

FRANCHISE DISCLOSURE DOCUMENT



Deli Management, Inc. 2400 Broadway Street (a Texas Corporation) Beaumont, TX 77702 (409) 838-1976 Gene.Barber@jasonsdeli.com www.jasonsdeli.com

Jason's Deli®

The Franchisee will operate a Jason's Deli restaurant, which is a modified form of a New York-style delicatessen that offers a variety of delicatessen products, as well as sandwiches, soups, baked potatoes, pasta dishes, wraps, a salad bar as well as catering and delivery services.

The total investment necessary to begin operation of a Jason's Deli franchise is \$873,680.00 to 1,244,680.00, exclusive of any land purchase. This includes \$35,000.00 initial franchise fee that must be paid to the franchisor or affiliate(s). If an Area Development Agreement is executed, one half of the initial franchise fee, (\$17,500.00) must be paid to the franchisor for every Deli made part of the Area Development Agreement.

This Franchise Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this Franchise Disclosure Document and all accompanying agreements carefully. You must receive this Franchise 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.

The terms of your contract will govern your franchise relationship. Don't rely on the Franchise Disclosure Document alone to understand your contract. Read your entire contract carefully. Show your contract and this Franchise Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Franchise 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 Franchise 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 of Franchise Disclosure Document: April 1, 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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. If you learn that anything in this Franchise Disclosure Document is untrue, contact the Federal Trade Commission and the State Administrators listed in Exhibit G.

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 AND DEVELOPMENT AGREEMENT PERMIT THE FRANCHISEE TO SUE DELI MANAGEMENT, INC. ONLY IN TEXAS UNLESS PROHIBITED BY STATE LAW OR THE STATE REGULATORY ENTITY GOVERNING FRANCHISES. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE DELI MANAGEMENT, INC. IN TEXAS THAN IN YOUR HOME STATE.
- 2. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATES THAT TEXAS LAW GOVERNS BOTH AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. SEE CAVEATS REQUIRED BY VARIOUS LOCAL STATES CONTAINED IN STATE ADDENDUMS TO THE FRANCHISE AGREEMENT. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. THERE MAY BE OTHER RISK CONCERNING THIS FRANCHISE.
- 4. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$873,680.00 TO \$1,244,680.00. THIS AMOUNT EXCEEDS THE FRANCHISOR'S TOTAL EQUITY AS OF DECEMBER 31, 2012, WHICH IS REPORTED TO BE A DEFICIT OF \$46,035,466.00.

Effective Date: See the next page for 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.

The Franchise Disclosure Document is registered, on file or exempt from registration in the following States having franchise registration and disclosure laws, if an effective date is noted below for the State:

STATE	EFFECTIVE DATE
California	Pending
Florida	Pending
Hawaii	Not Registered
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Not Registered
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia Virginia	Pending
Washington	Pending
Wisconsin	Pending

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of April 1, 2013.

The States listed above may require specific disclosures and revisions to the Franchise Agreement and Franchise Disclosure Document. Those disclosures and revisions, if required, are contained in Exhibit "I" to the Disclosure Document.

This is a document preview downloaded from FranchisePanda.com free by visiting: https://franchisepanda.com/franchises/jasons-deli	. The full document is available fo