

FRANCHISE DISCLOSURE DOCUMENT



CBOP Domestic, Inc.
An Arizona corporation
15005 N. Northsight Blvd.
Scottsdale, AZ 85260
480-947-7100
franchising@grimaldispizzeria.com
www.grimaldispizzeria.com

The franchisee will operate a restaurant under the “GRIMALDI’S,” “GRIMALDI’S PIZZERIA,” and “GRIMALDI’S COAL-BRICK OVEN PIZZERIA” names and marks featuring fresh made, hand-tossed pizzas and calzones baked in a coal-fired brick oven, house made salads and cheesecakes made fresh in the restaurant, and a full bar that includes proprietary wines (“Grimaldi’s Restaurant”).

The total amount necessary to begin operation of a Grimaldi’s Restaurant under a Grimaldi’s Restaurant Franchise Agreement ranges from \$1,544,800 to \$1,755,000. This includes \$169,000 to \$186,720 that is payable to us and our affiliates. If you sign a Development Agreement to develop multiple Grimaldi’s Restaurants you will pay the Development Fee in the amount of \$10,000 for each Grimaldi’s Restaurant that you commit to develop. There is no minimum number of Grimaldi’s Restaurants that you are required to develop under the Development 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 this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, us or our affiliates in connection with the proposed franchise sale or sooner if required by applicable state law. **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 Victor Rosa at 15005 N. Northsight Blvd., Scottsdale, AZ 85260 or 480-947-7100.

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 (“FTC”). You can contact the FTC by calling 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 us to register or file with a state administrator before offering or selling franchises 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 us 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 ARBITRATION WHERE WE HAVE OUR PRINCIPAL PLACE OF BUSINESS, WHICH CURRENTLY IS SCOTTSDALE, ARIZONA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT ALSO MAY COST YOU MORE TO ARBITRATE WITH US IN ARIZONA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT PROVIDES THAT ARIZONA LAW GOVERNS THE AGREEMENTS. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR ALL FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE FRANCHISE. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Certain states require franchisors to make additional disclosures related to the information contained in this disclosure document. Those disclosures are contained in Exhibit D to this disclosure document.

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 Dates: See the next page for the 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:

California: _____
Illinois: _____
Indiana: _____
Michigan: _____
New York: _____
South Dakota: _____
Wisconsin: _____

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