

JUL 28 2016

Department of
Business Oversight
FRANCHISE DISCLOSURE DOCUMENT



TWIN RESTAURANT
FRANCHISE, LLC a Delaware
limited liability company 5151
Beltline Road, #1200 Dallas, Texas
75254 972- 941-3158
www.twinpeaksrestaurant.com
www.TwinPeaksFranchise.com

You will establish and operate a lodge-themed, sports entertainment oriented full service restaurant with a full bar featuring the “Twin Peaks® Girls,” who are attractive women dressed in theme-related uniforms that promote the girl-next-door image of Twin Peaks® Girls, and which serve American pub-style cuisine, alcoholic and non-alcoholic beverages, and other products under the Twin Peaks® trade name and business system (“Restaurant”)

The total investment necessary to begin operation of a single Twin Peaks® Restaurant ranges from \$1,324,800 to \$2,502,900 for Restaurants that result from converting existing space and \$3,140,000 to \$3,351,900 for Restaurants that result from ground-up new construction This amount includes approximately \$110,000 to \$141,400, which must be paid to us or our affiliates, depending on whether or not this is your first Restaurant and whether or not we require you to pay certain fees If you sign an Area Development Agreement, you will also pay a development fee equal to 100% of the initial franchise fee for the first Restaurant to be developed and 50% of the initial franchise fee for the second and each subsequent Restaurant to be developed

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, us or our affiliate in connection with the 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 Scott Gordon at 5151 Beltline Road, #1200, Dallas, Texas 75254 and 972-941-3158

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 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 (“FTC”) 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

Date of Issuance July 7, 2016

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 Attachment 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE MOST DISPUTES WITH US BY NON-BINDING MEDIATION IN TEXAS. IF MEDIATION FAILS, YOU ARE REQUIRED TO LITIGATE WITH US ONLY IN THE CITY WHERE OUR PRINCIPAL PLACE OF BUSINESS IS LOCATED AT THE TIME OF LITIGATION, WHICH IS CURRENTLY DALLAS COUNTY, TEXAS. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US OR TO SUE US IN THE CITY OF OUR PRINCIPAL PLACE OF BUSINESS THAN IN YOUR HOME STATE.

2 THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT TEXAS LAW GOVERNS THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT (UNLESS AN ADDENDUM ATTACHED TO YOUR AGREEMENT PROVIDES OTHERWISE), AND TEXAS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3 THE FRANCHISOR MAY SET THE MINIMUM AND MAXIMUM PRICES ON THE PRODUCTS YOU SELL. THE PRICING CONTROL MAY IMPACT YOUR NET INCOME.

4 FRANCHISEE'S OWNER/OPERATOR AND ANY INVESTORS ARE REQUIRED TO SIGN A PERSONAL GUARANTY OF THE FRANCHISE AGREEMENT. SUCH PARTIES ARE JOINTLY AND SEVERALLY LIABLE FOR THE FRANCHISE'S OBLIGATIONS TO US, WHETHER OR NOT INVOLVED IN THE OPERATION OF THE FRANCHISED BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNERS AT RISK.

5 THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$1,324,800 TO \$3,351,900. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS' EQUITY AS OF DECEMBER 27, 2015, WHICH IS A DEFICIT OF \$1,568,393.

6 THE FRANCHISOR HAS LIMITED FINANCIAL RESOURCES WHICH MIGHT NOT BE ADEQUATE TO FUND THE FRANCHISOR'S PRE-OPENING OBLIGATIONS TO EACH FRANCHISEE AND PAY OPERATING EXPENSES.

7 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

LOCAL LAW MAY SUPERSEDE THESE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT PROVISIONS. SEE THE STATE SPECIFIC ADDENDA IN THIS

FRANCHISE DISCLOSURE DOCUMENT ABOUT ANY ADDITIONAL INFORMATION FOR
YOUR STATE

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 be sure to do your own investigation of the franchise.

Effective Date See State Effective Dates Page

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