



FRANCHISE DISCLOSURE DOCUMENT - UNIT FRANCHISE



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Pastries N Chaat Franchising, LLC 15904 N 22nd Ln Phoenix, AZ 85023 Telephone (216) 224-3964 pncarizona@gmail.com www.pastriesnchaat.com

Pastries N Chaat Franchising, LLC ("Pastries N Chaat") grants single-unit franchises that will license directly from us the right to operate a business under the name "Pastries N Chaat" ("Unit Franchise(s)") Pastries N Chaat restaurants specialize in serving Indian street foods and bakery goods. The total investment necessary to begin operation of a Unit Franchise ranges from \$111,300 to \$265,500. This includes between \$10,000 and \$25,000 for the first Unit Franchise that must be paid to the franchisor or its designee. If franchisee decides to purchase two or more Pastries N Chaat Franchises at the same time, then the franchisee will pay a reduced fee between \$7,500 and \$15,000 for the additional Unit Franchises.

This franchise disclosure document ("Disclosure Document" or "FDD") 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 fourteen (14) calendar days before you sign a binding agreement with, or make any payment to, us 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 Disclosure Document in another format that is more convenient for you To discuss the availability of disclosures in different formats, contact Praveen Reddy, Pastries N Chaat Franchising, LLC, 15904 N 22nd Ln, Phoenix, AZ 85023, (216) 224-3964

The terms of your contract will govern your franchise relationship Don't rely on the FDD alone to understand your contract Read your entire contract carefully Show your contract and this FDD 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 "Buying a Franchise A Consumer's Guide" 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising. Call your state agency or visit your public library for other sources of information on franchising.

There may 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 franchise 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 A 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

- THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION OR LITIGATION IN ARIZONA OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT ALSO MAY COST MORE TO MEDIATE OR LITIGATE WITH THE FRANCHISOR IN ARIZONA THAN IN YOUR OWN STATE
- THE FRANCHISE AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS
- THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY THIS FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY
- 4 YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTEE, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANCHISE BUSINESS IF YOU LIVE IN A COMMUNITY PROPERTY STATE, YOUR SPOUSE MAY BE LIABLE FOR YOUR FINANCIAL OBLIGATIONS EVEN IF HE OR SHE HASN'T SIGNED ANYTHING IN EITHER CASE, BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS

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 is <u>our</u> agent and 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.



Please refer to the State Effective Dates page for state-specific effective dates

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