

FRANCHISE DISCLOSURE DOCUMENT



Lumberjacks Franchises, Inc.
a California corporation
410 Hemsted Drive, Suite 200
Redding, CA 96002
(530) 224-1872
Jeff.lumberjack@yahoo.com
www.lumberjacksrestaurant.com

We franchise the right to operate a single Lumberjacks franchised family-style restaurant (the "Restaurant") focused on serving signature entrees with generous portions in a casual restaurant setting.

The total investment necessary to begin operation of a single Lumberjacks Restaurant is \$432,800 to \$1,324,200. This includes \$46,050 to \$46,825 that must be paid to the franchisor or its affiliates prior to opening.

We also offer qualified parties the right to open and operate multiple Restaurants in accordance with a development schedule the parties agree to under our form of development agreement. The total investment necessary to begin operations under a development agreement will depend on the number of Restaurants we grant you the right to open. By way of example, the total investment necessary to begin operations under a development agreement for the right to open and operate three Restaurants ranges from \$487,800 to \$1,379,200, which includes: (i) a development fee amounting to \$72,500 that must be paid to the franchisor or its affiliates upon execution of the development agreement; and (ii) the total estimated initial investment to open and commence operations of the first Restaurant you are granted the right to develop within your development area (including a \$5,000 training fee paid to us).

This disclosure document summarizes certain provisions of your franchise agreement, 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 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 Lumberjacks Franchises, Inc., Attn: Jeff Garrett, 410 Hemsted Drive, Suite 200, Redding, CA 96002, (530) 224-1872.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract 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 Pennsylvania Avenue, N.W., 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.

Issuance date of this Franchise Disclosure Document: **April 22, 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 administrator listed in Exhibit B 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. AT OUR OPTION, THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE ALL DISPUTES WITH US, AT OUR OPTION, BY NON-BINDING MEDIATION AND LITIGATION ONLY IN REDDING, CALIFORNIA. OUT OF STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN THE STATE OF CALIFORNIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT IT IS GOVERNED BY CALIFORNIA LAW, EXCEPT THAT: (I) ANY AND ALL DISPUTES AND/OR ACTIONS RELATED TO ANY OF THE COVENANTS AGAINST COMPETITION SET FORTH IN THESE AGREEMENTS WILL BE GOVERNED BY THE LAW WHERE YOUR FRANCHISED BUSINESS IS LOCATED; AND (II) ANY CALIFORNIA FRANCHISE LAW OR REGULATION WILL NOT APPLY TO YOU OR THE FRANCHISE RIGHTS YOU ARE GRANTED UNLESS THE FRANCHISE MEETS THE JURISDICITONAL AND OTHER CRITERIA SET FORTH IN THE LAW(S) AT ISSUE FOR SUCH LAWS TO APPLY INDEPENDENT OF AND WITHOUT REFERENCE TO THIS CHOICE OF LAW PROVISION. THE APPLICATION OF CALIFORNIA LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS THE LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. IF THE FRANCHISEE IS AN INDIVIDUAL, YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR OBLIGATIONS UNDER THE AGREEMENT (UNLESS YOUR SPOUSE AGREES TO SIGN THE FRANCHISE AGREEMENT DIRECTLY). THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. IF THE FRANCHISEE IS A BUSINESS ENTITY, EACH PRINCIPAL/OWNER OF THE FRANCHISEE ENTITY AND THE RESPECTIVE SPOUSES OF EACH PRINCIPAL/OWNER MUST EXECUTE A PERSONAL GUARANTY. THIS PLACES THE PERSONAL ASSETS OF THESE INDIVIDUALS AND THEIR SPOUSES AT RISK.
5. THE TERRITORY IS NOT EXCLUSIVE BECAUSE WE RESERVE THE RIGHT TO OPERATE RESTAURANTS IN NON-TRADITIONAL LOCATIONS IN YOUR TERRITORY.

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The effective dates of this disclosure document in the states with franchise registration laws in which we have sought registration appear on the following page.

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

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