

FRANCHISE DISCLOSURE DOCUMENT



Advanced Fresh Concepts Franchise Corp.

a California corporation
19205 South Laurel Park Road
Rancho Dominguez, California 90220
Telephone: 310-604-3200
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www.afcsushi.com

Advanced Fresh Concepts Franchise Corp. (“AFC”) will grant you a franchise to use our system to offer prepared foods from one or more AFC food service counters at a grocery store, retail center or other location that someone else owns.

The total investment necessary to begin operation of an AFC franchise is as follows: (1) if you are a new franchisee, the estimated total investment for one full-time or part-time food service counter is between \$22,839 and \$123,339 for a non-AFC operated location and between \$23,839 and \$223,339 if you purchase an existing AFC operated location. This includes \$20,079 to \$202,009 that must be paid to us; (2) if you are an existing franchisee purchasing an additional full-time or part-time location, the estimated total investment necessary to begin operation of each additional location is between \$19,769 and \$102,274 for a non-AFC operated location and \$20,769 and \$202,274 for an existing AFC operated location. This includes \$18,619 to \$192,474 that must be paid to us; (3) if you are an existing franchisee purchasing a self-service food service counter, the estimated total investment necessary to begin operations is between \$3,350 and \$17,400. This includes \$3,250 to \$15,500 that must be paid to us.

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 Jeff Seiler, at 19205 South Laurel Park Road, Rancho Dominguez, California 90220, Telephone: 310-604-3200.

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 your mind. More information on franchising, such as “A Consumer Guide’s 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.

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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 N for information about the franchise, 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:

RISK FACTORS:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN LOS ANGELES, CALIFORNIA. IF YOU ARE LOCATED OUTSIDE CALIFORNIA, THEN ARBITRATION IN CALIFORNIA MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.

THE FRANCHISE AGREEMENT SAYS CALIFORNIA LAW GOVERNS THE AGREEMENT. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS TO YOU AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

IF YOU DO NOT COMPLETE TRAINING TO OUR SATISFACTION, OR IF YOU DO NOT PASS ANY REQUIRED CRIMINAL BACKGROUND CHECK AND/OR DRUG, TUBERCULOSIS OR OTHER CHEMICAL AND DISEASE TESTING WE MAY CANCEL THE FRANCHISE AGREEMENT AT OUR SOLE DISCRETION. THERE IS NO REFUND IF WE CANCEL YOUR FRANCHISE AGREEMENT FOR THESE REASONS.

THE OWNER OR LESSEE OF THE LOCATION WHERE YOUR FOOD SERVICE COUNTER IS LOCATED MAY TERMINATE THE OCCUPANCY AGREEMENT AT ANY TIME AND ON SHORT NOTICE. THE OWNER MAY OBJECT TO THE FRANCHISE OR FRANCHISEE (YOU) OPERATING THERE. THE OWNER MAY OBJECT TO THE TYPE OF FOOD OFFERED AT THE FRANCHISE. THE OWNER MAY REQUIRE ADJUSTMENTS TO THE FRANCHISE OPERATIONS (SUCH AS IF THE FACILITY OWNER REQUESTS THAT THE OPERATIONS BE CONVERTED FROM A FULL TIME LOCATION TO A SELF SERVICE, OR PART TIME LOCATION, AND VICE VERSA). TERMINATION OR OBJECTION BY THE OWNER MAY RESULT IN THE NEED FOR RELOCATION AT YOUR EXPENSE AND DISRUPTION AND INTERRUPTION OF YOUR OPERATIONS.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

SEE EXHIBIT O FOR STATE SPECIFIC INFORMATION THAT MAY PERTAIN TO YOU.

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. If we engage a Franchise Broker, 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.

The effective date of this Disclosure Document in your state, if applicable, is listed on the following page.

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