

## FRANCHISE DISCLOSURE DOCUMENT

KFC US, LLC

A Delaware Limited Liability Company

1900 Colonel Sanders Lane

Louisville, KY 40213

502-874-8300

[www.KFC.com/franchise-a-kfc](http://www.KFC.com/franchise-a-kfc)

[KFCFranchiseFinance@yum.com](mailto:KFCFranchiseFinance@yum.com)



The franchisee will operate a dine-in and carryout KFC outlet, which prepares and sells chicken and other menu items KFCLLC approves.

The total investment necessary to begin operation of a newly constructed KFC outlet ranges from ~~\$1,442,600~~ \$1,440,600 to ~~\$2,771,550~~ \$3,163,550. This includes \$45,000 to ~~\$50,000~~ 48,000 that must be paid to KFCLLC or its affiliates. The total investment necessary to begin operation of a reopened or remodeled former KFC outlet, or converted KFC outlet ranges from ~~\$1,008,600~~ 1,006,600 to ~~\$2,221,550~~ 2,395,550. This includes \$45,000 to ~~\$50,000~~ 48,000 that must be paid to KFCLLC or its affiliates.

KFCLLC also offers multi-unit development opportunities. The total investment necessary to begin exercising development rights is estimated to be \$135,000 to \$540,000 (based on the expectation that you will develop 3 to 12 outlets during the term of the development agreement), determined by multiplying the number of new outlets you agree to develop by \$45,000, all of which must be paid to KFCLLC.

This Disclosure Document summarizes provisions of the franchise agreement and the development 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 Chris Brown at (502) 874-8623.

The terms of your contracts will govern your franchise 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 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](http://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.

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## How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits, or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits K and L.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit J includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only KFC business in my area?</b>	Item 12 and the "territory" provisions in the franchise agreement and the development agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What's it like to be a KFC franchisee?</b>	Item 20 or Exhibits K and L lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in

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