



(Multistate)

**FRANCHISE DISCLOSURE DOCUMENT**

**BAB SYSTEMS, INC.**

500 Lake Cook Road, Suite 475

Deerfield, Illinois 60015

Toll Free #: 800/251-6101

**Website: [www.myfavoritemuffinfranchising.com](http://www.myfavoritemuffinfranchising.com)**

**Email: Once on the website, click on the “Apply” Area on the Home Page**

The franchisee will engage in the business of owning and operating one of two muffin store concepts with the capacity for selling either: muffins and coffee (“My Favorite Muffin Gourmet Muffin Bakery”); or muffins, bagels and cream cheese spreads, breakfast and lunch sandwiches, coffee beverages and soft drinks (My Favorite Muffin Your All Day Bakery Cafe”).

The total investment necessary to begin operation of your first MFM Gourmet Muffin Bakery Production Store ranges from \$234,000 - \$338,000 including \$35,000 you must pay the franchisor or its affiliates. The total investment necessary to begin operation of your first MFM Your All Day Bakery Cafe Production Store ranges from \$286,000 - \$405,500 including \$35,000 you must pay the franchisor or its affiliates. The total investment necessary to begin operation of your first MFM Gourmet Muffin Bakery Satellite Store ranges from \$96,500 - \$268,000 including \$23,000 you must pay the franchisor or its affiliates. The total investment necessary to begin operation of your first MFM Your All Day Bakery Cafe Satellite Store ranges from \$109,750 - \$290,200 including \$23,000 you must pay the franchisor or its affiliates.

The total investment necessary to begin operation of your franchised MFM Area Development business is from \$55,000 to \$255,000, all of which you must pay the franchisor. That investment is in addition to the initial investment for your MFM Store. Under the Area Development Agreement, you must open a minimum of 2 MFM Stores.

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 or grant. **Note, however, that no government 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 in different formats, contact the Franchise Development Department at 500 Lake Cook Road, Suite 475, Deerfield, Illinois 60015 and 800/251-6101.

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 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 (“FTC”). You can contact the FTC at 1-888-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](http://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 February 5, 2020.

## STATE COVER PAGES

### 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
<b>How much can I earn?</b>	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 H and I.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit P includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only My Favorite Muffin business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a My Favorite Muffin franchisee?</b>	Item 20 or Exhibits H and I list current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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.

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