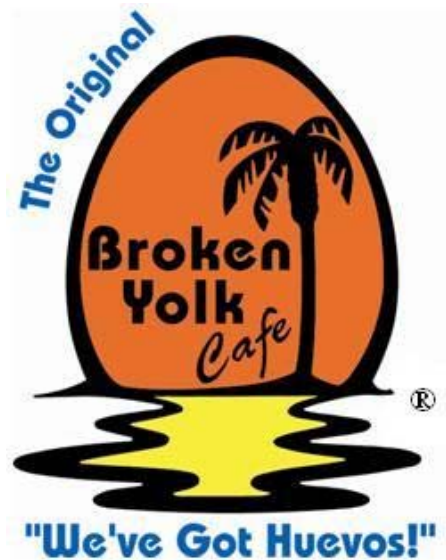


## FRANCHISE DISCLOSURE DOCUMENT



**BYC FRANCHISING, LLC**  
a California Limited Liability Company

1851 Garnet Avenue  
San Diego, CA 92109  
Telephone: (858) 270-9655  
[info@thebrokenyolkcafe.com](mailto:info@thebrokenyolkcafe.com)  
[www.brokenyolkfranchise.com](http://www.brokenyolkfranchise.com)  
[www.thebrokenyolkcafe.com](http://www.thebrokenyolkcafe.com)

We specialize in providing a large selection of moderately priced, freshly cooked homestyle meals and other menu items in a comfortable and casual atmosphere during breakfast and lunch operating hours. We also offer our products via off-premise group catering, individual takeout and third-party delivery.

Our standard franchise offering is an:

Area Development Agreement for Multiple Restaurants. As an area developer, you will develop a minimum of 3 Broken Yolk Cafe® Restaurants within a defined geographical area. Upon signing an area development agreement you will also sign the franchise agreement for your 1<sup>st</sup> Restaurant. When you sign, you will also pay Development Fees equal to \$10,000 multiplied by the number of Restaurants you agree to open plus a reduced \$25,000 Initial Franchise Fee for your 1<sup>st</sup> Restaurant. For 3 Restaurants, a total of \$55,000 is due for Development Fees and the reduced Initial Franchise Fee for your 1<sup>st</sup> Restaurant. The estimated initial investment to begin operation of your 1st Broken Yolk Cafe® Restaurant under a 3-Restaurant area development agreement ranges from \$474,900 - \$1,205,000. For the 2<sup>nd</sup> and 3<sup>rd</sup> Restaurants you

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*April 2018*

develop, the estimated initial investment range is \$444,900 - \$1,175,000 (which includes the reduced Initial Franchise Fee).

On occasion and where warranted in our estimation by the population and geographic base, we may offer a:

Single Restaurant Franchise Agreement. The estimated initial investment to begin operation of a single Broken Yolk Cafe<sup>®</sup> Restaurant ranges from \$454,900 - \$1,185,000 which includes a \$35,000 Initial Franchise Fee 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 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 Valerie McCartney c/o BYC Franchising, LLC at 1851 Garnet Avenue, San Diego, California 92109, Email: [valeriem@thebrokenyolkcafe.com](mailto:valeriem@thebrokenyolkcafe.com), Telephone: 858-740-9554.

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 contracts carefully. Show your contracts 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 your decision. 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 (FTC). 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](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.

Date of Issuance: April 17, 2018.

## 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 this and 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:**

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION. ANY ARBITRATION WILL BE HELD IN SAN DIEGO, CALIFORNIA. 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 CALIFORNIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA 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.
3. YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTEE, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANCHISE BUSINESS. BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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