

**FRANCHISE DISCLOSURE DOCUMENT****GIGI'S FRANCHISE CORPORATION****A Wyoming corporation****420 Commerce Street, Suite 300****Fort Worth, Texas 76102****Telephone (267) 507-6139****Email: Michael@gigiscorp.com****URL: www.gigiscupcakesusa.com**

Gigi's Franchise Corporation, a Wyoming corporation, offers franchises for the operation of bakery shops ("Gigi's Cupcakes Shops") that offer a variety of upscale cupcakes baked onsite, prepared and packaged specifically for delivery, take-out and onsite consumption and a variety of other related food products and non-alcoholic beverages for both on-premises and off-premises consumption and catering events. We offer the rights for 3 different franchises in this Disclosure Document:

Single Shop Program. Under the Single Shop Program, you will sign a Franchise Agreement to operate a single Gigi's Cupcakes Shop. The total investment necessary to begin operations of a single Gigi's Cupcakes Shop ranges from approximately \$227,200 to \$431,500. This includes \$20,000 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 a minimum of 2 Gigi's Cupcakes Shops. The total investment necessary to begin operations of a single Gigi's Cupcakes Shop under the Area Development Program ranges from approximately \$238,200 to \$443,500 per Shop. This includes \$30,000 that must be paid to us or our affiliate.

Purchase Program. Under the Purchase Program, you will purchase an existing and operating Gigi's Cupcakes Shop from our affiliate. The total investment necessary to begin operations of an operating Gigi's Cupcakes Shop ranges from approximately \$156,500 to \$405,500. This includes \$132,000 to \$348,000 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 our CEO, Michael Nakhleh at 420 Commerce Street, Suite 300, Fort Worth, Texas 76102, telephone (267) 507-6139; Michael@gigiscorp.com.

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 JULY 2, 2019.

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 I** 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH GIGI'S FRANCHISE CORPORATION BY MEDIATION ONLY IN LOS ANGELES, CALIFORNIA. OUT OF STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO PARTICIPATE IN MEDIATION WITH GIGI'S FRANCHISE CORPORATION IN CALIFORNIA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT 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. THE FRANCHISE AGREEMENT REQUIRES ALL PRESENT AND FUTURE OWNERS OF THE EQUITY OR YOUR VOTING RIGHTS, INCLUDING SPOUSES (AND FAMILY MEMBERS WHO LIVE IN THE SAME HOUSEHOLD, WITH THE EXCEPTION OF MINOR CHILDREN) AND AFFILIATES TO SIGN A WRITTEN GUARANTEE OF PAYMENT AND PERFORMANCE OF OBLIGATIONS UNDER THE FRANCHISE AGREEMENT. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF OWNERS, SPOUSES AND FAMILY MEMBERS AT RISK.
4. THIS NEW FRANCHISOR HAS BEEN IN BUSINESS FOR SUCH A SHORT PERIOD OF TIME THAT ITS FRANCHISES ARE A HIGHER RISK INVESTMENT THAN FRANCHISORS WITH A LONGER-TERM OPERATING HISTORY.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may 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 states having franchise registration and disclosure laws, with the following effective dates:

<u>State:</u>	<u>Effective:</u>
Indiana	_____
Minnesota	_____
North Dakota	_____
Wisconsin	_____

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