

NON-TRADITIONAL LICENSE DISCLOSURE DOCUMENT

KFC US, LLC
A Delaware Limited Liability Company
1900 Colonel Sanders Lane
Louisville, KY 40213
502-874-8300
www.KFC.com
susan.burton@yum.com



The licensee will operate a KFC non-traditional outlet, which prepares and sells chicken and other menu items KFCLLC approves.

The total investment necessary to begin operation of a KFC non-traditional outlet ranges from \$231,100 to \$996,000. This includes \$10,550 to \$25,550 that must be paid to the licensor or its affiliates.

This Disclosure Document summarizes provisions of the license 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 licensor or an affiliate in connection with the proposed license 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 Susan Burton at (502) 874-8300.

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

Buying a license is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on licensing, 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 licensing.

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

DATE OF ISSUANCE: March 21, 2019

KFC US, LLC
2019_03 Non-Traditional LDD

1172_006_010/2674113

STATE COVER PAGE

Your state may have a franchise law that requires a licensor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A LICENSE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE LICENSE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in the attached Exhibit A for information about the licensor, about other licensors or about franchising in your state.

MANY LICENSE 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 LICENSE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this license:

1. THE NON-TRADITIONAL LICENSE AGREEMENT AND NON-TRADITIONAL OPTION AGREEMENT STATE THAT KENTUCKY LAW GOVERNS EACH AGREEMENT AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
2. THE NON-TRADITIONAL OPTION AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN JEFFERSON COUNTY, KENTUCKY. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE US IN KENTUCKY THAN IN YOUR HOME STATE.
3. THERE MAY BE OTHER RISKS CONCERNING THIS LICENSE.

KFCLLC may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our license. A franchise broker or referral source represents us, not you. KFCLLC pays this person a fee for selling our license or referring you to us. You should be sure to do your own investigation of this license.

Effective Date: See the next page for State effective dates.

STATE EFFECTIVE DATES

The following states require that the License 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.

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	Exempt
Hawaii	_____
Illinois	Exempt
Indiana	Exempt
Maryland	Exemption Pending
Michigan	March 21, 2019
Minnesota	_____
New York	Exempt
North Dakota	Exemption Pending
Rhode Island	Exemption Pending
South Dakota	March 22, 2019
Virginia	Exemption Pending
Washington	Exemption Pending
Wisconsin	March 21, 2019

In all other states, the effective date of this License Disclosure Document is the Issuance Date of March 21, 2019.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/kfc-non-traditional>