

FRANCHISE DISCLOSURE DOCUMENT



Garbanzo Mediterranean Grill Franchising, LLC
A Colorado limited liability company
7700 E. Arapahoe Road Suite 270
Centennial, CO 80112
Phone: 303-221-2559
franchise@eatgarbanzo.com
www.eatgarbanzo.com

The franchisee will operate a quick serve restaurant and catering and delivery business specializing in Mediterranean cuisine, including hummus, falafel, chicken and beef shwarmas and salads on handmade pita and laffa and soups and desserts under the trademark "Garbanzo Mediterranean Fresh®."

The total investment necessary to begin operation of a Garbanzo Mediterranean Fresh restaurant is \$387,856 to \$972,450. This includes the \$30,000 Initial Franchise Fee and \$8,000 Initial Training Fee that must be paid to the franchisor. If you are granted area development rights under an Area Development Agreement, you will be granted the right to open a minimum of three Garbanzo Mediterranean Fresh restaurants. You will pay Franchisor a Development Fee of \$30,000 for each Garbanzo Mediterranean Fresh restaurant you agree to open under the Area Development Agreement (a minimum of \$90,000). If you sign an Area Development Agreement we may also grant you the right to operate a Garbanzo Mediterranean Fresh food truck ("Food Truck"). If you are granted the right to operate a Food Truck, the total investment necessary to begin the operation of the Food Truck (in addition to the total investment necessary to begin operation of a Garbanzo Mediterranean Fresh restaurant), is between \$61,781 and \$90,681. This amount includes a Food Truck Fee of \$5,000 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. **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 Patti Rother Garbanzo Mediterranean Grill Franchising, LLC, at 7700 E. Arapahoe Road, Suite 270, Centennial, CO 80112, 303- 221-2559.

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, 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.

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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 FRANCHISOR OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit H 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 DISPUTES WITH US BY LITIGATION OR ARBITRATION IN COLORADO. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE OR ARBITRATE WITH US IN COLORADO THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT COLORADO 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. THE FRANCHISE OWNERS AND THEIR SPOUSES MUST EACH SIGN PERSONAL GUARANTIES MAKING EACH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. THE FRANCHISEE IS NOT GRANTED AN EXCLUSIVE TERRITORY AND FRANCHISOR MAY COMPETE WITH FRANCHISEE IN NON-TRADITIONAL LOCATIONS.
5. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$387,856 to \$972,450. THIS AMOUNT EXCEEDS THE FRANCHISOR'S MEMBERSHIP EQUITY AS OF DECEMBER 31, 2016, WHICH IS (\$345,671).
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may use the services of one or more Franchise Broker 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.

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STATE EFFECTIVE DATES

The following states require that the 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, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure (or business opportunity*) laws as of the dates listed:

California	Not registered
Florida	Not registered
Hawaii	Not registered
Illinois	Not registered
Indiana	Not registered
Kentucky	Not registered
Maryland	July 21, 2016
Michigan	Not registered
Minnesota	Not registered
Nebraska	Not registered
New York	Not registered
North Dakota	Not registered
Rhode Island	Not registered
South Dakota	Not registered
Texas*	November 16, 2009
Utah	Not registered
Virginia	July 5, 2016
Washington	Not registered
Wisconsin	Not registered

In all other states, the effective date of this Franchise Disclosure Document is **May 22, 2017**

* denotes a one time filing

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