

FRANCHISE DISCLOSURE DOCUMENT

FAST FOOD, INC.
190 Carolina Drive
Snow Hill, NC 28580
(252) 747-5246
horace@ribeyessteakhouse.com
www.ribeyessteakhouse.com



The Franchisee will own and operate a steakhouse restaurant emphasizing steak, other entrees, sides and salads and, in some instances, spirits. Franchisor, FAST FOOD, INC., provides services to Franchisees including assistance with training, operations, staffing, marketing and advertising, purchasing and promotional techniques.

The total investment necessary to begin operation of a RIBEYES franchise is between \$232,500 and \$487,500. See Item 7 for more detailed information. This is based upon your leasing real estate. In the case where you purchase real estate, your investment is likely to be higher. This includes between \$25,000 and \$30,000 that must be paid to the franchisor or 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, 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 availability of disclosures in different formats, contact the Franchise Administration Department of FAST FOOD, INC., 190 Carolina Drive, Snow Hill, North Carolina 28580, (252) 747-5246.

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.

Issuance Date: June 15, 2017

900118 v6.RWT.24573.G47876

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 E 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 ALL DISAGREEMENTS BE SETTLED BY ARBITRATION IN NORTH CAROLINA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN NORTH CAROLINA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISE AGREEMENT REQUIRES BOTH YOU AND YOUR SPOUSE TO SIGN A PERSONAL GUARANTY MAKING THE SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF THE SPOUSE IS NOT INVOLVED IN THE FRANCHISED BUSINESS. THE PERSONAL GUARANTY PLACES BOTH YOUR AND YOUR SPOUSE'S PERSONAL ASSETS AT RISK.
4. THE FRANCHISE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$232,500 TO \$487,500. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDER'S EQUITY AS OF DECEMBER 31, 2016, WHICH IS REPORTED TO BE A DEFICIT OF \$6,755.
5. THE FRANCHISOR HAS THE RIGHT TO ESTABLISH MAXIMUM PRICES.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See effective date list below.

900118 v6.RWT.24573.G47876

TABLE OF CONTENTS

ITEM		PAGE
ITEM 1.	THE FRANCHISOR AND ANY PARENTS, PRECECESSORS AND AFFILIATES	1
ITEM 2.	BUSINESS EXPERIENCE.....	3
ITEM 3.	LITIGATION	3
ITEM 4.	BANKRUPTCY.....	3
ITEM 5.	INITIAL FEES.....	3
ITEM 6.	OTHER FEES.....	4
ITEM 7.	ESTIMATED INITIAL INVESTMENT	11
ITEM 8.	RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	14
ITEM 9.	FRANCHISEE'S OBLIGATIONS.....	18
ITEM 10.	FINANCING.....	20
ITEM 11.	FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING.....	20
ITEM 12.	TERRITORY	31
ITEM 13.	TRADEMARKS	33
ITEM 14.	PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION.....	34
ITEM 15.	OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS.....	36
ITEM 16.	RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.....	38
ITEM 17.	RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION	39
ITEM 18.	PUBLIC FIGURES.....	43
ITEM 19.	FINANCIAL PERFORMANCE REPRESENTATIONS.....	44
ITEM 20.	OUTLETS AND FRANCHISEE INFORMATION.....	44
ITEM 21.	FINANCIAL STATEMENTS.....	46
ITEM 22.	CONTRACTS	47
ITEM 23.	RECEIPT	47

EXHIBITS

Exhibit A	RIBEYES FRANCHISE AGREEMENT with Attachment 1 Fees and Payment, Attachment 2 Site Selection Addendum with Lease Rider and Approved Location and Territory; Attachment 3 Security Agreement, Attachment 4 Internet, Social Media, and Telephone Assignment, Attachment 5 Nondisclosure and Noncompetition Agreement, and Attachment 6 Amendment Regarding Transfer, Attachment 7 Personal Guaranty
Exhibit B	STORE DIRECTORY/LISTING OF CURRENT FRANCHISEES and LISTING OF CERTAIN PAST FRANCHISEES
Exhibit C	FINANCIAL STATEMENTS
Exhibit D	STATE SPECIFIC INFORMATION
Exhibit E	FEDERAL AND STATE REGULATORS AND AGENTS FOR SERVICE OF PROCESS
Exhibit F	GENERAL RELEASE AGREEMENT
Exhibit G	ACH/EFT TRANSFER AGREEMENT
Exhibit H	FIRST ADDENDUM TO FRANCHISE AGREEMENT
Exhibit I	AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER
Exhibit J	REQUIRED COMPUTER HARDWARE AND SOFTWARE
Exhibit K	ACCOUNTANT AUTHORIZATION
Exhibit L	STATEMENT OF PROSPECTIVE FRANCHISEES
Exhibit M	RECEIPT

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