

RECEIVED  
JUN 12 2014

Dept of Business Oversight

## FRANCHISE DISCLOSURE DOCUMENT

# CALIBURGER

**CALIBURGER FRANCHISOR USA, INC**  
A Delaware Corporation  
21300 Victory Blvd  
Suite 740  
Woodland Hills, CA 91367  
(818) 703-8300  
[www.caliburgerintl.com](http://www.caliburgerintl.com)

We offer franchises for the right to operate a unique fast casual restaurant featuring burgers, sandwiches, fries, desserts, and other food and beverages under the “Caliburger” mark

The total initial investment necessary to begin operation of a Restaurant ranges from \$292,000 to \$774,000, which includes \$30,000 to \$45,000 you must pay to franchisor or its affiliates

We offer qualified individuals the right to own and operate multiple Restaurants in a designated development area by entering into an Area Development Agreement. The total initial investment necessary to begin operating under an Area Development Agreement will vary depending on the number of Restaurants to be opened in your designated area (an “AD Development Area”). The total estimated initial investment to begin operation of the first Restaurant under an Area Development Agreement where you commit to opening three Restaurants ranges from \$322,000 to \$804,000, which includes \$60,000 to \$75,000 you must pay to franchisor or its affiliates

We also offer qualified individuals the right to serve as our “Area Representative” within a given territory (an “AR Development Area”). In order to begin operation under an Area Representative Agreement, whereby you will serve as our independent Area Representative and recruit franchisees to own and operate Restaurants and provide support services to franchisees within your AR Development Area, you must pay an Area Representative Fee generally ranging between \$350,000 and \$1,500,000. You are also required to open and commence operating your own Restaurant within the AR Development Area under a separate form of our then-current franchise agreement. The total estimated initial investment to begin operation of the first Pilot Certified Training Center under an Area Representative Agreement, where you commit to open a certain number of Restaurants ranges from \$617,000 to \$2,254,000, which includes \$350,000 to \$1,500,000 you must pay to franchisor or its affiliates

This disclosure document summarizes certain provisions of your Franchise Agreement, Area Development Agreement, Area Representative 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**

© Caliburger Franchisor USA, Inc  
2014 Franchise Disclosure Document

You may wish to receive your disclosure document in another format that is more convenient for you. The terms of your Franchise Agreement, Area Development Agreement, and/or Area Representative Agreement as applicable, will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contracts. Read all of your contracts carefully. Show your contracts 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 Virginia 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.

The Issue Date of this Franchise Disclosure Document ("FDD") is May 5, 2014.

## 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 1 to this Franchise Disclosure Document for information about the franchisor, 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.

- 1 AT OUR OPTION, THE FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT, AND AREA REPRESENTATIVE AGREEMENT REQUIRE YOU TO RESOLVE ALL DISPUTES WITH US BY MEDIATION ONLY IN CALIFORNIA. OUT OF STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE WITH US IN THE STATE OF CALIFORNIA THAN IN YOUR OWN STATE.
- 2 ANY DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION ONLY IN LOS ANGELES COUNTY, CALIFORNIA. IT MAY COST YOU MORE TO LITIGATE WITH US IN THE STATE OF CALIFORNIA THAN IN YOUR OWN STATE.
- 3 THE FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND AREA REPRESENTATIVE AGREEMENT STATE THAT THEY ARE GOVERNED BY CALIFORNIA LAW. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 4 IF THE FRANCHISEE/AREA DEVELOPER/AREA REPRESENTATIVE IS AN INDIVIDUAL, WE REQUIRE THAT THE FRANCHISEE'S SPOUSE EXECUTE A PERSONAL GUARANTY. IF THE FRANCHISEE IS A BUSINESS ENTITY, EACH PRINCIPAL OF THE FRANCHISEE ENTITY AND THE RESPECTIVE SPOUSES OF EACH PRINCIPAL MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF THESE INDIVIDUALS AND THEIR SPOUSES AT RISK.
- 5 YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.
- 6 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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