

UNIFORM FRANCHISE DISCLOSURE DOCUMENT

BRUSTER'S, a Pennsylvania Limited Partnership 730 Mulberry Street Bridgewater, PA 15009

www.brusters.com



Bruster's Real Ice Cream franchises are retail ice cream stores that offer premium ice cream, sherbet, frozen yogurt, Italian ices and related products. The products are made fresh on site every day.

The total investment necessary to begin operation of a Bruster's franchised business is between \$478,200 and \$1,324,000 for a freestanding Unit, between \$270,200 and \$566,500 for an inline Unit. This includes \$30,000 that must be paid to the Franchisor or its affiliate(s) for a Unit.

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 fourteen (14) calendar days before you sign a binding agreement with, or make any payment to Bruster's 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 Kathy Kemerer at 730 Mulberry Street, Bridgewater, PA 15009 or (724)774-4250.

The terms of your Franchise Agreement will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your Franchise Agreement. Read all of your Franchise Agreement carefully. Show your Franchise Agreement 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 ("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 <u>www.ftc.gov</u> 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. Issuance Date: May 1, 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 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:

- 1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION, AND/OR ARBITRATION PRIOR TO OR LITIGATION ONLY IN PENNSYLVANIA. OUT-OF-STATE LITIGATION, ARBITRATION AND/OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE, ARBITRATE OR MEDIATE WITH US IN PENNSYLVANIA THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT PENNSYLVANIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO INVESTIGATE THESE LAWS.
- 3. IF FRANCHISEE IS A LEGAL ENTITY, THE OWNER OF THE ENTITY AND HIS/HER SPOUSE MUST SIGN THE GUARANTY (EXHIBIT 10), MAKING THE OWNER AND SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, WHICH PLACES THE OWNER AND SPOUSE'S PERSONAL ASSETS AT RISK.
- 4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: May 1, 2018



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