

DEPARTMENT OF CORPORATIONS
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FRANCHISE DISCLOSURE DOCUMENT**CANYONS BURGER FRANCHISING, LLC**

A Nevada limited liability company

320 Commerce, Suite 100

Irvine, California 92602

(949) 270-8900

www.canyonsburgercompany.com

Canyons Burger Franchising, LLC, offers franchises for the operation of quick service hamburger restaurants at specified locations selling a limited menu featuring fresh high quality food products, soft drinks and related items to the public under the trade name Canyons Burger

We offer 4 franchise programs

Single Restaurant Program Under the Single Restaurant Program, you will sign a Franchise Agreement to operate a single Canyons Burger Company Traditional Restaurant. The total investment necessary to begin operations of a single Canyons Burger Company Traditional Restaurant, ranges from approximately \$401,890 to \$808,550. This includes \$60,250 that must be paid to the Franchisor or an affiliate.

3 Restaurant Purchase Program Under the 3 Restaurant Purchase Program, you will sign 3 Franchise Agreements to operate 3 Canyons Burger Company Traditional Restaurants. The total investment necessary to begin operations of 3 Canyons Burger Company Traditional Restaurants, ranges from approximately \$1,152,250 to \$2,289,050. This includes \$130,250 that must be paid to the Franchisor or an affiliate.

Area Development Program Under the Area Development Program, we assign a defined area within which you must develop and operate a minimum of 5 Canyons Burger Company Restaurants within a specified period of time. The total investment necessary to begin operations of 5 Canyons Burger Company Restaurants under an Area Development Agreement ranges from approximately \$401,890 to \$808,500 per Restaurant or \$2,023,200 to \$4,041,250 for 5 Restaurants. This includes \$260,250 (for a minimum of 5 Canyons Burger Company Restaurants) that must be paid to the Franchisor or an affiliate.

Outpost Restaurant Program Under the Outpost Restaurant Program, you will operate a Canyons Burger Company Outpost Restaurant at a captive market location. The total investment necessary to begin operations of a single Canyons Burger Company Outpost Restaurant at a captive market location ranges from approximately \$242,890 to \$577,550. This includes \$25,250 for each Canyons Burger Company Outpost Restaurant that must be paid to the Franchisor or an affiliate.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read the 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 payments to the Franchisor, or an affiliate, in connection with the proposed franchise sale. **Note, however, that no government 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 our Chief Financial Officer, Robert Gonda, 320 Commerce, Suite 100, Irvine, California 92620, (949) 270-8900.

The terms of your contract will govern your franchise relationship. Do not 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 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, N.W., Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency listed on Exhibit M1 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 ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS APRIL 19, 2012, AS SUPPLEMENTED ON SEPTEMBER 19, 2012, AS AMENDED ON DECEMBER 45, _____, 2012.

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed on Exhibit ML 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 INITIAL TRAINING AGREEMENT, FRANCHISE AGREEMENT, OUTPOST RESTAURANT FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND ASSET PURCHASE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH CANYONS BURGER FRANCHISING, LLC BY JUDICIAL REFERENCE ONLY IN LOS ANGELES, CALIFORNIA OUT-OF-STATE JUDICIAL REFERENCE MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO PARTICIPATE IN A JUDICIAL REFERENCE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE "

2 THE FRANCHISE AGREEMENT, OUTPOST RESTAURANT FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT CALIFORNIA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS

3 THE FRANCHISE AGREEMENT REQUIRES ALL PRESENT AND FUTURE OWNERS OF A 10% OR MORE, DIRECTLY OR INDIRECTLY, IN THE AGGREGATE, OF THE EQUITY OR YOUR VOTING RIGHTS, INCLUDING SPOUSES (AND FAMILY MEMBERS WHO LIVE IN THE SAME HOUSEHOLD) AND AFFILIATES TO SIGN A WRITTEN GUARANTEE OF PAYMENT AND PERFORMANCE OF OBLIGATIONS UNDER THE FRANCHISE AGREEMENT THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF OWNERS, SPOUSES AND FAMILY MEMBERS AT RISK

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We use the services of 1 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

See The Next Page For State Effective Dates

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