

FRANCHISE DISCLOSURE DOCUMENT



FIREHOUSE OF AMERICA, LLC a Florida limited liability company 12735 Gran Bay Parkway, Suite 150 Jacksonville, Florida 32258 (904) 886-8300 e-mail address: franchising@firehousesubs.com www.firehousesubs.com www.facebook.com/firehousesubs

The franchise is for the establishment and operation of a restaurant which offers and serves largeportion hot submarine style sandwiches in a unique fire-fighting atmosphere and decorum at an economical price under the FIREHOUSE SUBS® trade name and business system (a "FIREHOUSE SUBS® Restaurant" or "Restaurant").

The total investment necessary to begin operation of a single FIREHOUSE SUBS® Restaurant ranges from \$160,583 to \$843,390. These totals include the following amounts in Item 5 that must be paid to us or our affiliates: an initial franchise fee of \$20,000; the fee for a mural ranges from \$3,000 to \$4,600; and the MIS System Fee ranges from \$100 to \$1,200. If you sign an Area Development Agreement (the "**Development Agreement**"), you will also pay a Development Fee equal to \$10,000 times the number of Restaurants to be developed. The portion of the Development Fee allocable to each Restaurant (which is \$10,000 for each Restaurant) will be credited against the initial franchise fee for that Restaurant. The total investment necessary to develop from 2 to 6 Restaurants is \$104,255 to \$892.846.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and Development 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 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 disclosure in different formats, contact Greg Delks, 12735 Gran Bay Parkway, Suite 150, Jacksonville, Florida 32258; (904) 606-5145.

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 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 <u>www.ftc.gov</u> 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: April 1, 2019



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 "R" 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. <u>**Out-of-State Dispute Resolution**</u>. The franchise agreement requires you to resolve disputes with us by mediation and litigation only in Florida. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate or litigate with us in Florida than in your own state.
- 2. The franchise agreement states that Florida law governs the agreement, and this law may not provide the same protections and benefits as local law. You may wish to compare these laws.
- 3. Your spouse must also sign a personal guarantee making your spouse individually liable for your financial obligations under the agreement. The guarantee will place your spouse's marital and personal assets at risk if your franchise fails.
- 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.

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

(SEE EXHIBIT "T" FOR STATE SPECIFIC ADDENDA AND RIDERS) (FOR STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS, SEE EXHIBIT "R")



State Effective Dates

The following states require that the Franchise Disclosure Document be registered or filed with the states, 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 document is effective and may be used in the following states where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	Effective, 2019
Hawaii	N/A
Illinois	Effective, 2019
Indiana	Effective: August 29, 2018
Maryland	
Michigan	Effective July 23, 2018
Minnesota	Effective, 2019
New York	Effective, 2019
North Dakota	Effective, 2019
Rhode Island	Effective, 2019
South Dakota	Registered Effective: July 28, 2018
Virginia	Effective, 2019
Washington	Effective, 2019
Wisconsin	Effective, 2019

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