

## FRANCHISE DISCLOSURE DOCUMENT

**EIFFEL WAFFLE ENTERPRISE LLC**  
An Illinois limited liability company  
9990 South Ridgeland Avenue  
Chicago Ridge, Illinois 60415  
(708) 529-7108  
franchise@eiffelwaffle.com  
<https://eiffelwaffle.com/franchise>



Eiffel Waffle® franchisees operate unique and distinctive businesses that feature bubble waffle creations, including bubble waffle cones, waffle towers, Eiffel minis, shakes, homemade ice cream, and Eiffel'Ades. The total investment necessary to begin operation of an Eiffel Waffle® franchise is \$264,910 to \$387,676. This includes \$40,000 to \$48,000 that must be paid to the franchisor or its affiliate(s).

If you enter into a Multi-Unit Development Agreement to develop multiple franchised businesses, you will pay a development fee when you sign the Multi-Unit Development Agreement. You must commit to open a minimum of three franchised businesses. The total investment necessary to begin operations under an Eiffel Waffle® Multi-Unit Development Agreement for three franchised businesses, including the costs to build and equip the 1<sup>st</sup> franchised business, is \$328,910 - \$451,676 for a required minimum of three Eiffel Waffle® franchised businesses to be developed. This includes a development fee of \$104,000 that must be paid to the franchisor or an affiliate.

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.**

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 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](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: May 22, 2024, amended May 28, 2024.

## Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Illinois. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Illinois than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Financial Condition.** The franchisor's financial condition, as reflected in the its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.
5. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
6. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Titles</i>	<i>City, State</i>
Eiffel Waffle Enterprise LLC	12/2023 to present	Co-Founder	Chicago Ridge, IL
Eiffel Waffle	07/2021 to present	Co-Founder and Owner	Downers Grove, IL
<u>ATM ADVANCED INC</u>	<u>05/2021 to PRESENT</u>	<u>Owner</u>	<u>Oak Lawn, IL</u>
<u>AJ ATM Inc</u>	<u>2019 to 2021</u>	<u>Owner</u>	<u>Oak Lawn, IL</u>
<u>SALS PHILLYS INC</u>	<u>2018 to 2019</u>	<u>Owner</u>	<u>Homer Glen, IL</u>
<u>SALS PHILLS 2 INC</u>	<u>2018 to 2019</u>	<u>Owner</u>	<u>Palos Park, IL</u>

**Co-Founder: Barra Abousalem**

<i>Employer</i>	<i>Start Date - End Date</i>	<i>Titles</i>	<i>City, State</i>
Eiffel Waffle Enterprise LLC	12/2023 to present	Co-Founder	Chicago Ridge, IL
Eiffel Waffle	07/2021 to present	Co-Founder and Owner	Downers Grove, IL
<u>RM Chin</u>	<u>03/2021 to 02/2022</u>	<u>Inspector</u>	<u>Chicago, IL</u>
<u>Ghafar Associates</u>	<u>07/2019 to 11/2020</u>	<u>Inspector</u>	<u>Chicago, IL</u>
<u>Farnsworth Group</u>	<u>09/2018 to 06/2019</u>	<u>Engineer intern</u>	<u>Lisle, IL</u>

**ITEM 3: LITIGATION**

No litigation is required to be disclosed in this Item.

**ITEM 4: BANKRUPTCY**

No bankruptcy information is required to be disclosed in this Item.

**ITEM 5: INITIAL FEES**

We will charge you an initial franchise fee (“Initial Franchise Fee”) when you sign the Franchise Agreement. The Initial Franchise Fee is \$40,000.00. This payment is fully earned by us and due in lump sum when you sign the Franchise Agreement and is not refundable under any circumstances.

You must spend \$8,000 on a grand opening advertising campaign to promote the opening of the Franchised Business. We reserve the right to collect this money from you and conduct the grand opening advertising campaign on your behalf. If we collect this money from you for the grand opening advertising campaign, it is non-refundable.

You will pay us a non-refundable development fee (“Development Fee”) in a lump sum when you sign the Multi-Unit Development Agreement. The Development Fee is calculated as 100% of the initial franchise fee for the first unit and the reduced initial franchise fee for each additional unit you commit to develop under the Multi-Unit Development Agreement. The reduced initial franchise fee is calculated as 80% of the initial franchise fee for a single unit.

<b>Number of Outlets to be Developed</b>	<b>Development Fee due on signing the Multi-Unit Development Agreement</b>
3	\$40,000 + \$32,000 + \$32,000
4 or more	\$40,000 + \$32,000 for each additional outlet you commit to open

Type of Fee	Amount	Due Date	Remarks
Reimbursement of Legal Fees and Expenses	Our costs and expenses, including but not limited to attorneys' fees, incurred for your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement.	As incurred.	Payable to us.
Successor Agreement Fee	10% of the then-current initial franchise fee.	Upon signing the then-current form franchise agreement.	Payable to us. See Item 17.
Examination of Books and Records	Costs of examination plus related expenses.	As incurred.	We have the right under the Franchise Agreement to examine your books, records, and tax returns. If an examination reveals that you have understated any Gross Revenue report by 2% or more, you must pay to us the cost of the audit and all travel and related expenses, in addition to repaying monies owed and interest on the monies owed.
Accounting Services	Actual costs.  Currently \$350 - \$500/month	As incurred.	We require you to use an external accounting service. The current mandated supplier is Dajani CPAs and Advisors.
Indemnification	Amount of loss or damages plus costs.	As incurred.	See footnote 4.
Reimbursement of Costs and Expenses for Non-Compliance	Actual costs and expenses.	As incurred.	See footnote 5.
Post-Termination or Post-Expiration Expenses	Costs and expenses.	As incurred.	Payable to us.
Insurance Reimbursement	Amount paid by us for your insurance obligations, plus an additional 10% administrative fee.	As incurred.	You must reimburse us for any insurance costs and other fees we incur due to your failure to meet the insurance obligations required by the Franchise Agreement.
Liquidated Damages	<del>Varies.</del> <u>Up to 78 semi-monthly periods of Royalty Fees</u>	As incurred.	If we terminate the Franchise Agreement with cause or you terminate it without cause, you must pay us an amount equal to the Royalty Fees that would have become due over the next 78

<u>Type of Expenditure</u>	<u>Estimated Amount</u>		<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is Made</u>
	Low	High			
Furniture and Fixtures <sup>5</sup>	\$15,000	\$25,000	As required by suppliers	Before opening	Suppliers
Equipment <sup>6</sup>	\$81,000	\$90,000	As required by suppliers	Before opening	<u>Suppliers, including designated and approved suppliers</u>
Computer Equipment <sup>6</sup>	\$3,000	\$4,049	As required by suppliers	Before opening	Suppliers
Software – 3 months	\$573	\$573	As required by suppliers	As required by suppliers	<u>Designated Suppliers</u>
Internal System Fee – 3 months	\$750	\$750	ACH	Monthly	Us
Misc. Equipment & Supplies <sup>7</sup>	\$3,500	\$4,000	As required by suppliers	Before opening	Suppliers
Accounting Service – 3 months <sup>8</sup>	\$1,050	\$1,500	As required by the supplier	As required by the supplier	Dajani CPAs and Advisors
Signage <sup>9</sup>	\$9,300	\$17,800	As required by suppliers	Before opening	Suppliers
Initial Inventory of Products to Produce Ice Cream	\$4,500	\$5,400	As required by suppliers	Before opening	<u>Approved Suppliers</u>
Initial Inventory-Other <sup>9</sup>	\$11,000	\$15,200	As required by suppliers	Before opening	<u>Approved Suppliers, Suppliers</u>
Office Equipment & Supplies	\$100	\$150	As required by suppliers	Before opening	Suppliers
Initial Supply of Promotional Materials (Menus)	\$500	\$750	As required by suppliers	Before opening	Suppliers
Uniforms	\$1,500	\$2,000	As required by suppliers	Before opening	Suppliers
Telephone (3 months)	\$300	\$420	As required by provider	As required by provider	<del>Provider</del> <u>Providers</u>
Internet Fees (3 months)	\$300	\$450	As required by utility provider	As required by utility provider	Utility provider
Music Service (3 months)	\$30	\$30	As required by provider	As required by provider	<del>Provider</del> <u>approved suppliers</u>
Payroll Processing (3 months)	\$300	\$375	As required by provider	As required by provider	<del>Provider</del> <u>Elite Processing LLC</u>

<u>Type of Expenditure</u>	<u>Estimated Amount</u>		<u>Method of Payment</u>	<u>When Due</u>	<u>To Whom Payment is Made</u>
	Low	High			
Insurance <sup>10</sup>	\$1,803	\$2,125	As required by insurer	Before opening	Insurance providers
Your Training Expenses (transportation, lodging, and meals) <sup>11</sup>	\$2,925	\$24,300	As required for travel, lodging and meals	As incurred	Third-party providers
Third Party Training Expenses <sup>12</sup>	\$479	\$554	As required by providers	As incurred	Third-party providers
Grand Opening Marketing Campaign	\$8,000	\$8,000	As incurred	As incurred	Us Third-party providers or Us
Professional Fees <sup>13</sup>	\$2,000	\$3,500	As required by providers	As incurred	Attorneys, other professional service providers
Business Permits and Licenses <sup>14</sup>	\$1,500	\$3,000	As required by licensing authorities	Before opening	Licensing Authorities
Additional Funds/Working Capital-3 months <sup>15</sup>	\$30,000	\$50,000	As incurred	After opening	Various
<b>Total</b>	<b>\$264,910</b>	<b>\$387,676</b>			

<sup>1</sup> Initial Franchise Fee. The amount stated in the Table is for one outlet operated pursuant to a single Franchise Agreement.

<sup>2</sup> Leasehold Improvements. This estimate is for the costs for improvements to your Franchised Business location without a tenant improvement allowance from the landlord. We have based our estimates on the historical experience of our affiliates. These estimates are applicable to a site which has been obtained in the “vanilla box” stage, which refers to an interior condition with existing heating/cooling with delivery systems, electrical switches and outlets, a finished ceiling, walls that are prepped for painting and a concrete slab floor.

<sup>3</sup> Lease Deposits. The low end of the estimate is a one-month deposit of rent for a 1,000 square foot location at a rental rate of \$36/square foot. The high end of the estimate is a one-month deposit of rent for a 1,500 square foot location at a rental rate of \$56/square foot. Real estate costs vary widely from place to place. This estimate is based on the experience of our affiliate-owned outlets. Rental rates may be more or less than this range depending on the location of your Franchised Business. You may also incur real estate broker fees, additional prepayments (e.g., first and/or last month’s rent), common area maintenance (CAM) fees, real estate taxes and insurance costs, advertising or promotional fund fees or other costs, depending on the terms of your lease. Pre-paid rent is generally non-refundable while security or other deposits may be refundable either in full or in part depending upon your lease or rental contract.

<sup>4</sup> Utility Deposits. Utility providers set the amounts of the utility deposits. A credit check may be required by the issuing utility company prior to the initiation of services, or a higher deposit required for first time customers. These costs will vary depending on the type of services required for the facility and the municipality or utility provider from which they are being contracted. The low estimate assumes the utility

providers do not require a deposit to provide services. We have based our estimate on the experiences of our affiliates. The figures in the chart include deposits that may be refundable to you at a later time. In most cases, your lease will require you to pay electric, gas, water, and other utilities directly; however, some landlords cover some utility charges through operating fees.

<sup>5</sup> Furniture and Fixtures. This estimate includes tables, chairs, menu boards, sinks, prep area counters, front counter, and any other furniture and fixtures we require in the operation of the Franchised Business.

<sup>5</sup> Equipment. This estimate includes the equipment required for your Franchised Business, including dipping cabinets, ice cream mixing machines, fans, waffle irons, shelves, mixers, coffee urns, freezers, steam tables, and any other equipment we require in the operation of the Franchised Business.

<sup>6</sup> Computer Equipment / Software. We require you to purchase computer systems, hardware and software meeting our minimum specifications for use in your Franchised Business. The low end of the estimate is for the POS System with one terminal. The high end of the estimate also includes a laptop or desktop in addition to a multi-function printer. We reserve the right to change your requirements for computer hardware and software at any time. Please see Item 11 for computer and POS System requirements.

<sup>7</sup> Miscellaneous Equipment and Supplies. This estimate is for the cost of a surveillance system and music system.

<sup>8</sup> Accounting Service. We require you to use Dajani CPAs and Advisors as your designated accounting vendor at a cost of approximately \$350 - \$500/month with an initial set-up fee of \$0.

<sup>9</sup> Signage. This estimate is for the cost to produce and mount storefront signage on the exterior of the premises as well as all interior window and wall graphics.

<sup>10</sup> Initial Inventory - Other. This estimate is for the cost of the initial inventory sufficient for the first weeks of operation. Your initial inventory will include toppings, syrup, milk, batter, whipped cream, paper goods, smallwares, and other products utilized in the operation of the Franchised Business.

<sup>10</sup> Insurance. Before you open for business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify. Insurance costs and requirements may vary widely in different localities. The estimate is for the first semi-annual premium for required minimum insurance coverage. We reserve the right to require additional types of insurance and coverage as provided in the Franchise Agreement.

<sup>11</sup> Your Training Expenses. The cost of the Initial Management Training Program for up to five trainees is included in the Initial Franchise Fee. The chart estimates the costs for transportation, lodging, and meals for your trainees. These incidental costs are not included in the Initial Franchise Fee. Your costs will depend on the number of people attending training, their point of origin, method of travel, class of accommodation and living expenses. The duration of the training program in Chicago Ridge, Illinois is approximately 5 days, which may include weekend and evening hours. The low end of the estimate is the incidental costs for 2 trainees.

<sup>12</sup> Third-Party Training Expenses. This estimate is for ServSafe online training and certification for a manager (\$179) and handlers (\$15) as well as the purchase of 10 ServSafe Food Handler guides (\$150). The low end of the estimate assumes 10 handlers, and the high end of the estimate assumes 15 handlers.

<sup>13</sup> Professional Fees. You may incur professional fees depending on the scope of work performed, which may include, legal and other professionals to review franchise documents and costs of forming a separate legal entity and/or obtaining zoning approval. This amount will vary greatly depending on your specific needs and location. We strongly recommend that you seek the assistance of professional advisors when

Obligation	Section or Article in Franchise Agreement	Section or Article in Multi-Unit Development Agreement	Item in Franchise Disclosure Document
p. Indemnification	15.6, 16.3.6, 21.1.1	Article 9	14
q. Owner's Participation, Management, Staffing	11.1, 11.4, 12.1.5	Not Applicable	11, 15
r. Records /Reports	12.2	Not Applicable	6
s. Inspections and Audits	12.1.6, 12.2.5	Not Applicable	6, 11
t. Transfer	Article 16	Article 6	17
u. Renewal	Article 5	Not Applicable	17
v. Post-Termination Obligations	Article 18	Section 7.4	17
w. Non-Competition Covenants	19.5	Article 8	17
x. Dispute Resolution	Article 20	Article 10	17
y. Spouse Guaranty	11.3, Attachment 7	Not Applicable	15

**ITEM 10: FINANCING**

We do not offer direct or indirect financing. We do not guarantee any note, lease, or obligation on your behalf.

**ITEM 11: FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING**

**Except as listed below, we are not required to provide you with any assistance.**

**1. Pre-Opening Obligations**

Before you open your Franchised Business, we will:

- a. approve the territory for your Franchised Business. Your territory will consist of a minimum population defined by Zip Codes or geographic radius or other readily ascertainable geographic boundaries. (Franchise Agreement, Section 3.1, 10.1).
- b. provide you with our then-current site selection guidelines and, ~~at our discretion, provide you with site selection assistance~~ (Franchise Agreement, Section 10.1).
- c. approve or disapprove the site for your Franchised Business. You must submit a written request for approval to us describing the proposed location and providing other information about the site that we reasonably request. We will respond within ten business days, either ~~accepting or rejecting the proposed location.~~ approving or rejecting the proposed location. If we cannot agree on a site and you do not sign a lease within 90 days from signing the Franchise Agreement, is a default of the Franchise Agreement and grounds for terminating the Franchise Agreement (Franchise Agreement

Section 8.1.3. We consider the following factors in approving a site: general location and neighborhood, distance from neighboring franchise territories, proximity to major roads and residential areas, traffic patterns, condition of premises, tenant mix, and demographic characteristics of the area (Franchise Agreement, Section 8.1.2). If you are a Multi-Unit Developer, you must submit each proposed site to be developed under the Mandatory Development Schedule to us for our approval, which approval will be based on our then-current standards (Multi-Unit Development Agreement, Section 5.3)

- d. We will not own and/or lease a site to you. You are responsible for negotiating a purchase or lease with the owner of a site we approve. Prior to signing your lease, you are required to submit it to us for our review and approval. Our review is for inclusion of terms for the protection of the System and Marks only. The lease for any location must include our Conditional Assignment of Lease Agreement which is included as a part of the Franchise Agreement. You must execute a lease for the Franchised Business within 90 days after execution of the Franchise Agreement. Failure to acquire the site within this time period is a default of the Franchise Agreement and grounds for terminating the Franchise Agreement (Franchise Agreement Section 8.1.3).
- e. provide you with our then-current prototypical plans and specifications for the layout, design, appearance, and signage for your Eiffel Waffle® Franchise. You, your architect, and your contractor are required to adapt our prototypical plans and specifications for the construction of your premises and obtain permits. We do not adapt plans or obtain permits for you. We will review your adapted final construction plans and specifications. We review and approve your construction plans as they relate to compliance with our standards only. (Franchise Agreement, Sections 8.2.2, 10.2).
- f. provide you access to the Eiffel Waffle® Operations Manual and other manuals and training aids we designate for use in the operation of your Eiffel Waffle® Franchise, as they may be revised from time to time (Franchise Agreement, Section 10.3).
- g. approve or disapprove of all advertising, direct mail, and other promotional material and campaigns, including your grand opening campaign, that you propose in writing to us. We will respond within ten days, either accepting approving or rejecting the proposed material and/or campaign; however, if we do not respond within ten days, the proposed material and/or campaign is deemed “disapproved” (Franchise Agreement, Section 13.6)
- h. provide you with our then-current written list of equipment, fixtures, furnishings, signage, supplies and products that will be required to open the Franchised Business. We and our affiliates do not deliver or install any of these items (Franchise Agreement, Section 10.5).
- i. recommend or set maximum prices for products and services at your Eiffel Waffle® outlet. We do not determine the minimum prices that you must charge (Franchise Agreement, Section 12.5).
- j. provide you with initial training at an affiliate-owned outlet in Chicago Ridge, Illinois or another location. We will determine, in our sole discretion, whether you satisfactorily complete the initial training (Franchise Agreement, Sections 7.1, 7.2).
- k. provide a trainer at your premises for on-site training, supervision and assistance for up to 4 days around the opening of your Franchised Business. (Franchise Agreement, Section 7.3).
- l. provide you with standards for qualifications and training of your employees. We do not otherwise assist you with employee hiring and training. (Franchise Agreement, Sections 12.1.6, 12.9).

## **2. Time to Open**

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your Franchised Business is approximately seven to eight months. Factors that may affect this time period include your ability to acquire a site, financing, zoning or other permits; compliance with local ordinances and restrictions; shortages for construction; delivery and installation of fixtures, signs and equipment, and completion of required training. If you have not obtained possession of your Eiffel Waffle® premises within 90 days after signing the Franchise Agreement or if you have not opened your Franchised Business within 150 days after executing the lease, you must obtain our consent to extend the time to open, which we may or may not grant, at our discretion. Failure to open your Franchised Business within the original time as extended is a default of the Franchise Agreement. (Franchise Agreement, Sections 8.3, 8.4). If you are a Multi-Unit Developer, you must submit each proposed site to be developed under the Mandatory Development Schedule to us for our approval, which approval will be based on our then-current standards. (Multi-Unit Development Agreement Section 5.2).

### **3. Obligations After Opening**

During the operation of your franchise, we will:

- a. offer from time to time, ~~in our discretion,~~ mandatory or optional additional training programs. ~~If we require it,~~ You must attend all mandatory additional training ~~and/or an~~ annual business meeting and/or franchisee conference ~~offered by us~~ we require, for up to five days each year at a location we designate. Failure to attend mandatory additional training ~~or an~~ annual business meeting and/or franchisee conference is a default of the Franchise Agreement and is subject to payment of a non-attendance fee. We ~~reserve the right to~~ may impose a reasonable fee for tuition and/or attendance ~~for all additional training programs, including the annual business meeting or conference. You must also pay for your~~ plus the costs of transportation, lodging, meals and other expenses ~~to attend for you and~~ any mandatory training program attendees. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs. (Franchise Agreement, Section 7.4).
- b. ~~upon your request, or as we determine to be appropriate,~~ provide on-site remedial ~~on-site~~ training and assistance at your premises. ~~For any on-site remedial training,~~ you must reimburse all costs for the services of our trainer, including but not limited to the trainer's then-current per diem fee and all travel-related expenses, such as transportation, meals and lodging. The current fee is \$450 per trainer per day for on-site training (Franchise Agreement, Section 7.5).
- c. ~~upon your request,~~ provide individualized assistance to you within reasonable limits by telephone, video conference, electronic mail or postage service, subject at all times to availability of our personnel and in reasonable limits (Franchise Agreement, Section 7.6).
- d. ~~from time to time, as may become available,~~ provide you with samples or camera-ready advertising and promotional materials (Franchise Agreement, Section 10.6).
- e. conduct inspections of your Franchised Business, at the frequency and duration that we deem advisable. Such inspections include evaluating your products, services, and premises to ensure that they meet our standards (Franchise Agreement, Section 10.4).
- f. provide you with our then current written specifications for required equipment, fixtures, products and services and provide you with updated lists of any approved suppliers of these items (Franchise Agreement, Section 10.7).
- g. approve or disapprove of all advertising, direct mail, and other promotional material and campaigns you propose in writing to us. We will respond within 10 days, either ~~accepting~~ approving or rejecting

factors we deem pertinent. There is no minimum size for a given Territory, and the exact size of each Territory we award varies based on the factors we have identified above; however, the typical Territory will be a population of 30,000 or a two-mile radius surrounding the location; however, in densely populated/urban areas, the Territory will be a radius of 0.5 miles surrounding the location. Your Territory will be defined and attached to your Franchise Agreement as Attachment 2. If you do not yet have a location at the signing of the Franchise Agreement, you will receive a mutually agreeable non-exclusive site search area in Attachment 2.

~~If you are a unit franchisee or multi-unit developer,~~ You will receive not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

During the term of your Franchise Agreement, and provided that you are not in default of your Franchise Agreement, we will not open another Eiffel Waffle® outlet or grant the right to anyone else to open an Eiffel Waffle® outlet within the Territory. However, notwithstanding this limited protection right we grant to you, we reserve all rights to sell our products and services under the Marks in the Territory through alternative distribution channels, as discussed below.

There is no minimum sales requirement, market penetration, or other contingency that will affect your limited protected right to operate in the Territory during the term of your Franchise Agreement, unless you are in default of your obligations to us.

You may not change the location of your Franchised Business, without our written consent, which we may withhold in our sole discretion. If you wish to relocate, you must identify a new location for the Franchised Business that meets our approval, in accordance with our then-current site selection procedures, within 90 days. If you do not identify a site within this time period, we may terminate the Franchise Agreement. While you are closed for relocation, you must continue to pay us a minimum Royalty Fee and Brand Fund Contribution equal to the average paid during the four calendar quarters immediately preceding the loss of your premises.

Unless you have signed our Multi-Unit Development Agreement, we may, but have no obligation to, consider granting to you the right to establish additional Eiffel Waffle® outlets under other franchise agreements if you are in compliance with the Franchise Agreement and propose to open another Eiffel Waffle® outlet in an area and at a location we approve. The Franchise Agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises.

If you are a Multi-Unit Developer, each Franchised Business and its Territory will be located within your Development Area. The Territory for each Franchised Business will depend on whether your Franchised Business will be located in an urban or a suburban setting. There is no minimum size for a given Territory, and the exact size of each Territory we award varies based on the factors we have identified above.

We reserve all rights not expressly granted in the Franchise Agreement. For example, we or our affiliates may own, operate, or authorize others to own or operate Eiffel Waffle® outlets outside of the Territory and may operate other kinds of businesses within the Territory. Although we do not currently do so and have no plans to do so, we and our affiliates may own, acquire, conduct, or authorize others to conduct, any form of business at any location selling any type of product or service not offered under the Marks, including a product or service similar to those you will sell at your Franchised Business. We reserve the right to merge with, acquire, or be acquired by, an existing competitive or non-competitive franchise network, chain, or other business; however, we will not convert any acquired business in your Territory to a franchise using our primary trademarks during the Term of your Franchise Agreement.

We and our affiliates may sell products and services under the Marks within or outside the Territory through any method of distribution other than a dedicated Eiffel Waffle® outlet location, including, licensing our

	Provision	Section in Franchise Agreement	Summary
w.	Choice of law	Section 20.3	Illinois law applies, subject to applicable state law.

**THE FRANCHISE RELATIONSHIP  
(UNDER THE MULTI-UNIT DEVELOPMENT AGREEMENT)**

This table lists certain important provisions of the multi-unit development agreement. You should read these provisions in the agreement attached to this disclosure document.

	Provision	Section in Multi-Unit Development Agreement	Summary
a.	Length of the franchise term	Art. 3	As determined by you and us based on the number of Eiffel Waffle® outlets you are to develop.
b.	Renewal or extension of the Term	Not Applicable	Not Applicable
c.	Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
d.	Termination by franchisee	Not Applicable	You may seek termination upon any grounds available by state law.
e.	Termination by franchisor without cause	Section 6.6	The Multi-Unit Development Agreement will terminate automatically upon your death or permanent disability, unless prohibited by law and the Development Rights are transferred within 6 months to a replacement developer that we approve.
f.	Termination by franchisor with cause	Article 7	We may terminate only if you <u>are in default</u> . <u>Termination of the Multi-Unit Operator Agreement alone will not result in termination of your individual Franchise Agreement(s).</u> The Multi-Unit Development Agreement describes defaults throughout. Please read it carefully.
g.	“Cause” defined – curable defaults	Section 7.3	You have 5 days to cure non-payments, any non-monetary obligations imposed by the Multi-Unit Development Agreement and any other defaults (except for non-curable defaults listed in the Multi-Unit Development Agreement and described in h. immediately below).
h.	“Cause” defined - non-curable defaults	Sections 7.1 and 7.2	The Multi-Unit Development Agreement will terminate automatically, without notice for the following defaults: insolvency; making a general assignment for the benefit of creditors; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; entity is dissolved; or foreclosure proceeding is not dismissed within 30 days. We may terminate the Multi-Unit Development Agreement upon notice to you if you: misrepresent or omit a material fact in applying for the

	Provision	Section in Multi-Unit Development Agreement	Summary
			miles of your former Eiffel Waffle® outlet location or any other Eiffel Waffle® outlet location (franchised or company owned); do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Section 11.4	No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
t.	Integration/merger clause	Section 11.4	Only the terms of the Multi-Unit Development Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of Multi-Unit Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Multi-Unit Development Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Sections 10.2, 10.3, and 10.4	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, and post-termination obligations. Subject to state law.
v.	Choice of forum	Section 10.5	Illinois, subject to applicable state law.
w.	Choice of law	Section 10.5	Illinois law applies, subject to applicable state law.

See the state addenda to this Franchise Disclosure Document and the Franchise Agreement for special state disclosures.

**ITEM 18: PUBLIC FIGURES**

We do not currently use any public figures to promote our franchise.

**ITEM 19: FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

~~\_\_\_\_\_ We have six Eiffel Waffle® outlets that are owned and operated by our affiliates. We have excluded three outlets that were not in operation for a full calendar year as of December 31, 2023. We have included the financial. We do not make any representations for these three outlets from January 1, 2023 through December 31, 2023.~~

~~\_\_\_\_\_ The reasonable basis for inclusion of this Financial Performance Representation is the affiliate-owned outlets are similar to the franchise being offered under this Disclosure Document in terms of operations and product offerings. There are no material financial or operational characteristics of the below affiliate-owned outlets that are reasonably anticipated to differ materially from about a franchisee's future franchise outlet operations. The affiliate-owned outlets are different from the franchise being offered in that they do not pay any Royalty Fees or Brand Fund Contributions to us and are not subject to territorial advertising or service restrictions.~~

~~Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.~~

~~**Some outlets have earned these amounts. Your individual results may differ. There is no assurance you will earn as much.**~~

**AVERAGE TICKET AMOUNT\* FOR 2023 BY LOCATION**

	Downers Grove	Bolingbrook	Lincoln Park
Commenced Operations:	July 2021	March 2022	March 2022
Leased Square Footage:	1,100	1,200	1,800

**AVERAGE TICKET 2023:**                      \$14.52                      \$16.22                      \$14.40

~~\*Average ticket amounts are based on in-shop sales only and do not include orders placed through a third-party delivery company or catering/offsite events.~~

~~\_\_\_\_\_ Other than the preceding or the past financial performance representation, we do not make any financial performance representations. We of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to our the franchisor's management by contacting Omar Falaneh, Eiffel Waffle Enterprise LLC, 9990 South Ridgeland Avenue, Chicago Ridge, Illinois 60415, (708) 529-7108, the Federal Trade Commission, and the appropriate state regulatory agencies.~~

**ITEM 20:            OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
System-wide Outlet Summary  
For Years 2021 to 2023

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Company – Owned*	2021	0	1	+1
	2022	1	3	+2

	2023	3	3	0	0	0	6
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Table No. 5  
Projected Openings as of December 31, 2023

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company Owned Outlets in the Next Fiscal Year
California	0	2	0
Texas	0	4	0
Florida	0	4	0
<b>Total</b>	<b>0</b>	<b>10</b>	<b>0</b>

\* Company-owned stores are operated by affiliated entities.

A list of the names of all franchisees and the addresses and telephones numbers of the franchises will be provided in Exhibit F to this disclosure document when applicable.

During our last fiscal year, no franchisee has had an outlet terminated, canceled, not renewed, or has otherwise voluntarily or involuntarily ceased to do business under the franchise agreement or has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last 3 fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Disclosure Document.

**ITEM 21: FINANCIAL STATEMENTS**

Eiffel Waffle Enterprise LLC was formed on December 13, 2023. Because we have not been in business for three years, we are not able to include the three prior years of audited financial statements normally required by this Item 21.

Our unaudited financials as of March 31, 2024 and our audited financial statements as of April 30, 2024 are included in ~~an~~ Exhibit D.

Our fiscal year end is December 31<sup>st</sup>.

**ITEM 22: CONTRACTS**

Franchise Agreement	Exhibit B
Multi-Unit Development Agreement	Exhibit C
Franchisee Acknowledgment	Exhibit H

**ITEM 23: RECEIPT**

A receipt in duplicate is attached to the end of this Disclosure Document. You should sign both copies of the receipt. Keep one copy for your records and return the other signed copy to Omar Falaneh, Eiffel Waffle Enterprise LLC, 9990 South Ridgeland Avenue, Chicago Ridge, Illinois 60415.

**EXHIBIT D**  
**FINANCIAL STATEMENTS**

**THESE FINANCIAL STATEMENTS ARE PREPARED  
WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES  
OR SELLERS OF FRANCHISES SHOULD BE ADVISED  
THAT NO INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS  
AUDITED THESE FIGURES OR EXPRESSED AN  
OPINION WITH REGARD TO THE CONTENT OR FORM.**

**EXHIBIT G**  
**STATE ADDENDA**

**ADDENDUM REQUIRED BY THE STATE OF MINNESOTA**

\_\_\_\_\_ This addendum to the Disclosure Document is agreed to this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, and effectively amends and revises said Disclosure Document and Franchise Agreement and Multi-Unit Development Agreement as follows:

**MINNESOTA ADDENDUM TO THE FRANCHISE DISLCOSURE DOCUMENT, FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT**

In recognition of the requirements of the Minnesota Statutes Chapter 80C, the parties agree as follows:

1. Item 13 of the Disclosure Document and the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use.”

2. Item 17 of the Disclosure Document and the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to the original language that appears therein:

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes Sec. 80C.14, Subds.3, 4 and 5, which require (except in certain specified cases) that a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.”

3. Item 17 of the Disclosure Document and the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

“Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

4. Item 17 of the Disclosure Document and the Franchise Agreement and Multi-Unit Development Agreement are amended by the addition of the following language to the original language that appears therein:

“Minn. Rule 2860.4400D prohibits us from requiring you to assent to a general release.”

5. Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

6. The Franchise Agreement and Multi-Unit Development Agreement are hereby modified to comply with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

7. The Franchise Agreement and Multi-Unit Development Agreement are hereby modified to comply with Minn. Stat. §80C.17, Subd. 5 regarding Limitations of Claims.

8. Item 6, Insufficient Fund Fees: NSF fees are governed by Minnesota Statute 604.113; which puts a cap of \$30 on an NSF check. This applies to everyone in Minnesota who accepts checks except banks.

9. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. The Franchise Agreement and Multi-Unit Development Agreement are hereby amended accordingly.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

11. Item 5 and Item 7 are amended to state:

**“Payment of initial franchise fees owed to Franchisor will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business.”**

The parties hereto have duly executed, sealed and delivered this Addendum dated \_\_\_\_\_

FRANCHISEE (Entity)  
\_\_\_\_\_

FRANCHISOR:  
EIFFEL WAFFLE ENTERPRISE LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Omar Falaneh  
Title: Co-Founder

FRANCHISEE (Principal(s)):

Name: \_\_\_\_\_

Name: \_\_\_\_\_

DEVELOPER

Name: \_\_\_\_\_