

FRANCHISE DISCLOSURE DOCUMENT

Spenga Holdings LLC
a Delaware limited liability company
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<http://www.spenga.com/>



SPENGA® franchises are fitness studios offering exercise equipment and machines, fitness training services, and logoed merchandise (“SPENGA Studio(s)”).

The total investment necessary to begin operation of a SPENGA Studio ranges from \$170,050 to \$691,900. This includes \$30,000 that must be paid to the franchisor and/or its affiliates, as applicable. Please see Items 5 and 7 for additional information.

Area Development rights may be offered in certain areas and you may decide to sign an Area Development Agreement (“ADA”) with us. The total investment necessary to enter into an ADA to open and operate three SPENGA Studios and begin operation of the first SPENGA Studio ranges from \$190,050 to \$711,900. This includes \$50,000 that must be paid to the franchisor and/or its affiliates, as applicable

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 Scott Nichols, our Senior Vice President of Franchise Development at (708) 465-9113 and snichols@spenga.com, or at 10811 W. 143rd Street, Suite 210, Orland Park, IL 60467.

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 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. 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 26, 2017

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, 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY NON-BINDING MEDIATION IN THE COUNTY IN WHICH THE FRANCHISOR IS LOCATED, CURRENTLY COOK COUNTY, ILLINOIS. 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 ILLINOIS THAN IN YOUR OWN STATE.
2. CERTAIN DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION IN ILLINOIS. IT MAY COST YOU MORE TO LITIGATE WITH US IN ILLINOIS THAN IN YOUR OWN STATE.
3. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT ILLINOIS LAW GOVERNS THE AGREEMENTS, AND THIS 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, WHETHER OR NOT SUCH SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS PLACES THE PERSONAL AND MARITAL 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 represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

Effective Date: See the next page for state effective dates.

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