



## FRANCHISE DISCLOSURE DOCUMENT HURTS DONUT COMPANY, LLC

A Missouri limited liability company 509 West Olive Street, STE 101, Springfield, Missouri 65806 Telephone: (417) 368-0279 tim@hurtsdonutco.com

The franchisee will own and operate a donut store.

The total investment necessary to begin operation of an HDC franchise ranges from \$553,000.00 to \$1,076,000.00. This includes a \$35,000 franchise fee that must be paid to the franchisor.

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 governmental agency has verified the information contained in this document.** 

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 <u>"A Consumer's Guide to Buying a Franchise"</u>, 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 <u>www.ftc.qov</u> for additional information on franchising.

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

This document is in paper format. You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosure in different formats, contact Timothy Clegg, tim@hurtsdonutco.com. Hurts Donut Company, LLC, 509 West Olive Street, STE 101, Springfield, MO 65806, 417-368-0279

Issue Date: \_\_\_\_\_, 2020

Number: \_\_\_\_\_



## 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 INFORAMTION IN THIS DISCLOSURE DOCUMENT.** 

Call the state administrators listed in Exhibit A for information about the franchisor, about other franchisors, 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 THE FRANCHISEE TO LITIGATE WITH THE FRANCHISOR ONLY IN MISSOURI. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH THE FRANCHISOR IN MISSOURI THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT MISSOURI 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. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: \_\_\_\_\_, 2020



## TABLE OF CONTENTS

ITEM		PAGE
1.	THE FRANCHISOR, AND ANY PARENTS, PREDECESSOR AND AFFILIATES .	
2.	BUSINESS EXPERIENCE	
3.		
4.	BANKRUPTCY	
5.	INITIAL FEES	
6.	OTHER FEES	
7.	YOUR ESTIMATED INITIAL INVESTMENT	
8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	
9.	FRANCHISEE'S OBLIGATIONS	
10.		14
11.	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND	
12.		
13.	TRADEMARKS PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION	
14.		24
15.	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION	05
16.	OF THE FRANCHISED BUSINESS RESTRICTIONS ON WHAT YOU MAY SELL	
10.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	
17.	PUBLIC FIGURES	
16. 19.	FINANCIAL PERFORMANCE REPRESENTATIONS	29
19. 20.	OUTLETS AND FRANCHISEE INFORMATION	
20.	FINANCIAL STATEMENTS	
21.	CONTRACTS	
22.	RECEIPT	
23.		50
	STATE SPECIFIC ADDENDUM	37

## EXHIBITS:

A:	State Administrators: Agents for Service of Process; Effective Dates
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- B: Roster of Franchisees
- C: Audited Financial Statements
- D: Franchise Agreement
- E Receipt

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