

### **FREQUENTLY ASKED QUESTIONS**

Here's a selection of our most frequently asked questions. If you still have unanswered items, feel free to contact our Franchise Sales Manager Maria Maciel at franchise@zabas.com or call us at 720-817-9326

# Why do customers prefer Ori'Zaba's Scratch Mexican Grill?

**OUR FOOD:** Ask any of our regulars – they'll tell you our food is superior in every way. Our commitment to only using the freshest, never frozen, ingredients, paired with time-tested recipes, makes our food some of the most flavorful and consistent in the industry. Customers also love the flexibility of our menu, allowing them to select only those items they love, in the quantity they prefer, with many healthy, vegan, vegetarian, and gluten-free options.

**OUR STAFF:** Many Ori'Zaba's team members have been with us since we opened our first store in 2001. The reason they stay? Our culture encourages creativity, rewards team members who take customer service seriously, and is a family-like environment where people feel appreciated. They also love the relationships they build with customers, making them feel valued contributor to the success of the company.

**OUR COMMITMENT TO QUALITY:** Similar to team members who appreciate the culture of our company, they also like our commitment to quality. They know if they put love and effort into preparing each item, and put out a quality product, they get to home each night feeling fulfilled by their contribution. Our customers see this in the store, in each interaction with team members and in every bite they taste.

**OUR LONGEVITY:** With all the restaurants that come and go these days, customers truly appreciate ones that stick around, especially ones that provide food they love. With over 15 years in business, Ori'Zaba's is a "go to" for people of all ages who want great food, with proven recipes. No gimmicks or games, our food is what's kept us in business and successful.

**THE VALUE:** We aren't the cheapest taco around, and for good reason. Our high-quality ingredients, prepared from scratch every day, throughout the day, in generous portions, make customers appreciate the value they get each time they walk into an Ori'Zaba's.

Ori'Zaba's Franchise Operations 8084 S. Wallace Court, Suite A Englewood, Colorado 80112

# What are the initial investment requirements to open a Ori'Zaba's Scratch Mexican Grill?

A typical investment necessary to begin operations for a single OriZaba's restaurant ranges from \$413,195 to \$854,610, depending on location and timeframe.

#### What is the Franchise Fee?

The "Initial Franchise Fee" for a single Ori'Zaba's Restaurant is \$30,000. If you decide to purchase a second Franchise at the same time, the Initial Franchise Fee for the second Franchise is \$25,000.

#### Is there a marketing or advertising fee?

Yes. We utilize a Brand fund and local advertising model.

Brand Fund requirement is 2% of gross sales. The brand fund helps support all branding at the national level, meaning anything that helps promote the brand via web, social media, digital campaigns, etc.

Local Advertising requirement is 3% of gross sales. The franchisee may use these dollars in the manner in which they choose to promote their franchise within their community.

#### Are there any other ongoing fee's?

Yes, they are ongoing fees and are disclosed in item 6 of our Franchise Disclosure Document.

#### Do you offer financing?

We do not offer financing, but we understand many franchisees require funding. As such, we have vetted financing partners who can provide guidance around your specific financing needs.



### Do you require prior experience in the food industry?

No, we do not. We are seeking investors who want to own a lively, thriving business. Many operators do not have restaurant expertise, but rather have good business sense. In this scenario, they typically hire a General Manager who does have previous food industry experience. This is not required but is a better recipe for success.

#### Do you offer Multi Unit Development?

Yes. We can work with Franchisees to formulate a plan for a multi-unit options. Some discounts apply with multi-unit acquisition.

#### What is the term of the franchise agreement?

The length of the franchise agreement is 10 years. For those who wish to extend, you may add two successor terms, both with ten year renewal options.

#### What are typical location dynamics?

We have extensive research and data with location demographics and tapestries to support franchisees in their location selection.

#### Is there ongoing support?

Yes! We provide support in the following areas:

**TRAINING:** Our learning management system, OZU - OriZaba's University, gives Franchise a very robust training tool. Modules are delineated by role, and include reading material, video training, and knowledge checks. These can be accessed by any designated team member, and also can be assigned to individuals who may need refresher courses. The

training is continuously updated as new programs are added.

**FINANCIAL MANAGEMENT SYSTEM:** Our financial reporting tools allow Franchises exceptional access to a system designed specifically with restaurants in mind. These tools allow for visibility in product ordering and pricing, sales trends, profitability, etc.

**MARKETING:** We have a team of marketing professionals to help Franchises market their offerings at both the national and local level. A variety of templates are made available and custom requests can be supported. Monthly marketing meetings give Franchises visibility into the brand fund promotions, as well as historical performance. Bi-annual onsite visits to support franchisee success.

## How long does it take from start to actual opening of a Ori'Zaba's location?

The typical length of time between signing the Franchise Agreement or the payment of any fees and the opening of the Ori'Zaba's Restaurant can vary from six months to one year. Our Franchise

Agreement requires you schedule the opening of your Ori'Zaba's Restaurant within 12 months after signing the Agreement.

# What sort of training will my employees receive, both at the grand opening and ongoing?

You or your operating partner and a designated manager (or representative) must complete the initial training to our satisfaction before you open your Ori'Zaba's Restaurant. We provide initial training at no cost for up to two people, provided they attend the same initial training program. We also provide onsite training in support of grand openings. A detailed training program will be provided in the FDD review process.

#### Why Ori'Zaba's?

In the world of fast food, consumers have grown weary of sandwiches and fries. Young families and millennials, the fastest growing segment of restaurant diners, are seeking healthy value. They strive for flavorful food, in generous portions, with healthy

options at affordable prices. Ori'Zaba's provides all that and more. Our flexible menu creates an opportunity to attract all genres, including those who seek a huge steak burrito, all the way to a healthy shrimp salad.

This variety, in a very fresh, never frozen format, makes Ori'Zaba's stand above the crowd in Franchising options. Our longevity since 2001, makes us ideal for delivering exceptional and repeatable options. We have many



award-winning menu items, and our made-from-scratch sauces, salsas, marinated and sides make our flavor profile stand head and shoulders above typical fast-casual options on the market today.

#### What is the Royalty?

The Royalty is 5% based on "Gross Sales" during the previous week. Your Royalty is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance time.

This advertisement is not an offering. An offering can only be made by a Franchise Disclosure Document filed with the referenced state, which filing does not constitute approval. Ori'Zaba's franchises will not be sold to any resident of any such jurisdiction until the offering has been exempted from the requirements of, or duly registered in and approved by, such jurisdiction and the required Franchise Disclosure Document has been delivered to the prospective franchisee before the sale in compliance with applicable law. The following states regulate the offer and sale of franchises: CA, HI, IN, IL, MD, MI, MN, NY, ND, RI, SD, VA, WA and WI. If you reside in one of these states, you may have certain rights under applicable franchise laws.