

FRANCHISE DISCLOSURE DOCUMENT
MEDITERRANEAN CUISINE FRANCHISING COMPANY, LLC

A Delaware limited liability company

9025 Wilshire Boulevard, 5th Floor

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Department of
Business Oversight



Mediterranean Cuisine Franchising Company, LLC, a Delaware limited liability company, offers franchises for fast casual restaurants ("Daphne's Restaurants") that offer a menu of freshly prepared California-inspired Greek and Mediterranean appetizers, sandwiches, wraps, salads, platters, side dishes and non-alcoholic beverages for on-premises and off-premises consumption and catering events. We offer the rights for 3 different franchises in this Disclosure Document:

Single Restaurant Program. Under the Single Restaurant Program, you will sign a Franchise Agreement to operate one Daphne's Restaurant. The total investment necessary to begin operation of one Daphne's Restaurant ranges from approximately \$282,500 to \$724,500. This includes \$30,000 that must be paid to us or our affiliate.

Area Development Program. Under the Area Development Program, we will assign you a defined area within which you must develop and operate 2 or more Daphne's Restaurants. The total investment necessary to begin operations of the first Daphne's Restaurant under an Area Development Agreement ranges from approximately \$302,500 to \$749,500. This includes \$45,000 that must be paid to us or our affiliate.

Purchase Program. Under the Purchase Program, you will purchase an existing and operating an affiliate-owned Daphne's Restaurant from our affiliate. The total investment necessary to begin operations of an operating Daphne's Restaurant ranges from approximately \$139,500 to \$623,500. This includes \$92,000 to \$476,000 that must be paid to us or our 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 Michael Nakhleh, Mediterranean Cuisine Franchising Company, LLC, 9025 Wilshire Boulevard, 5th Floor, Beverly Hills, California 90211; Telephone: (310) 924-6270; Email: Michael@Daphnes.biz.

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 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 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 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 OCTOBER 10, 2017.

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 K 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 THIS FRANCHISE, 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, AREA DEVELOPMENT AGREEMENT AND ASSET PURCHASE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION AND LITIGATION ONLY IN LOS ANGELES COUNTY, CALIFORNIA. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO PARTICIPATE IN MEDIATION AND LITIGATION WITH US IN CALIFORNIA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND ASSET PURCHASE 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. YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT AND ASSET PURCHASE AGREEMENT. THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. 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 be sure to do your own investigation of the franchise.

See the 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 state having franchise registration and disclosure laws, with the following effective date:

California: _____

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of October 10, 2017.

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