



Cosi, Inc.
A Delaware corporation
1751 Lake Cook Road, Suite 600

FRANCHISE DISCLOSURE DOCUMENT

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www.getcosi.com

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SECURITIES

This disclosure document provides information regarding the operation of a premium convenience (also referred to as fast casual) restaurant offering a menu specializing in our signature crackly-crust flatbread, made-to-order sandwiches, freshly-tossed salads, fresh soups, Cosi® Melts, flatbread pizzas, Cosi® Squagels®, breakfast wraps, oatmeal, breakfast parfaits and other breakfast items, S'mores, bread pudding and other snacks and desserts, gourmet coffee and specialty beverages, and other food and beverage items, under the name "Cosi®". A "Cosi®" restaurant operates using our proprietary recipes, formulae, and techniques, trade dress, and trademarks and logos. The total investment necessary to begin operation of a "Cosi®" franchise is \$755,000 to 1,246,900. This includes \$40,000 (for the initial franchise fee, unless you are purchasing your second or later franchise, in which event the initial franchise fee is \$35,000) that must be 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 or grant. **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 Cosi, Inc. at 1751 Lake Cook Road, Suite 600, Deerfield, Illinois 60015, Legal Department, Vicki Baue at 847-597-8818 or Lindsey Reiss at 847-597-8897, or Franchise Business Development, Marcia Pollard at 847-597-8905 (or the main number at 847-597-8800).

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 contract carefully. Show your contract 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-FTCHELPHelp 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 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: April 15, 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 C 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. THE FRANCHISE AGREEMENT PERMITS YOU TO LITIGATE ONLY IN THE STATE IN WHICH FRANCHISOR IS LOCATED. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH FRANCHISOR IN THE STATE IN WHICH IT IS LOCATED THAN IN YOUR HOME STATE.
- *2. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE IN WHICH FRANCHISOR IS LOCATED 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.

Effective Date: See next page for state effective dates.

State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration disclosure laws, with the following states.

STATE	EFFECTIVE DATE
CALIFORNIA	
ILLINOIS	
INDIANA	
MARYLAND	
MICHIGAN	
MINNESOTA	
NEW YORK	
RHODE ISLAND	
VIRGINIA	
WASHINGTON	
WISCONSIN	

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