

FRANCHISE DISCLOSURE DOCUMENT



Go Yo Franchise Corp.

a Florida Corporation 1000 N. Congress Ave., Suite 120 Boynton Beach, Florida 33426 Tele: (503) 706-2099

<u>www.goyonow.com</u> Email: franchise@goyonow.com

The franchise offered is for the operation of stores specializing in self-serve frozen yogurts, toppings, and beverage items offered on a dine-in and take-out basis under the name "Go Yo!" (each, a "Store"). A Go Yo! Store offers a variety of frozen yogurts and toppings for dine-in and take-out and operates using the

franchisor's proprietary recipes, formulae, techniques, trade dress, trademarks and logos.

The total investment necessary to begin operation of a single Go Yo! Store is \$340,631 to \$458,205, which includes \$49,000 that must be paid to the franchisor or its affiliates prior to opening.

Franchisor also offers qualified prospects that have entered into a single-unit franchise agreement the right to develop additional Stores by executing a Multi-Unit Development Agreement (the "Development Agreement") for the right to operate between one and four additional Stores within a defined geographical area. The Development Agreement must be executed at the same time you execute the franchise agreement for your first Store. You must pay franchisor the appropriate development fee (the "Development Fee") for the right to develop these additional Stores at the time you enter into your Development Agreement, which will vary based on the number of additional Stores you agree to open as follows: (i) \$31,000 to operate one additional Store; (ii) \$51,000 to operate two additional Stores; (iii) \$66,000 to operate three additional Stores; and (iv) \$76,000 to operate four additional Stores. You must execute a separate form of franchise agreement for each additional Store you wish to operate, but will not be required to pay any additional initial franchise fees at the time you execute these additional franchise agreements.

The total initial investment necessary to begin operation of an Area Representative Business, whereby you will serve as franchisor's independent Area Representative and recruit franchisees to own and operate Go Yo! Stores and provide support services to franchisees within a given territory (a "Development Area"), will range from \$482,131 to \$1,060,955 for a typical Development Area with a population between 683,000 to 10,800,000 people, which includes an Area Representative Fee amounting to \$0.06 per person within your Development Area that must be paid to franchisor prior to opening. This range also includes the initial investment to open and commence operating your own Store within the Development Area under a separate form of franchisor's then-current franchise agreement.

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 the 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 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 Thomas Chambers at 1000 N. Congress Ave., Suite 120, Boynton Beach, Florida 33426 and (503) 706-2099.



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 more 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 Issue Date of this Disclosure Document is March 29, 2012.



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 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. AT OUR OPTION, THE FRANCHISE AGREEMENT, DEVELOPMENT AGREEMENT AND AREA REPRESENTATIVE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN PALM BEACH COUNTY, FLORIDA. IT MAY COST YOU MORE TO MEDIATE WITH US IN FLORIDA THAN IN YOUR OWN STATE.
- 2. DISPUTES ARISING OUT OF THESE AGREEMENTS WITH US THAT ARE NOT SUBJECT TO OR RESOLVED BY MEDIATION MUST BE RESOLVED BY LITIGATION IN PALM BEACH COUNTY, FLORIDA. IT MAY COST YOU MORE TO LITIGATE WITH US IN FLORIDA THAN IN YOUR OWN STATE
- 3. THE FRANCHISE AGREEMENT, DEVELOPMENT AGREEMENT AND AREA REPRESENTATIVE AGREEMENT STATE THAT FLORIDA LAW GOVERNS. FLORIDA LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 4. IF THE FRANCHISEE IS A BUSINESS ENTITY, EACH CONTROLLING PRINCIPAL OF THE FRANCHISEE ENTITY AND (AT FRANCHISOR'S OPTION) THE RESPECTIVE SPOUSES OF EACH CONTROLLING PRINCIPAL MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF EACH CONTROLLING PRINCIPAL AND THEIR SPOUSE AT RISK.
- 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 is <u>our</u> agent and 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 Dates for this Franchise Disclosure Document in the Registration States are Listed on the Following Page.]

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