

**FRANCHISE DISCLOSURE DOCUMENT
ROCK & BREWS FRANCHISING, LLC**

a California limited liability company
321 12th Street, Suite 200
Manhattan Beach, California 90266
(310) 545-9977
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The franchise offered is for a full service restaurant that recreates the atmosphere of a rock concert backstage beer garden and operates under the “Rock & Brews®” name. A Rock & Brews restaurant offers a variety of high quality food items such as gourmet hamburgers, sandwiches, pizza, salads and a wide variety of craft and imported beers on tap, all within a setting that features rock music, sports, videos and a gallery of classic rock & roll artwork.

The total investment necessary to begin operation of a 200 seat Rock & Brews franchised business (“Franchised Business” or “Restaurant”) is \$1,510,000 to \$2,505,000 (exclusive of land and building). This includes \$50,000 that must be paid to the franchisor as an initial franchise fee. If we determine that an on-site evaluation by us of your proposed location is necessary, you must also pay us a site evaluation fee (“Site Evaluation Fee”) of \$5,000. If you sign our franchise agreement (“Franchise Agreement”), 100% of the Site Evaluation Fee will be credited to your initial franchise fee. If you do not sign our Franchise Agreement, the Site Evaluation Fee will not be refunded.

We may sell rights to individuals or entities to develop multiple units of Restaurants within a specified area. If you are an area developer (“Developer”), you will pay a development fee equal to 100% of the initial franchise fee for the first Restaurant to be developed, plus a deposit of 50% of the initial franchise fee for each additional Restaurant to be developed under the Area Development Agreement (“Area Development Agreement”). The balance of the initial franchise fee for each Restaurant developed after the first one is payable on the date you sign the Franchise Agreement for the additional Restaurant. The total investment necessary for the development of three Restaurants under an Area Development Agreement is \$1,560,000 to \$2,555,000, plus real estate costs, which covers the development costs for the first Restaurant and includes \$100,000 that must be paid to us, which amount represents (i) 100% of the initial franchise fee for the first Restaurant and (ii) 50% of the initial franchise fee for the second and third Restaurant that you have committed to develop. The total investment necessary under an Area Development Agreement will vary based on the number of Restaurants to be developed.

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 the 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 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 our Franchise Support Team at 321 12th Street, Suite 200, Manhattan Beach, CA 90266 and (310) 545-9977.

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, DC 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO ARBITRATE OR LITIGATE WITH US ONLY IN THE COUNTY IN WHICH OUR HEADQUARTERS ARE THEN LOCATED (CURRENTLY, LOS ANGELES COUNTY, CALIFORNIA). OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE OR LITIGATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE. THE GOVERNING LAW MAY PROVIDE THAT ANY PROVISIONS OF THE FRANCHISE AGREEMENT OR AREA DEVELOPMENT AGREEMENT DESIGNATING JURISDICTION OUTSIDE OF THE STATE ARE VOID. LOCAL LAW MAY SUPERSEDE CERTAIN FRANCHISE AGREEMENT OR AREA DEVELOPMENT AGREEMENT PROVISIONS. YOU MAY WANT TO COMPARE THESE LAWS.**
2. **THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$1,510,000 TO \$2,505,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2016, WHICH IS \$118,704.**
3. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

Registration States Effective Dates: See following page.

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