FRANCHISE DISCLOSURE DOCUMENT





HDYR, L.L.C. 10435 Burnet Road, Ste. 107 Austin, TX 78758 (512) 394-6104 www.howdoyouroll.com info@howdoyouroll.com

The franchises offered are for (1) establishment of one or more restaurants offering maki style sushi and related other products under the service mark "How Do You Roll?" or (2) the establishment of an area representative business to perform certain franchise sales and support services for franchised restaurants. The total investment necessary to begin operation of a single How Do You Roll? franchise ranges from \$299,295 to \$508,780. This includes \$57,000 that must be paid to us or our affiliate.

We offer qualified applicants a Multi-Restaurant Development Agreement under which you must also pay a separate development fee equal to the total of: (i) 100% of the initial franchise fee for the first Restaurant (\$30,000); and (ii) 50% of the initial franchise fee (\$10,000) for the second and each additional Restaurant to be developed under the Multi-Restaurant Development Agreement. You will receive a credit on the initial franchise fee you pay for a particular Restaurant equal to the part of the development fee attributable to that particular Restaurant.

The total investment necessary to begin operation of an area representative business is \$47,948 to \$257,205. This includes \$20,000 to \$200,000 that must be 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 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 Yuen Yung, 10435 Burnet Road, Ste. 107, Austin, TX 78758, (512) 394-6104, <u>franchise@howdoyouroll.com</u>.

The terms of your contract will govern your franchise relationship. Do not 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 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.

Date of Issuance: February 14, 2013



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 administrators listed in Exhibit A 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, DEVELOPMENT AGREEMENT AND AREA REPRESENTATIVE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN TEXAS. ALSO, ANY LEGAL ACTION THAT WE BRING AGAINST YOU WILL BE FILED ONLY IN TEXAS. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT ALSO MAY COST YOU MORE TO LITIGATE WITH US IN TEXAS THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT, DEVELOPMENT AGREEMENT AND AREA REPRESENTATIVE AGREEMENT STATE THAT TEXAS 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. YOU WILL NOT RECEIVE AN EXCLUSIVE AREA UNDER YOUR FRANCHISE AGREEMENT.

4. THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTY MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT WHICH ALSO PLACES THE SPOUSE'S PERSONAL ASSETS AT RISK. THE FRANCHISEE'S SPOUSE MUST ALSO SIGN A NON-DISCLOSURE AGREEMENT PLACING THEIR PERSONAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THISE FRANCHISE OPPORTUNITY.

5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We occasionally 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.

State registration effective dates are listed on the following State Registrations Page.



HDYR, L.L.C. <u>STATE REGISTRATIONS PAGE</u>

This 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:

STATE	EFFECTIVE DATE
California	February 26, 2013
Illinois	
Maryland	March 21, 2013
New York	April 1, 2013
Virginia	March 11, 2013

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.

As of the date of this disclosure document, this disclosure has not been filed in the states listed above (other than California, Illinois, Maryland, New York and Virginia), and, therefore, franchises are not currently being offered in these states.

In all other states, the effective date of this Disclosure Document is February 14, 2013.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/how-do-you-roll