

## FRANCHISE DISCLOSURE DOCUMENT



**TOM'S URBAN FRANCHISING LLC**  
**3900 East Mexico Avenue, Suite 1350**  
**Denver, Colorado 80210**  
**(303) 592-3800**  
**www.tomsurban.com**  
**franchise@tomsurban.com**

The franchise offered is the right to establish and operate a restaurant featuring chef-inspired food, alcoholic beverages, and related items in a “polished casual” full-service format under the “Tom’s Urban<sup>®</sup>” name and mark.

The total investment necessary to begin operation of a Tom’s Urban business is estimated to be \$1,821,000 to \$5,090,500. This includes \$106,500 to \$160,500 paid to franchisor or its 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. **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 Tom’s Urban Franchising LLC, 3900 East Mexico Avenue, Suite 1350, Denver, Colorado 80210, (303) 592-3800.

The terms of your contract will govern your franchise relationship. Don’t rely on this 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](http://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: February 9, 2015

## 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.

THE FRANCHISE AGREEMENT DOES 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 REQUIRES YOU TO RESOLVE DISPUTES WITH THE FRANCHISOR BY ARBITRATION OR LITIGATION ONLY IN DENVER, COLORADO. OUT OF STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH THE FRANCHISOR IN DENVER, COLORADO, THAN IN YOUR HOME STATE.

2. THE FRANCHISE AGREEMENT STATES THAT COLORADO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. IF YOU ARE NOT AN INDIVIDUAL, WE MAY REQUIRE YOUR OWNERS TO GUARANTEE YOUR OBLIGATIONS AND BE BOUND BY THE PROVISIONS OF THE FRANCHISE AGREEMENT. YOUR SPOUSE AND, IF YOU ARE NOT AN INDIVIDUAL, THE SPOUSES OF YOUR OWNERS, MUST ALSO SIGN A GUARANTY, WHICH PLACES THE SPOUSE'S INTERESTS IN MARITAL ASSETS AT RISK.

4. THE FRANCHISOR MAY SET A MAXIMUM AMOUNT OF DEBT YOU MAY SERVICE. IF YOU FAIL TO COMPLY WITH THESE REQUIREMENTS, THE FRANCHISOR MAY TERMINATE YOUR AGREEMENT AND YOU COULD LOSE YOUR INVESTMENT.

5. WE WERE ORGANIZED ON OCTOBER 22, 2014. THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.

6. YOU MUST COMPLY WITH MINIMUM AND MAXIMUM PRICES SET BY THE FRANCHISOR FOR THE GOODS AND SERVICES YOU SELL. THIS REQUIREMENT MAY REDUCE YOUR ANTICIPATED REVENUE AND NET INCOME.

7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

## STATE EFFECTIVE DATES

The following states require that the Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This disclosure document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	_____	, 2015
Hawaii	_____	, 2015
Illinois	_____	, 2015
Indiana	_____	, 2015
Maryland	Exempt	
Michigan	_____	, 2015
Minnesota	_____	, 2015
New York	_____	, 2015
North Dakota	_____	, 2015
Rhode Island	_____	, 2015
South Dakota	Exempt	
Virginia	_____	, 2015
Washington	_____	, 2015
Wisconsin	February 9,	2015

In all other states that do not require registration, the effective date of this Disclosure Document is the issuance date of February 9, 2015

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