

FRANCHISE DISCLOSURE DOCUMENT



LBB FRANCHISING, LLC
A North Carolina Limited Liability Company
7621 Little Avenue, Suite 414
Charlotte, NC 28226
704.366.5122
Franchising@littlebigburger.com
www.littlebigburger.com

The franchisee will operate a unique, fast casual restaurant featuring made-to-order gourmet burgers, Camden's catsup, truffle fries, ice cream floats, sodas, craft beers and other food and beverage items for dine in and take out under the "Little Big Burger®" mark ("LBB Restaurant").

The total investment necessary to begin operation of an LBB Restaurant ranges from \$212,000 to \$464,000, which includes a \$40,000 Franchise Fee that must be paid to us. If you sign a Development Agreement to develop multiple LBB Restaurants you must pay us a Development Fee in the amount of \$20,000 for each Restaurant that you commit to develop. There is no minimum number of LBB Restaurants that you are required to develop under the Development Agreement.

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, us or our affiliates in connection with the proposed franchise sale. **Note, however, that no governmental 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 President, Rich Adams at the address and phone number above.

The terms of your franchise agreement 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 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 "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 Virginia Avenue, NW, Washington, D.C. 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.

The Issuance Date of this Franchise Disclosure Document is April 25, 2019.

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 administrators listed in Exhibit 1 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 FRANCHISE AGREEMENTS PERMIT THE FRANCHISEE TO MEDIATE OR LITIGATE ONLY IN THE JURISDICTION WHERE THE FRANCHISOR HAS ITS PRINCIPAL PLACE OF BUSINESS, WHICH IS CURRENTLY IN RALEIGH, NORTH CAROLINA. OUT OF STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE OR LITIGATE WITH THE FRANCHISOR IN NORTH CAROLINA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENTS STATE THAT THE LAW OF NORTH CAROLINA GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$212,000 TO \$464,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2018, WHICH IS (109,878).
4. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A SYSTEM WITH A LONGER OPERATING HISTORY.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Local law may supersede these franchise agreement provisions. Certain states require the superseding provisions to appear in an addendum in this disclosure document.

This disclosure document is not for use in Hawaii, North Dakota, South Dakota or Rhode Island.

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.

This Franchise 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	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
Virginia	
Wisconsin	

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