

FRANCHISE DISCLOSURE DOCUMENT



THE BEST CHICKEN, INC. a Virginia Corporation

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The franchise offered is for the establishment and operation of quick-service restaurant businesses with a family atmosphere, specializing in fried chicken and selling seafood, barbecued meats, a variety of southern-style side dishes, and homemade desserts.

The total investment necessary to begin operation of a Pollard's Chicken franchise is from \$315,506 to \$504,813. This includes \$30,000 that must be paid to the franchisor or affiliate for a single restaurant license. If you enter into a Development Agreement to develop more than one Restaurant, You will pay a development fee equal to \$15,000 for the first restaurant and \$10,000 multiplied by the number of additional Restaurants to be developed under the Development Agreement. From development fee you pay, we will credit \$15,000 for the first Restaurant and \$10,000 for each subsequent Restaurant against the franchise fee due for each such Restaurant. At the time you are ready to develop each Restaurant, you will pay us a franchise fee of \$15,000 for the first Restaurant and \$10,000 for each subsequent Restaurant.

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.

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 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 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 A 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 AGREEMENT REQUIRES THAT MOST DISAGREEMENTS BE SUBMITTED TO MEDIATION AND, IF NECESSARY, ARBITRATION IN THE STATE OF OUR PRINCIPAL PLACE OF BUSINESS, WHICH CURRENTLY IS THE COMMONWEALTH OF VIRGINIA. OUT-OF-STATE MEDIATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN OUR HOME STATE THAN IN YOUR HOME STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE OF OUR PRINCIPAL PLACE OF BUSINESS, WHICH IS CURRENTLY THE COMMONWEALTH OF VIRGINIA, GOVERNS THE AGREEMENT. THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR STATE'S LAW. YOU MAY WANT TO COMPARE THESE LAWS. SOME STATE FRANCHISE LAWS PROVIDE THAT CHOICE OF LAW PROVISIONS ARE VOID OR SUPERSEDED. YOU SHOULD CONSIDER INVESTIGATING WHETHER ANY STATE FRANCHISE LAWS PROTECT YOU. YOU SHOULD REVIEW THE STATE-SPECIFIC ADDENDA ATTACHED TO THIS DISCLOSURE DOCUMENT AND THE FRANCHISE AGREEMENT FOR STATE-SPECIFIC PROVISIONS.
- 3. WE AND YOU EACH IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, WHETHER AT LAW OR EQUITY, BROUGHT BY EITHER OF US.
- 4. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$315,506 TO \$504,813. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY AS REPORTED ON THE AUDITED FINANCIAL STATEMENTS OF DECEMBER 31, 2012, WHICH WAS \$15,950.
 - 5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The Effective Date for this Disclosure Document in the Commonwealth of Virginia is ______, 2013.



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