

FRANCHISE DISCLOSURE DOCUMENT

SFF, LLC, a Virginia Limited Liability Company
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The franchisee will operate a “sweetFrog” store (“Shop”), which sells frozen yogurt using a self-serve delivery format, under a Franchise Agreement with SFF, LLC, the franchisor.

The total investment necessary to begin operation of a sweetFrog Shop is \$88,100 to \$453,000 (\$232,000 to \$453,000 for a traditional location; \$88,100 to \$325,000 for a Kiosk, Small Unit, or Standard Counter Floorplan at a Non-Traditional Location; \$127,000 to \$245,000 for a Shop operated out of a truck; and \$102,000 to \$190,000 for a Shop operated out of a trailer). This includes \$10,000 to \$51,000 that must be paid to us or our affiliates.

The total investment necessary if you sign a Development Agreement is \$10,000 to \$13,000. This includes \$10,000 that must be paid to us or our affiliates.

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. **Please note, however, that no governmental 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 different formats, contact Patrick Galleher, our Chief Executive Officer, at 10800 Midlothian Turnpike, Suite 300, Richmond, VA 23235 or 804-893-3151.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, such as 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.

Issuance Date: April 28, 2016.

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or to 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 J 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 AND DEVELOPMENT AGREEMENTS REQUIRE YOU TO RESOLVE DISPUTES WITH US BY LITIGATION, ARBITRATION, AND/OR MEDIATION ONLY IN THE CITY WHERE OUR OFFICES ARE THEN LOCATED, WHICH IS CURRENTLY RICHMOND, VIRGINIA. OUT-OF-STATE LITIGATION, ARBITRATION, AND/OR MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE, ARBITRATE, AND/OR MEDIATE WITH US IN VIRGINIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AND DEVELOPMENT AGREEMENTS STATE THAT VIRGINIA 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. THE DECEMBER 27, 2015 AUDITED FINANCIAL STATEMENTS OF THE FRANCHISOR'S PARENT GUARANTOR SHOW A WORKING CAPITAL DEFICIENCY OF (\$3,235,898). YOU MAY WANT TO CONSIDER THIS IN MAKING A DECISION TO PURCHASE THIS FRANCHISE OPPORTUNITY.
4. WE AND OUR AFFILIATES MAY ESTABLISH OTHER CHANNELS OF DISTRIBUTION AND SELL OR DISTRIBUTE ANY PRODUCT OR SERVICE TO THE GENERAL PUBLIC, UNDER THE SAME AND/OR DIFFERENT TRADEMARK, IN COMPETITION WITH THE FRANCHISE.
5. IF WE TERMINATE THE FRANCHISE AGREEMENT BECAUSE YOU DEFAULT, YOU WILL BE REQUIRED TO PAY US LIQUIDATED DAMAGES EQUAL TO YOUR AVERAGE WEEKLY ROYALTY FEES FOR THE IMMEDIATELY PRECEDING 52 WEEK PERIOD MULTIPLIED BY THE LESSER OF 104 WEEKS OR THE NUMBER OF WEEKS REMAINING IN THE TERM OF THE AGREEMENT. YOU DO NOT HAVE A RIGHT TO TERMINATE THE AGREEMENT BECAUSE WE DEFAULT.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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 represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should conduct your own investigation of the franchise.

Effective Date: See the next page for state effective dates.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/sweetfrog>