

PECGIVED CEPT OF PLPS HESS OVERSIG IT SAN FYANGISCO FRANCHISE DISCLOSURE DOCUMENT 2:17 AU2 - 1 PM 3 15 FRANCHISOR Salata Franchise, LLC A Texas Limited Liability Company 16720 Park Row Drive Houston, Texas 77084 (844) 725-2821 contact@salata com salata com

As a franchisee, you will operate a fast casual restaurant offering a menu specializing in freshly prepared salads, soups, wraps and dressings under the marks "Salata"

The total investment necessary to begin operation of a Salata restaurant franchise is from \$522,000 to \$968,500 for a traditional in-line shopping center site, and \$285,500 to \$600,000 for a business district/non-traditional site This includes \$58,000 to \$64,000 that must be paid to us as the franchisor our affiliate

We may offer to enter into an area development agreement to establish and operate a certain number of Salata restaurants at specific locations pursuant to individual franchise agreements. You must sign an individual franchise agreement for each Salata restaurant franchise to be developed simultaneously with the signing of an area development agreement. For each Salata restaurant developed under an area development agreement the cost is from \$522,000 to \$968,500 for a traditional in-line shopping center site, and \$285,500 to \$600,000 for a business district/non-traditional site. This includes \$58,000 to \$64,000 that must be paid to us as the franchisor our 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 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 Berge Simonian, CEO, Salata Franchise, LLC, 16720 Park Row Drive, Houston, Texas 77084, (844) 725-2821, berge@salata.com

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 <u>www fic gov</u> 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 1 for information about the franchisor, about other franchisors, 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 THE FRANCHISEE TO ARBITRATE OR LITIGATE ONLY IN TEXAS 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 THE FRANCHISOR IN TEXAS THAN IN YOUR HOME STATE
- 2 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT THE LAW OF TEXAS 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 TERRITORY IS NOT EXCLUSIVE YOU MAY FACE COMPETITON FROM OTHER FRANCHISEES, FROM FRANCHSOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS
- 4 THE FRANCHISE AGREEMENT CONTAINS PROVISIONS THAT LIMIT FRANCHISEE'S RIGHTS AND MAY NOT BE ENFORCEABLE IN CALIFORNIA INCLUDING BUT NOT LIMITED TO A TIME LIMIT TO RAISE CLIAMS AGAINST THE FRANCHISOR, LIMITATION OF DAMAGES AND WAIVER OF JURY TRIAL
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise A franchise broker or referral source is <u>our</u> agent and represents us, not you We pay this person a fee for selling our franchise or referring you to us You should be sure to do your own investigation of the franchise



STATE EFFECTIVE DATES

The effective dates of this Disclosure Document in the states listed below are

STATE	EFFECTIVE DATE
Calıfornıa	
Illinois	ı
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

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