

FRANCHISE DISCLOSURE DOCUMENT**SALAD FARM FRANCHISE, INC.**

A California Corporation
10790 Wilshire Boulevard, Suite #805
Los Angeles, California 90024
www.saladfarmrestaurants.com
310- 259-3899

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Department of Business Oversight
Los Angeles Office

We franchise quick-service restaurants that offer freshly tossed salads, panini grilled sandwiches, baked potatoes, soups and beverages and other food items and ancillary related products for take-out and on premises consumption under the trade name "SALAD FARM." The total investment necessary to begin operations of a SALAD FARM Restaurant ranges from \$270,500 to \$530,500 for a new SALAD FARM Restaurant and from \$310,000 to \$1,132,500 for an existing SALAD FARM Restaurant. These amounts include an Initial Franchise Fee of \$25,000 that must be paid to the franchisor.

We also grant development rights which enable you to open a specified number of SALAD FARM Restaurants within a specified exclusive area under individual Franchise Agreements. The Initial Development Fee is \$10,000 for each SALAD FARM Restaurant to be established, which will be credited towards the Initial Franchise Fee for each individual Restaurant in the development schedule. The total investment necessary would depend upon the number of SALAD FARM Restaurants on the development schedule.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read the 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 payments 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 Director, Chief Executive Officer and Chief Financial Officer, Shahram Vahdat, 10790 Wilshire Boulevard, Suite #805, Los Angeles, California 90024, 310- 259-3899.

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 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. There may also be laws on franchising in your state. Call your state agency listed on Exhibit A or visit your public library for other sources of information on franchising.

Federal Trade Commission,
Washington, D. C. 20580

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS _____.

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. Call the state franchise administrator listed on Exhibit A for information about the franchisor, or about franchising in your state. If you learn that anything in this disclosure document is untrue, contact the Federal Trade Commission and the state administrators listed on Exhibit A.

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:

RISK FACTORS:

1. **THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT PERMIT YOU TO SUE US ONLY IN CALIFORNIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE US IN CALIFORNIA THAN IN YOUR HOME STATE.**
2. **THE FRANCHISE AGREEMENT AND DEVELOPMENT AGREEMENT STATE THAT THE LAW OF CALIFORNIA 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. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**
4. **YOU MUST PAY US MINIMUM MONTHLY FEES EVEN IF YOU HAVE NO REVENUES.**
5. **YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.**

LOCAL LAW MAY SUPERSEDE THESE FRANCHISE AGREEMENT PROVISIONS. CERTAIN STATES REQUIRE THE SUPERSEDING PROVISIONS TO APPEAR IN AN EXHIBIT TO THIS DISCLOSURE DOCUMENT.

The states listed on Exhibit A may require registration or filing of this franchise offering. If this offering is registered in any of these states, the effective date of registration is disclosed on Exhibit A. Some of these states may require different or additional disclosures and revisions to the Franchise and Development Agreements (see Exhibit H).

SALAD FARM FRANCHISE, INC.

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