

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 \$436,800 to \$1,337,700. This includes \$46,050 to \$46,925 that must be paid to the franchisor or its affiliates prior to opening.

We also offer qualified parties the right to develop multiple Restaurants in accordance with a development schedule the parties agree to under our form of development agreement. The total investment necessary associated with commencing 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 enter into a development agreement and commence developing under a development agreement for the right to develop three (3) 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 29, 2020.

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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		
How much can I earn?	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		
	F and G.		
How much will I need to invest?	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.		
Does the franchisor have the	Item 21 or Exhibit E includes financial		
financial ability to provide support	statements. Review these statements		
to my business?	carefully.		
Is the franchise system stable,	Item 20 summarizes the recent history of		
growing, or shrinking?	the number of company-owned and		
Will are basis and basis	franchised outlets.		
Will my business be the only	Item 12 and the "territory" provisions in the		
Lumberjacks business in my area?	franchise agreement describe whether the franchisor and other franchisees can		
Does the franchise have a troubled	Items 3 and 4 tell you whether the		
legal history?	franchisor or its management have been		
regar mistory:	involved in material litigation or		
	bankruptcy proceedings.		
What's it like to be a Lumberjacks	Item 20 or Exhibits F and G list current and		
franchisee?	former franchisees. You can contact them		
	to ask about their experiences.		
What else should I know?	These questions are only a few things you		
	should look for. Review all 23 Items and all		
	Exhibits in this Disclosure Document to		
	better understand this franchise		
	opportunity. See the table of contents.		



What You Need To Know About Franchising Generally

<u>Continuing responsibility to pay fees</u>. You may have to pay royalties and other fees even if you are losing money.

<u>Business model can change</u>. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

<u>Supplier restrictions</u>. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

<u>Operating restrictions</u>. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

<u>Competition from franchisor</u>. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

<u>When your franchise ends</u>. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends that franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit C.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

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