

JEPT OF BUSINESS OVERSIGHT SAN FRANCISCO

2019 MAR 18 AM 10 55

## FRANCHISE DISCLOSURE DOCUMENT

RICE KING II, INC

a California corporation 1140 Main Street, Suite 104 Ramona, CA 92065 (858) 776-2038

Email ricekinghq@sbcglobal net / Homepage www riceking com

RICE KING II, INC (the "Company") offers franchises for the operation of a business which offers quality Japanese and Chinese fast food and related items under the Rice King trademark. The Company also offers R K. Cafe franchises featuring American cafeteria-style foods exclusively on United States armed forces bases under the R K. Cafe trademark. A Rice King franchisee and an R K. Cafe franchisee each sign separate Franchise Agreements. The R K. Cafe franchisee must operate the R K. Cafe store contiguous to the Rice King outlet. The following is a sample of the primary business trademark that the franchisee will use in its business.



The total investment necessary to begin operation of Rice King and/or R K Cafe ("Outlet") franchise is between \$174,000 and \$382,000 This includes the initial single location franchise fee of \$13,000 for a single location of either Rice King and/or R K Cafe ("Outlet"), with certain exceptions for Rice King and R K Cafe Outlets on United States armed forces bases

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 about 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 <a href="https://www.ftc.gov">www.ftc.gov</a> 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

Issue Date March 20, 2019



## TABLE OF CONTENTS

		<u>Page</u>
The Franchisor, Its Predecessors	And Any Affiliates	1
Business Experience		2
Litigation		2
Bankruptcy		2
Initial Fees		2
Other Fees		3
Estimated Initial Investment		5
Restrictions On Sources Of Prod	ducts And Services	8
Franchisees Obligations		9
Financing		11
Franchisor's Assistance, Advert	ising, Computer Systems, and Tranining	12
Territory		15
Trademarks		15
Patents, Copyrights And Proprie	etary Information	16
Obligation To Participate In The Actual Operation Of The Franchised Business		16
Restrictions On What The Franchisee May Sell		17
· · · · · · · · · · · · · · · · · · ·		- 18
Public Figures	-	20
Financial Performance Representations		20
Outlets and Franchisee Information		20
Financial Statements		23
Contracts,		23
Receipt		_ 24
S		
Exhibit A - Fina Exhibit B - Fran Exhibit C - Conf Exhibit D - Pers Exhibit E - Forn Exhibit F - Forn Exhibit G - State Exhibit H - Oper Exhibit I - Calif Exhibit J - List Exhibit K - Sub-	chise Agreement Gidentiality and Nondisclosure Agreement onal Guaranty on of Security Agreement of Assignment and Assumption Agreement of Administrators rations Manual Table of Contents fornia Appendix of Franchisees License Agreement	
	Business Experience  Litigation  Bankruptcy  Initial Fees  Other Fees  Estimated Initial Investment  Restrictions On Sources Of Proc  Franchisees Obligations  Financing  Franchisor's Assistance, Advert  Territory  Trademarks  Patents, Copyrights And Proprie  Obligation To Participate In The  Restrictions On What The Franc  Renewal, Termination, Transfer  Public Figures  Financial Performance Represer  Outlets and Franchisee Informat  Financial Statements  Contracts  Receipt  Iss  Exhibit A - Final  Exhibit B - Fran  Exhibit C - Conf  Exhibit C - Conf  Exhibit C - Form  Exhibit G - Form  Exhibit G - State  Exhibit G - State  Exhibit H - Oper  Exhibit J - List  Exhibit J - List	Litigation  Bankruptcy  Initial Fees  Other Fees  Estimated Initial Investment  Restrictions On Sources Of Products And Services  Franchisees Obligations  Financing Franchisor's Assistance, Advertising, Computer Systems, and Training  Territory  Trademarks  Patents, Copyrights And Proprietary Information  Obligation To Participate In The Actual Operation Of The Franchised Business  Restrictions On What The Franchisee May Sell  Renewal, Termination, Transfer And Dispute Resolution  Public Figures  Financial Performance Representations  Outlets and Franchisee Information  Financial Statements  Contracts'  Receipt  Iss  Exhibit A - Financial Statements for 2018, 2017 and 2016  Exhibit B - Franchise Agreement  Exhibit C - Confidentiality and Nondisclosure Agreement  Exhibit D - Personal Guaranty  Exhibit E - Form of Security Agreement  Exhibit G - State Administrators  Exhibit G - State Administrators  Exhibit I - California Appendix  Exhibit J - List of Franchisees  Exhibit J - List of Franchisees



## **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 "G" 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 YOU TO RESOLVE DISPUTES WITH US BY ARBITRATIONONLY IN CALIFORNIA 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 CALIFORNIA THAN IN YOUR OWN STATE
- 2 THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, 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 CONTAINS A COVENANT NOT TO COMPETE WHICH EXTENDS BEYOND THE TERM OF THE FRANCHISE AGREEMENT
- 4 THE FRANCHISE AGREEMENT CONTAINS A LIQUIDATED DAMAGES CLAUSE
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date	

This is a document preview downloaded from FranchisePanda.com. free by visiting: https://franchisepanda.com/franchises/rice-king	The full document is available for