

MASTER FRANCHISE DISCLOSURE DOCUMENT

The Little Mint, Inc., a North Carolina Corporation
102 Commercial Avenue, Mount Olive, North Carolina 28365
(919) 635-0902
www.hwy55burgers.com

HWY 55 BURGERS SHAKES & FRIES®



As a master franchisee, you will own, operate, procure, and assist subfranchisees to develop HWY 55 BURGERS SHAKES & FRIES® fast casual restaurants in order to expand our franchised business, which specializes in the sale of freshly made hamburgers, cheeseburgers, cheesesteaks, hot dogs and french fries prepared in accordance with our recipes and ingredients, and other food items that we may specify periodically.

The total investment necessary to purchase a master franchise depends upon the number of stores granted in the Master Franchise Agreement. The Master Franchise fee is the product of the number of future stores being sold times Five Thousand and No/100 Dollars (\$5,000.00). The total investment necessary to become a subfranchisor under a Master Franchise Agreement and begin operation of a single HWY 55 BURGERS SHAKES & FRIES® franchise restaurant ranges from Four Hundred Thirty Five Thousand Eight Hundred Fifty Five and No/100 Dollars (\$435,855.00) to Eight Hundred Seventy-Eight Thousand Five Hundred Fifty Five and No/100 Dollars (\$878,555.00). Please see Items 5 and 7 for additional details. As a master franchisee, you will pay a subfranchising fee equal to Twelve Thousand Five Hundred and No/100 Dollars (\$12,500.00) for each restaurant to be opened under the Master Franchise Agreement. Your total investment necessary as a developer will vary based on the number of restaurants to be developed.

This disclosure document summarizes certain provisions of your Master Franchise Agreement, Subfranchisor Restaurant Franchise Agreement, Development Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least fourteen (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 our Franchise Administration Department at 102 Commercial Avenue, Mount Olive, NC 28365, Attn: Franchise Department, (919) 635-0902.

The terms of your contracts will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contracts carefully. Show your contracts and this disclosure document to an advisor like a lawyer or an accountant.

Buying a master 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, DC 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.

Issuance Date: **April 30, 2017**

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 Attachment A to the Franchise Agreement 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 MASTER FRANCHISE AGREEMENT AND SUBFRANCHISOR RESTAURANT FRANCHISE AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN NORTH CAROLINA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH US IN NORTH CAROLINA THAN IN YOUR OWN STATE. THIS PROVISION IS SUPERSEDED BY CERTAIN STATE LAWS.
2. ANY DISPUTES WITH US THAT ARE NOT SUBJECT TO ARBITRATION MUST BE RESOLVED BY LITIGATION IN NORTH CAROLINA. IT MAY COST YOU MORE TO LITIGATE WITH US IN NORTH CAROLINA THAN IN YOUR OWN STATE.
3. THE MASTER FRANCHISE AGREEMENT AND SUBFRANCHISOR RESTAURANT FRANCHISE AGREEMENT STATE THAT NORTH CAROLINA LAW GOVERNS THE FRANCHISE AND DEVELOPMENT AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
4. SPOUSE(S) OF FRANCHISE OWNERS MUST EXECUTE A PERSONAL GUARANTY MAKING SUCH SPOUSE(S) JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE WHETHER OR NOT SUCH SPOUSE(S) ARE INVOLVED IN THE OPERATION OF THE FRANCHISE BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER(S) AND SPOUSE(S) AT RISK.
5. VENDORS OF PRODUCTS AND EQUIPMENT MAY CHOOSE NOT TO SELL OR LEASE RECOMMENDED OR REQUIRED EQUIPMENT, PRODUCTS OR SERVICES TO YOU, DEPENDING ON SUCH FACTORS AS YOUR CREDIT AND ARRANGEMENTS WITH OTHER SELLERS IN YOUR AREA.

6. THE MASTER FRANCHISE AGREEMENT AND SUBFRANCHISOR FRANCHISE AGREEMENT CONTAINS COVENANTS NOT TO COMPETE AND OTHER PROVISIONS WHICH EXTEND BEYOND THE TERM OF THE FRANCHISE AGREEMENT.
7. THE FRANCHISOR HAS RECENTLY CHANGED ITS TRADE NAME. AS A RESULT, THE OPERATING HISTORY PROVIDED IN THIS DISCLOSURE DOCUMENT IS BASED UPON THE FRANCHISOR AND FRANCHISEES OPERATING UNDER A PREVIOUS TRADE NAME.
8. WE CURRENTLY DO BUSINESS UNDER THE NAMES "HWY 55 BURGERS SHAKES & FRIES®", "ANDY'S CHEESESTEAKS & CHEESEBURGERS®", AND "ANDY'S BURGERS SHAKES & FRIES®." WE ARE IN THE PROCESS OF TRANSITIONING OUR, AND OUR FRANCHISEES' USE OF "ANDY'S CHEESESTEAKS & CHEESEBURGERS®" and "ANDY'S BURGERS SHAKES & FRIES®" (COLLECTIVELY, "ANDY'S FRANCHISES") TO "HWY 55 BURGERS SHAKES & FRIES®". WE ANTICIPATE COMPLETING THIS CONVERSION BY JUNE 1, 2017. WE ARE NO LONGER OFFERING ANY ANDY'S FRANCHISES, AND ALL NEW FRANCHISE OPPORTUNITIES WILL BE OPENED PURSUANT TO THE HWY 55 PLAN.
9. A NEW HWY 55 BURGERS SHAKES & FRIES® FRANCHISEE'S INDIVIDUAL FINANCIAL RESULTS MAY DIFFER FROM THE RESULTS OF FRANCHISEES OPERATING A FRANCHISED OUTLET UNDER THE TRADE NAMES "ANDY'S CHEESESTEAKS & CHEESEBURGERS®" AND "ANDY'S BURGERS SHAKES & FRIES®."
10. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/hwy-55-burgers-shakes-fries>