

FRANCHISE DISCLOSURE DOCUMENT



DMK Franchisor LLC
1664 N. Ada Street
Chicago, Illinois 60642
Tel: (847) 682-6980
www.dmkburgerbar.com
info@dmkrestaurants.com

The franchise offered is for the right to operate a “DMK Burger Bar” franchised business in either a food court location or an inline location offering grass-fed Angus beef burgers, turkey and vegetarian burgers, gourmet sandwiches, hand-cut fries, salads, house-made milkshakes and sodas, and other food and beverage products and services, along with certain food items utilizing the proprietary system for DMK Burger Bars.

The total investment necessary to begin operation of a DMK Burger Bar franchise ranges from \$318,500 to \$469,000 for a food court location, and \$484,000 to \$769,500 for an inline location. This amount includes up to \$30,000 that must be paid to the franchisor or its affiliate. If you want development rights, you must pay the franchisor or its affiliate a development fee equal to \$30,000 (the initial franchise fee for the first DMK Burger Bar) plus a deposit of \$12,000 for the second DMK Burger Bar you will develop and each additional DMK Burger Bar you will develop (you must develop a minimum of 2 DMK Burger Bars).

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 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 David Morton at 1664 N. Ada Street, Chicago, Illinois 60642, and (847) 682-6980.

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-FTC-HELP 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 of this Franchise Disclosure Document: April 19, 2018.

DMK Franchisor LLC
DMK Burger Bar – 2018 FDD
CHI 68995506v1

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 A 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 REQUIRES YOU TO RESOLVE CERTAIN DISPUTES WITH US BY ARBITRATION OR LITIGATION IN THE CITY IN WHICH OUR THEN CURRENT PRINCIPAL BUSINESS ADDRESS IS LOCATED (CURRENTLY, CHICAGO, ILLINOIS). OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN THE STATE OF ILLINOIS THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT REQUIRES THAT ILLINOIS 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. WE WERE FORMED IN SEPTEMBER 2016. AS A RESULT, WE ONLY HAVE A BRIEF OPERATING HISTORY TO ASSIST YOU IN DETERMINING WHETHER OR NOT TO MAKE THIS INVESTMENT.
4. YOU WILL NOT RECEIVE AN EXCLUSIVE FRANCHISE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS WE OR OUR AFFILIATES OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS WE OR OUR AFFILIATES CONTROL.
5. 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.

Effective Date: See the next page for state effective dates.

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DMK FRANCHISOR LLC
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 and disclosure laws, with the following effective dates:

<u>State</u>	<u>Effective Date</u>
California	
Hawaii	Not Registered
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	
Washington	Not Registered
Wisconsin	

In all other states, this Franchise Disclosure Document's effective date is the issuance date of April 19, 2018.

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