



big boy™

BURGERS • SHAKES + BREAKFAST

Franchise Disclosure Document

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FRANCHISE DISCLOSURE DOCUMENT



BIG BOY FRANCHISE MANAGEMENT LLC

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Big Boy Franchise Management LLC (“Big Boy”) offers franchises to develop, own and operate “Big Boy Restaurants” that sell to the public Big Boy® signature items, including the “Original Double Decker™” hamburger, specialty sandwiches, as well as a selection of breakfast, lunch and dinner items.

The total investment necessary to begin operation of a Big Boy franchise is \$943,000 to \$3,630,500. This includes \$57,500 to \$68,750 that must be paid to Big Boy or its affiliates. If you sign an Area Development Agreement, you pay a Development Fee equal to \$10,000 times the number of Big Boy restaurants you agree to develop. The total investment necessary to begin operation under a Big Boy Area Development Agreement is \$975,500 to \$3,685,500. This includes an Area Development Fee of \$30,000 to \$50,000 (for a 3 to 5 Restaurant Development Schedule) and the costs associated with opening your first Big Boy Restaurant.

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. Do not rely on this disclosure document alone to understand your contract. Read the entire 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, DC 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 D 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 FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN MICHIGAN. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.

THE FRANCHISE AND AREA DEVELOPMENT AGREEMENTS STATE THAT MICHIGAN 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.

LOCAL LAW MAY SUPERSEDE THESE AND OTHER FRANCHISE AND AREA DEVELOPMENT AGREEMENT PROVISIONS. CERTAIN STATES REQUIRE THE SUPERSEDING PROVISIONS TO APPEAR IN AN ADDENDUM IN THIS FRANCHISE DISCLOSURE DOCUMENT, WHICH, IF APPLICABLE, IS ATTACHED AS EXHIBIT I TO THIS FRANCHISE DISCLOSURE DOCUMENT.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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 DATE: December 1, 2020

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