

FRANCHISE DISCLOSURE DOCUMENT



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You will operate a COLTON'S STEAK HOUSE & GRILL[®], a full-service restaurant offering hand-cut-in-house steaks, chicken and seafood dishes, burgers, sandwiches, soups, and salads in a casual atmosphere.

The total investment necessary to begin operation of a COLTON'S[®] restaurant ranges from approximately \$1,200,500 to \$3,115,000. This includes \$65,000 that must be paid to us or our affiliates.

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 government agency has verified the information contained in this document.**

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 statement 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 the 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: April 29, 2016

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 E 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 AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN ARKANSAS. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN ARKANSAS THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT ARKANSAS 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. 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 make sure to do your own investigation of the franchise.

Effective Date: _____, 2016

TABLE OF CONTENTS

ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	3
ITEM 3 LITIGATION	4
ITEM 4 BANKRUPTCY	4
ITEM 5 INITIAL FEES	4
ITEM 6 OTHER FEES	5
ITEM 7 ESTIMATED INITIAL INVESTMENT	8
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	11
ITEM 9 FRANCHISEE’S OBLIGATIONS	13
ITEM 10 FINANCING	14
ITEM 11 FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING.....	16
ITEM 12 TERRITORY	20
ITEM 13 TRADEMARKS.....	21
ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION.....	22
ITEM 15 OBLIGATIONS TO PARTICIPATE IN THE ACTUAL OPERATION.....	23
ITEM 16 RESTRICTIONS ON WHAT FRANCHISEE MAY SELL.....	23
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	23
ITEM 18 PUBLIC FIGURES	28
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	28
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION	31
ITEM 21 FINANCIAL STATEMENTS.....	34
ITEM 22 CONTRACTS	34
ITEM 23 RECEIPT	34

Exhibits

Exhibit A	Franchise Agreement (with attachment and state specific amendment)
Exhibit B	Development Agreement (with state specific amendment)
Exhibit C	Financial Statements
Exhibit D	Form of General Release
Exhibit E	State Administrators
Exhibit F	Agents for Service of Process
Exhibit G	List of Franchisees
Exhibit H	List of Former Franchisees
Exhibit I	Receipts

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