



## FRANCHISE DISCLOSURE DOCUMENT

**CREST FOODS, INC.**  
a Texas corporation  
**101 West Renner Road, Suite 240**  
**Richardson, Texas 75082**  
**(214) 495-9533 (telephone)**  
**(214) 239-3091 (fax)**  
**www.nestlecafe.com**

The franchises offered are for the establishment and operation of quick service ~~dessert~~bakery cafes (“~~Dessert~~Bakery Cafés”) and quick service sandwich and ~~dessert~~bakery cafes (“Combination Cafés” and, together with the ~~Dessert~~Bakery Cafes, “Cafes”). We also offer area representative franchises for Cafes.

The total investment necessary to begin operation of a Nestle Toll House Café by Chip franchise is \$157,500 to ~~\$425,400~~\$395,400 for an in-line or street unit, \$162,050 to \$251,300 for a kiosk and \$27,900 to ~~\$40,900~~\$45,700 for an auxiliary satellite cart, and the total investment necessary to begin operation of a combination Nestle Toll House Café by Chip/Brick House Subs franchise is \$290,550 to \$595,700. This includes \$30,000 (\$35,000 if an auxiliary satellite cart is included) that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of an area representative franchise is \$33,000 to \$383,000. This includes an amount that must be paid to the franchisor or affiliate equal to the sum of (a) \$.05 times the number of people residing (year-round or seasonally) within the geographic area (“Territory”) we grant to you and (b) 1/3 of the aggregate royalties we project to be paid to us under existing franchise agreements for Cafes located in the Territory, which is estimated to be \$25,000 to \$340,000.

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 Ted Milburn or Melissa ~~Henderson~~McKenney, 101 West Renner Road, Suite 240, Richardson, Texas 75082, 214-495-9533.

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 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, NW, Washington, D.C. 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.

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## 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 I 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, DEVELOPMENT AND AREA REPRESENTATIVE AGREEMENTS REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION/ARBITRATION/MEDIATION ONLY IN TEXAS. OUT OF STATE LITIGATION/ARBITRATION/MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE/ARBITRATE/MEDIATE WITH US IN TEXAS THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENT, AND TEXAS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral services 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.

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