

FRANCHISE DISCLOSURE DOCUMENT

PRONOMIO, LLC

An Idaho limited liability company

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The franchise offered is for a quick-service restaurant operating under the name “The Gyro Shack” providing authentic and unique takes on traditional Greek gyro serving the freshest of ingredients made daily such as rotisserie-style beef and lamb, chicken gyros, super gyros, pita sandwiches and salads, as well as fresh feta and Kalamata olives, hummus, tzatziki with pita bread for dine-in and take-out.

The total investment necessary to begin operation of The Gyro Shack franchise is \$168,600 to \$309,500. This includes \$25,000 that must be paid to the franchisor.

If you enter into a Multi-Unit Operator Agreement to develop at least three The Gyro Shack restaurants, when you sign the Multi-Unit Operator Agreement you will pay a development fee equal to 100% of the initial franchise fee for the first restaurant to be developed, plus \$5,000 of the franchise fees for each additional restaurant to be developed under the Multi-Unit Operator Agreement. Upon executing each individual franchise agreement, the franchisee pays the balance of the fee due for that particular location. The franchise fee for subsequent franchises will reduce accordingly; the fee for the second franchise will be \$20,000, the fee for the third will be \$15,000 and the fee for the fourth and each subsequent franchise fee after the fourth will be \$10,000.

The total estimated investment under a Multi-Unit Operator Agreement to develop three The Gyro Shack Franchises is \$205,600 to \$347,000. This includes \$35,000 that must be paid to the franchisor and/or its affiliate. The total investment under a Multi-Unit Operator Agreement will vary depending on the number of Restaurants to be developed. This estimate only covers the opening of one restaurant and the deposit for two additional restaurants.

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 Seth Brink at 7661 W. Riverside Dr., Suite 102, Boise, Idaho and (208) 853-5840.

The terms of your contract will govern your franchise relationship. Do not 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 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 THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in Exhibit I 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 AGREEMENT AND MULTI-UNIT OPERATOR AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION AND LITIGATION ONLY IN THE STATE OF IDAHO. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE AND LITIGATE WITH US IN THE STATE OF IDAHO THAN IN YOUR OWN STATE.**
2. **THE FRANCHISE AGREEMENT AND MULTI-UNIT OPERATOR AGREEMENT STATE THAT IDAHO 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 FRANCHISOR WAS FORMED IN SEPTEMBER 29, 2015 AND HAS NO OPERATING HISTORY OR RECORD OF PERFORMANCE. A PROSPECTIVE FRANCHISEE SHOULD EXAMINE THE FINANCIAL STATEMENTS WHEN DECIDING WHETHER TO PURCHASE A FRANCHISE.**
4. **YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTY MAKING YOUR SPOUSE INDEPENDENTLY LIABLE FOR THE FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THE GUARANTY WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.**
5. **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 be sure to do your own investigation of the franchise.

Effective Date: See 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/the-gyro-shack>