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FRANCHISE DISCLOSURE DOCUMENT
[CALIFORNIA]

HDOS 2015 CALIFORNIA FDD
NJ 229211442v2



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Business Oversight

FRANCHISE DISCLOSURE DOCUMENT

HDOS Franchising, LLC
A Delaware Limited Liability Company
1346 Oakbrook Drive, Suite 170
Norcross, Georgia 30093
(770) 514-4500
franchiseinfo@gfgmanagement.com
www.hotdogonastick.com



HDOS Franchising, LLC offers franchises for the operation of restaurants specializing in fresh-squeezed lemonade, hot dogs on a stick (a 100% turkey dog dipped in batter and fried to a golden brown), French fries, and complementary products under the HOT DOG ON A STICK mark (Stores)

The total investment necessary to begin operation of a HOT DOG ON A STICK franchise is \$290,200 to \$533,500 This includes \$15,000 to \$50,000 that must be paid to us or our affiliates

The total investment necessary to begin operation of a HOT DOG ON A STICK Area Development franchise is \$855,600 to \$1,585,500 for the first 3 Stores opened under the Area Development Agreement This includes \$50,000 or more that must be paid to us or our affiliates

This Franchise Disclosure Document ("Disclosure Document") summarizes certain provisions of your Franchise Agreement Area Development 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 Tim Linderman, 770-514-4696, 1346 Oakbrook Drive, Suite 170, Norcross, Georgia 30093

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 also can 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 also may be laws on franchising in your state Ask your state agencies about them

Issuance Date April 3, 2015

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STATE COVER PAGE

Your state may have a franchise law that requires us 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 G 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 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 TO RENEW.

Please consider the following **RISK FACTORS** before you buy this franchise:

- 1 THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT REQUIRE THAT YOU RESOLVE DISPUTES WITH US BY LITIGATION IN DELAWARE - OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT ALSO MAY COST MORE TO LITIGATE IN DELAWARE THAN IN YOUR HOME STATE.**
- 2 THE FRANCHISE AGREEMENT AND THE AREA DEVELOPMENT AGREEMENT STATE THAT DELAWARE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS.**
- 3 SPOUSES OF FRANCHISE OWNERS MUST SIGN A PERSONAL GUARANTY AND BE BOUND BY THE TERMS OF THE FRANCHISE AGREEMENT, PLACING THEIR PERSONAL AND MARITAL ASSETS AT RISK.**
- 4 THE FRANCHISE AGREEMENT PROVIDES FOR YOUR PAYMENT OF LIQUIDATED DAMAGES IF WE TERMINATE THE FRANCHISE AGREEMENT FOR CAUSE.**
- 5 THE FRANCHISE TERRITORY IS NOT EXCLUSIVE.**
- 6 WE WERE FORMED IN AUGUST 2014. AS A RESULT, WE ONLY HAVE A BRIEF OPERATING HISTORY TO ASSIST YOU IN DETERMINING WHETHER OR NOT TO MAKE THIS INVESTMENT.**
- 7 THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT THE FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN ALL STATES, INCLUDING BUT NOT LIMITED TO, A LIMITATION OF DAMAGES AND A WAIVER OF JURY TRIAL.**
- 8 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. If we use a franchise broker, we will pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

Effective Date See the next page for state effective dates.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/hot-dog-on-a-stick>