franchisors is available. Call the state administrators listed in Exhibit A or your public library for sources of information.

Registration of this franchise with the state does not mean that the state recommends it or has verified the information in this Disclosure Document. If you learn that anything in this Disclosure Document is untrue, contact the Federal Trade Commission and the state administrators listed in Exhibit A.

The Effective Date for this Disclosure Document is the date listed on the following page.

	Alabama
	Arizona
	Arkansas
	California
	Colorado
	Connecticut
	Delaware
	Florida
	Georgia
	Idaho
	Illinois
	Indiana
	Iowa
	Kansas
	Kentucky
	Louisiana
	Maine
	Maryland
	Massachusetts
	Michigan
	Minnesota
	Mississippi
	Missouri
	Montana
	Nebraska
	Nevada
	New Hampshire
	New Jersey
	New Mexico
	New York
	North Carolina
	North Dakota
	Ohio
	Oklahoma
	Oregon
	Pennsylvania
	Rhode Island
	South Carolina
	South Dakota
	Tennessee
	Texas
	Utah
	Vermont
	Virginia
	Washington
	West Virginia
	Wisconsin
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