

## FRANCHISE DISCLOSURE DOCUMENT



### SOFT PRETZEL FRANCHISE SYSTEMS, INC.

A Pennsylvania Corporation  
1525 Ford Road  
Bensalem, Pennsylvania 19020  
1-800-679-4221

[www.phillysoftpretzelfactory.com](http://www.phillysoftpretzelfactory.com)  
[info@phillysoftpretzelfactory.com](mailto:info@phillysoftpretzelfactory.com)

Franchisor franchises the right to operate a retail business offering traditional “Philadelphia” style fresh baked soft pretzels and other authorized products under the name Philly Pretzel Factory®.

The total initial investment necessary to begin operating a single traditional full production Philly Pretzel Factory ranges from \$167,759 to \$263,317. This includes approximately \$35,000 that must be paid to the franchisor and/or its affiliate. The total initial investment necessary to begin operating a single traditional oven-ready Philly Pretzel Factory ranges from \$209,673 to \$351,193. This includes approximately \$35,500 to \$36,500 that must be paid to the franchisor and/or its affiliate.

The total initial investment necessary to begin operating a single full-production Philly Pretzel Factory located in a Walmart or other big-box retailer ranges from \$133,999 to \$196,087. This includes approximately \$37,000 to \$41,700 that must be paid to the franchisor and/or its affiliate. The total initial investment necessary to begin operating a single oven-ready Philly Pretzel Factory located in a Walmart or other big-box retailer ranges from \$187,363 to \$244,411. This includes approximately \$37,500 to \$43,200 that must be paid to the franchisor and/or its affiliate.

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 our corporate office at 1525 Ford Road Bensalem, Pennsylvania 19020 or via telephone at 1-800-679-4221.

The terms of your Franchise Agreement will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contracts. Read all of your contracts carefully. Show your contracts 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.

The Issuance Date of this Franchise Disclosure Document (“FDD”) is: April 29, 2019.

## 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 A to this Franchise Disclosure Document 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. AT OUR OPTION, THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN PENNSYLVANIA. OUT-OF-STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE IN PENNSYLVANIA THAN IN YOUR OWN STATE.
2. ANY DISPUTES WITH US NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY ARBITRATION IN PHILADELPHIA, PENNSYLVANIA. IT MAY COST YOU MORE TO ARBITRATE WITH US IN PENNSYLVANIA THAN IN YOUR OWN STATE.
3. ANY DISPUTES WITH US NOT SUBJECT TO ARBITRATION MUST BE RESOLVED BY LITIGATION IN PHILADELPHIA, PENNSYLVANIA. IT MAY COST YOU MORE TO LITIGATE WITH US IN PENNSYLVANIA THAN IN YOUR OWN STATE.
4. THE FRANCHISE AGREEMENT STATES THAT PENNSYLVANIA 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.
5. THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTY MAKING SUCH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR THE OBLIGATIONS UNDER THE FRANCHISE AGREEMENT WHICH ALSO PLACES THE SPOUSE'S PERSONAL ASSETS AT RISK. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
6. REGARDING NONTRADITIONAL STORE LOCATIONS, THE FRANCHISOR HAS MINIMUM SALES PERFORMANCE STANDARDS THAT YOU MUST MAINTAIN. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.  
**[Effective Dates for this Franchise Disclosure Document in the Registration States are Listed on the Following Page.]**

**SOFT PRETZEL FRANCHISE SYSTEMS, INC.**

A Pennsylvania Corporation  
1525 Ford Road  
Bensalem, Pennsylvania 19020  
1-800-679-4221

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, with the following effective dates:

<b>STATE</b>	<b>EFFECTIVE DATE</b>
California	
Florida	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Texas	
Utah	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of:  
April 29, 2019.

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