

FRANCHISE DISCLOSURE DOCUMENT

MD HYDRATION FRANCHISE, INC.

dba The Hydration Room

A California Corporation
404 Westminster Avenue, Suite 4
Newport Beach, California 92663
(949) 650-0866

E-Mail: drflorie@thehydrationroom.com

URL: www.thehydrationroom.com

RECEIVED

OCT - 6 2017

Department of Business Oversight
Los Angeles Office



As a Hydration Room franchisee you will operate a retail outlet that administers hydration and injection therapies using a variety of injectable vitamins and minerals, purified water and other fluids in quantities, and combinations and preparation techniques, and related injection services provided by nursing staff under the supervision of the "Operator" (must be a licensed medical doctor) in a relaxing medi-spa environment and related products and accessories sold to retail customers.

The total investment necessary to begin operation of a Hydration Room outlet is \$87,600 to \$161,500. This includes \$31,500 to \$33,000 which must be paid to the franchisor or its affiliates. The Hydration Room may also offer you an Area Development Agreement granting a right to open one or more additional Outlets for an additional investment (Development Fee) of \$15,000 to \$60,000 (depending on the number of additional Outlets you commit to open) which must be paid to the franchisor.

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 Dr. Brett Florie at 404 Westminster Avenue, Suite 4, Newport Beach, California 92663; telephone (949) 650-0866.

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, such as 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 homepage 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.

Issued: **September 24, 2017.**

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with the 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 F 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:

THE FRANCHISOR WAS FORMED ON JULY 26, 2017, HAS A LIMITED OPERATING HISTORY AND HAS BEEN OFFERING FRANCHISES FOR A SHORT PERIOD OF TIME. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.

YOU WILL RECEIVE A PROTECTED TERRITORY, BUT THIS WILL NOT BE AN EXCLUSIVE TERRITORY, AND YOU MAY FACE COMPETITION FOR CUSTOMERS FROM OTHER FRANCHISEES OUTSIDE YOUR TERRITORY, FROM OUTLETS THAT WE OWN OUTSIDE YOUR TERRITORY, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.

AT FRANCHISOR'S DISCRETION, YOUR PROTECTED TERRITORY MAY BE LOST IF YOU DO NOT FULFILL MATERIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT.

THE FRANCHISOR MAY CANCEL THE FRANCHISE AGREEMENT IF A SITE IS NOT AGREED UPON WITHIN 180 DAYS OF YOUR SIGNING THE FRANCHISE AGREEMENT.

IF YOU SIGN AN AREA DEVELOPMENT AGREEMENT, YOUR TERRITORIAL RIGHTS UNDER THAT AGREEMENT CAN BE LOST IF YOU FAIL TO MEET THE DEVELOPMENT SCHEDULE.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

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

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Connecticut, Florida, Hawaii, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, Nebraska, New York, North Dakota, Rhode Island, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.

This franchise is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California

Texas

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