

FRANCHISE DISCLOSURE DOCUMENT



MAMOUNS FRANCHISE COMPANY, LLC

A New Jersey Limited Liability Company

20 Witherspoon Street

Princeton, New Jersey 08542

(732) 598-7523

www.mamouns.com

The Franchisor is Mamouns Franchise Company, LLC (“we” or “MFC”). As a franchisee, you will be granted the right to independently own and operate a fast casual restaurant providing dine-in and carry-out services and featuring authentic Middle Eastern cuisine that includes falafel, hummus, tabbouleh, shawarma, baba-ganouj, shish-kabab, chicken kabab, other meat and vegan dishes, desserts and beverages at an affordable price (each, a “Franchised Business” or “Restaurant”).

The estimated total investment necessary to begin operations of a single Restaurant is \$798,954 to \$1,394,436. This includes \$40,000 that must be paid to the franchisor or affiliate.

The total investment necessary to operate three (3) or more Restaurants under our form of area development agreement depends on the number of franchises we grant you the right to open. The total investment necessary to open and operate three (3) Restaurants ranges from \$838,954 to \$1,434,436, which includes: (i) a development fee amounting to \$80,000 that must be paid to us upon execution of your area development agreement; and (ii) the estimated initial investment to begin operation of your initial Restaurant. Under the development agreement, the development fee is calculated by taking the sum of (a) \$40,000 for the initial Restaurant granted under that agreement, plus (b) \$20,000 for each additional Restaurant we grant you the right to open.

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, 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 Hussam Chater, 20 Witherspoon Street, Princeton, New Jersey 08542, (732) 598-7523.

The terms of your contract will govern your franchise relationship. Don’t rely on this Disclosure Document alone to understand your contract. Read all of your contracts 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, 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.

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2019 Franchise Disclosure Document

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 THE DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A 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 AGREEMENT AND DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION (AT OUR OPTION) OR LITIGATION ONLY IN NEW JERSEY. OUT OF STATE MEDIATION AND/OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO MEDIATE AND/OR LITIGATE WITH MAMOUNS FRANCHISE COMPANY, LLC IN NEW JERSEY THAN IN YOUR HOME STATE. THIS PROVISION MAY BE SUPERCEDED BY CERTAIN STATE LAWS. PLEASE REFER TO THE STATE SPECIFIC ADDENDA ATTACHED TO THIS DISCLOSURE DOCUMENT.
2. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT PROVIDE THAT NEW JERSEY LAW 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. YOUR SPOUSE MUST SIGN A PERSONAL GUARANTEE WHICH MAKES YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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 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.

STATE EFFECTIVE DATES – 2019

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 if an effective date is noted below for the state:

State	Effective Date
California	Pending Registration
Florida (exemption)	Effective
Hawaii	Not Registered
Illinois	Pending Registration
Indiana	Not Registered
Kentucky (one-time filing)	Not Registered
Maryland	Pending Registration
Michigan	Not Registered
Minnesota	Not Registered
Nebraska (one-time filing)	Not Registered
New York	Pending Registration
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Texas (one-time filing)	Effective
Utah (exemption)	Not Registered
Virginia	Pending Registration
Washington	Not Registered
Wisconsin	Not Registered

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