

FRANCHISE DISCLOSURE DOCUMENT



Tim Hortons USA Inc.
a Florida Corporation
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We offer franchises for the establishment and operation of two types of restaurants that, under the name Tim Hortons, sell coffee and other non-alcoholic beverages, baked goods, soups, sandwiches, and related products, and that operate under Franchise Agreements. We also offer franchises for the operation of fully equipped and fixed restaurants that, under the name Tim Hortons, sell coffee and other non-alcoholic beverages, baked goods, soups, sandwiches, and related products, and that operate under Operator Agreements. In addition, a limited number of restaurants, most of which will be existing Tim Hortons franchisees, may be offered the opportunity to supplement their restaurant's product mix by also selling selected Cold Stone Creamery products in addition to their Tim Hortons product offerings (each a **"Co-Branded Restaurant"**).

The total investment necessary to begin operation of a Tim Hortons franchise under a Franchise Agreement (excluding real property) ranges from \$299,550 to \$1,390,800 for a Non-Standard Shop/Kiosk, and from \$1,009,900 to \$2,065,300 for a Standard Shop. This includes \$91,500 to \$495,000 for a Non-Standard Shop/Kiosk and \$389,000 to \$510,000 for a Standard Shop that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation of a Co-Branded Restaurant franchise under a Franchise Agreement (excluding real property) ranges from \$695,500 to \$1,837,400 for a newly-built Co-Branded Restaurant and from \$135,300 to \$219,600 for a Tim Hortons restaurant that is renovated to become a Co-Branded Restaurant. This includes \$466,000 to \$686,500 for a newly-built Co-Branded Restaurant and \$5,500 to \$177,600 for a Tim Hortons restaurant that is renovated to become a Co-Branded Restaurant that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation of a Tim Hortons Shop under an Operator Agreement ranges from \$42,050 to \$175,300. This includes \$8,000 to \$40,000 that must be paid to franchisor or an affiliate.

The total investment necessary to begin operation of a Co-Branded Restaurant under an Operator Agreement for a newly built Tim Hortons restaurant ranges from \$59,900 to \$148,400 and from \$14,600 to \$39,000 for a Tim Hortons restaurant that is renovated to become a Co-Branded Restaurant. This includes \$11,000 to \$41,500 for a newly-built Co-Branded Restaurant and \$8,500 to \$41,500 for a Tim Hortons restaurant that is renovated to become a Co-Branded Restaurant that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation of a Tim Hortons restaurant under the Development and Incentive Agreement is the same as the investment disclosed above, except that you will pay a deposit of \$10,000 multiplied by the number of restaurants you agree to develop under the Development and Incentive Agreement, which is credited toward payment of the initial franchise fee for each restaurant to be opened under the Development and Incentive Agreement, on a pro-rata basis.

Introduction

This disclosure document summarizes certain provisions of your franchise agreement and Operator 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, you may contact THUSA Franchise Contract Management at 5707 Blue Lagoon Drive, Miami, Florida 33126; telephone: (305) 378-7128, E-mail: GBSRequest@rbi.com.

The terms of your contract will govern your franchise relationship. Don't 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, 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.

The issuance date of this Franchise Disclosure Document is March 29, 2019, as amended October 30, 2019.

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 A 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, OPERATOR AGREEMENT AND THE DEVELOPMENT AND INCENTIVE AGREEMENT PERMIT YOU TO LITIGATE ONLY IN THE COURT COVERING THE LOCATION AT WHICH WE HAVE OUR PRINCIPAL PLACE OF BUSINESS WHEN THE LITIGATION IS COMMENCED. CURRENTLY, THIS LOCATION IS MIAMI, FLORIDA. 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 FLORIDA THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT, OPERATOR AGREEMENT AND THE DEVELOPMENT AND INCENTIVE AGREEMENT STATE THAT THE LAW OF FLORIDA GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. 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.

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