

FRANCHISE DISCLOSURE DOCUMENT



Sbarro Franchise Co., LLC
(a Delaware limited liability company)
1328 Dublin Road
Columbus, OH 43215
(631) 715-4100
www.sbarro.com

Sbarro offers (a) franchises for (i) new Sbarro Restaurants, and (ii) certain company-owned Sbarro Restaurants (“Conversion Restaurants”); and (b) licenses for Sbarro Concessions (“Sbarro Concessions”). A Franchisee will operate an Italian style restaurant, featuring Italian foods and related items. A Licensee will operate a food service facility offering Italian foods at an institution, such as a college campus or hospital, or captive market location such as a highway rest stop.

The total investment necessary to begin operation of a Sbarro Restaurant franchised business is between \$333,500 and \$909,800. This includes \$20,000 to \$25,000 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of a Conversion Restaurant franchised business is between \$312,500 to \$704,000. This includes \$20,000 to \$25,000, plus purchase of the Restaurant assets (\$225,000 to \$560,000) that must be paid to the franchisor or its affiliate(s). The total initial investment necessary to begin operation of a licensed Sbarro Concession franchised business is between \$269,000 and \$737,500. This includes \$20,000 to \$25,000 that must be paid to the franchisor or its affiliate(s).

This Disclosure Document summarizes certain provisions of your franchise or license 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 Disclosure 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 Stuart M. Steinberg at 1328 Dublin Road, Columbus, OH 43215; (631) 715-4100.

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.

Date of Issuance: June 10, 2014.

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 I for information about Sbarro, 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 LICENSE AGREEMENT REQUIRE THAT ALL DISAGREEMENTS BE LITIGATED IN OHIO. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN OHIO THAN IN YOUR HOME STATE.
- 2) THE FRANCHISE AGREEMENT AND LICENSE AGREEMENT STATE THAT OHIO 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) IN THE EVENT OF TERMINATION DUE TO YOUR DEFAULT, LIQUIDATED DAMAGES WILL BE REQUIRED.
- 4) PLEASE NOTE THAT SPOUSES OF FRANCHISE OWNERS MUST BE BOUND BY THE TERMS OF THE FRANCHISE AGREEMENT, PLACING PERSONAL ASSETS AT RISK.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

State registration effective dates are listed on the following State Registrations page.

SBARRO FRANCHISE CO., LLC
STATE REGISTRATIONS

This Disclosure Document is registered, on file, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure laws:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Utah	
Virginia	
Washington	
Wisconsin	

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