

FRANCHISE DISCLOSURE DOCUMENT



Boiling Crab Franchise Co., LLC
14331 Euclid Street
Suite 207
Garden Grove, California 92843
Phone: 714-554-6181
www.theboilingcrab.com
contact@theboilingcrab.com

Franchised Business: The Boiling Crab restaurants are casual dining restaurants modeled after a traditional Louisiana seafood boil featuring seafood and fish entrees prepared Cajun-style with different proprietary finishing sauces and complementary side dishes, beer and wine and fountain drinks. We offer area development rights and single unit franchises for the right to open and operate one or more The Boiling Crab restaurants.

Total Initial Investment: The total investment necessary to begin operating one The Boiling Crab restaurant is \$941,000 to \$1,335,500. This includes the Initial Franchise Fee of \$39,500 and payments to us or our affiliate before opening for a start-up inventory of our proprietary sauce and spice mix.

The total investment necessary to begin operation as an area developer depends on the number of The Boiling Crab restaurants in the development commitment. You must pay us a Development Fee equal to \$39,500 for the first restaurant and \$30,000 for each additional restaurant in your Development Quota when you sign the Area Development Agreement. We credit a portion of the Development Fee in specific increments to the Initial Franchise Fee payable for each The Boiling Crab restaurant in your development commitment, as we explain in Item 5 of this Disclosure Document.

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. **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 in different formats, contact Dada Ngo, Boiling Crab Franchise Co., LLC, 14331 Euclid Street, Suite 207, Garden Grove, California 92843 (telephone: 714-554-6181); contact@theboilingcrab.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, N.W., 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.

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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 OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in **Exhibit A** 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 AREA DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT EACH REQUIRE YOU TO RESOLVE DISPUTES WITH US BY NON-BINDING MEDIATION AND LITIGATION ONLY IN CALIFORNIA. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.
2. THE AREA DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT EACH STATE THAT CALIFORNIA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW IF YOU RESIDE OUTSIDE OF CALIFORNIA. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOUR SPOUSE MUST SIGN A SPOUSAL CONSENT AGREEING TO THE FINANCIAL OBLIGATIONS UNDER THE AREA DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT WHICH MAY PLACE YOUR SPOUSE'S MARITAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
4. 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 represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

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