

1009

FRANCHISE DISCLOSURE DOCUMENT

Moby Dick Franchise Corp.

a Virginia Corporation

3329 75th Avenue

Hyattsville, MD 20785

(202) 544-1500

www.mobyskabob.com

ned@mobysonline.com or miked@mobysonline.com



The franchise offered is for a fast casual restaurant operating under the name “Moby Dick House of Kabob”. A Moby Dick House of Kabob restaurant uses traditional Persian cooking techniques with a Mediterranean flair, to prepare a variety of slow-braised stews, flame-grilled meats, wraps, side dishes, house-made signature seasonings and marinades, and fresh pita bread baked in an authentic clay oven. A Moby Dick House of Kabob restaurant offers lunch and dinner menus for dine-in or take-away, and operates using the franchisor’s proprietary recipes, formulae, techniques, trade dress, trademarks and logos.

The total investment necessary to begin operation of a Moby Dick House of Kabob restaurant franchise (“Restaurant” or Franchised Business) ranges from \$432,900 to \$779,200. This includes \$40,000 to \$44,000 that must be paid to the franchisor or its affiliate.

If you enter into a Development Agreement to develop at least three Restaurants, you will pay a development fee equal to 100% of the initial franchise fee for the first Restaurant to be developed, plus 50% of the initial franchise fee for each additional Restaurant to be developed under the Development Agreement. The total investment under a Development Agreement will vary, depending on the number of Restaurants to be developed.

This franchise disclosure document (“FDD”) summarizes certain provisions of your franchise agreement and development agreement and other information in plain English. Read this FDD and all accompanying agreements carefully. You must receive the FDD 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 FDD in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Mike Daryoush at 3329 75th Avenue, Hyattsville, MD 20785, ned@mobysonline.com or miked@mobysonline.com and (202) 544-1500.

The terms of your contracts will govern your franchise relationship. Don’t rely on the FDD alone to understand your contract. Read all of your contracts carefully. Show your contracts and this FDD to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this FDD 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 FDD, 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 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: December 16, 2016

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 FDD.

Call the state franchise administrator listed in Exhibit I for information about the franchisor, about other franchisors, 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 LITIGATION OR ARBITRATION ONLY IN THE DISTRICT OF COLUMBIA. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE OR ARBITRATE WITH US IN THE DISTRICT OF COLUMBIA THAN IN YOUR OWN STATE.
2. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS LIMITED OPERATING HISTORY. THE FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.
3. THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT THE DISTRICT OF COLUMBIA 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.
4. THE FRANCHISOR'S FINANCIAL CONDITION, AS REFLECTED IN ITS FINANCIAL STATEMENTS (SEE ITEM 21), CALLS INTO QUESTION THE FRANCHISOR'S FINANCIAL ABILITY TO FULFILL ITS DUTIES AND OBLIGATIONS TO YOU.
5. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE BUSINESS. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/moby-dick-house-of-kabob>