

FRANCHISE DISCLOSURE DOCUMENT
SEVA BEAUTY, LLC

An Illinois Limited Liability Company
 1954 First Street, # 112
 Highland Park, Illinois 60035
 877-SEVA-BEAUTY
 www SEVASevaBeauty.com
 franchising@sevabeauty.com

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 DEPARTMENT OF
 BUSINESS OVERSIGHT
 SAN FRANCISCO


®

We grant qualified franchisees the right to own and operate a fast-casual esthetic spa business that provides facial threading and waxing, eyelash extensions, eyebrow tinting and facials, using the trade name SEVA® as well as our business models and system

SEVA has two main business formats, SEVA® Express and SEVA® Spa

The total estimated investment to begin operation of a SEVA® Express Studio is ~~\$114,000~~140,050 to ~~\$199,500~~234,800 This includes ~~\$39,000 to \$69,000 (if you sublease the Premises from us)~~89,000 that must be paid to us or our affiliates The total estimated investment to begin operation of a SEVA® Spa Studio is ~~\$146,000~~107,500 to ~~\$251,000~~276,000 This includes ~~\$39,000~~49,000 - \$64,000 that must be paid to us or our affiliates

~~We may sell rights to individuals or entities to develop a number of Studio's within a specified area. If you are a Multi Unit Operator, you will pay a Multi Unit Operator fee equal to 100% of the initial franchise fee for the first Studio to be developed, plus a deposit of 50% of the initial franchise fee for each additional Studio to be developed under the Multi Unit Operator Agreement. Under the Multi Unit Operator Agreement, you must develop at least three studios within the Designated Area. The total estimated investment to begin operation under a Multi Unit Operator Agreement is 153,000 to \$290,000 (which estimates include the Multi Unit Operator Fee plus the estimated initial investment to begin operation of your first SEVA® Studio) This includes \$78,000 (for the development of three Studios) that must be paid to us or our affiliates. The total investment necessary will vary based on the number of Studios to be developed.~~

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 or grant. **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 SEVA Beauty LLC, Director of Franchise Development, 1954 First Street, # 112, Highland Park, Illinois 60035, telephone 877-SEVA-BEAUTY

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

SEVA Beauty-FDD_LLC

04/30/2015

03/2016 Franchise Disclosure Document

1253.001.001/147286.5

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, Washington, D C 20580. You can also visit the FTC's home page at <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.

Issuance Date ~~April 30~~ March 29, 2015 2016

SEVA Beauty-FDD, LLC

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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 AND MULTI UNIT OPERATOR AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION, ARBITRATION AND/OR LITIGATION ONLY IN ILLINOIS. OUT-OF-STATE MEDIATION, ARBITRATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE, ARBITRATE AND LITIGATE WITH US IN ILLINOIS THAN IN YOUR OWN STATE~~

~~2 IF YOU ARE A BUSINESS ENTITY, YOUR OWNERS WILL HAVE TO GUARANTY YOUR OBLIGATIONS AND BE BOUND BY THE PROVISIONS OF OUR FRANCHISE AGREEMENT AND MULTI UNIT OPERATOR AGREEMENT STATE THAT ILLINOIS 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.~~

~~THE SPOUSES OF THE OWNERS MAY ALSO BE REQUIRED TO CONSENT TO THE GUARANTY~~~~3 EACH FRANCHISE OWNER, ALONG WITH HIS/HER SPOUSE AND/OR DOMESTIC PARTNER MUST SIGN PERSONAL GUARANTEES FOR THIS FRANCHISE AGREEMENT, THEREBY PLACING PERSONAL AND, WHICH PLACES THE SPOUSES' MARITAL ASSETS AT RISK.~~

~~4~~3 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$~~14,000~~140,050 TO \$~~251,000~~276,000 DEPENDING ON WHICH OPTION IS SELECTED. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, ~~2014~~2015, WHICH IS \$~~106,312~~137,383

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 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 Dates See next page for state effective dates

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