

FRANCHISE DISCLOSURE DOCUMENT

Big Al's Steaks A & S, Inc.
450 E. Atlantic Avenue
Delray Beach, Florida 33483
(561) 819-0399
www.bigalssteaks.com

BIG AL'S STEAKS®

We grant you the right to operate a BIG AL'S STEAKS® Restaurant. Your Restaurant will offer Philadelphia steak sandwiches and similar "hoagie" submarine-style sandwiches, hotdogs, French fries, beverages and other related products.

The total initial investment necessary to begin operation of your Restaurant is from \$268,325 to \$566,826. This includes \$170,025 to \$240,350 that must be paid to us.

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 Alan Costilo at 450 E. Atlantic Avenue, Delray Beach, Florida 33483; (561) 819-0399.

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 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, 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.

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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 PERMITS YOU TO ARBITRATE WITH US ONLY IN FLORIDA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH US IN FLORIDA THAN IN YOUR HOME STATE.**
2. **THE FRANCHISE AGREEMENT STATES THAT THE LAWS OF THE STATE WHERE OUR HEADQUARTERS ARE LOCATED (CURRENTLY, FLORIDA) GOVERN THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS OTHER LAW. TO THE EXTENT NOT SUBJECT TO ARBITRATION, ANY CAUSE OF ACTION, CLAIM, SUIT OR DEMAND MUST BE BROUGHT IN THE APPLICABLE STATE OR FEDERAL DISTRICT COURT WHERE OUR HEADQUARTERS ARE LOCATED (CURRENTLY, DELRAY BEACH, FLORIDA). ALTHOUGH THE GOVERNING LAW MAY PROVIDE THAT ANY PROVISIONS OF THE FRANCHISE AGREEMENT DESIGNATING JURISDICTION OUTSIDE OF THE STATE ARE VOID. IT MAY COST MORE TO LITIGATE WITH US IN THE STATE WHERE OUR HEADQUARTERS ARE LOCATED THAN IN YOUR HOME STATE. LOCAL LAW MAY SUPERSEDE CERTAIN FRANCHISE AGREEMENT PROVISIONS. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **WE WERE INITIALLY FORMED IN OCTOBER 2008. ALTHOUGH OUR AFFILIATES HAVE OPERATED SIMILAR RESTAURANTS SINCE 2006, WE ARE IN THE DEVELOPMENT STAGE AND OUR BUSINESS IS SUBJECT TO ALL THE RISKS INHERENT IN A NEW BUSINESS ENTERPRISE.**
4. **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.

Florida State Effective Date: May 19, 2010, as amended November 1, 2011

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