

FRANCHISE DISCLOSURE DOCUMENT

Grandy's®

GRANDY'S, LLC
(a Delaware limited liability
company)
624 Grassmere Park Drive, Suite 30
Nashville, Tennessee 37211
(615) 391-5461
www.Grandys.com

The franchise offered is for the establishment and operation of one or more Grandy's casual dining restaurants that offer a variety of specially-prepared foods and beverages for breakfast, lunch and dinner under the Grandy's® trade name and business system (each a "Restaurant").

The total initial investment necessary to begin operation of a Grandy's franchise ranges from \$627,100 to \$1,218,200 for a new Restaurant (exclusive of real estate acquisition or lease costs) and \$125,000 to \$750,000 for an existing Restaurant (exclusive of real estate acquisition or lease costs). See **Item 7**. That includes amounts payable to us or our Affiliates. See **Item 5**.

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 governmental agency has verified the information contained in this document.**

You may wish to receive this Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact the Franchise Development Department at 624 Grassmere Park Drive, Suite 30, Nashville, Tennessee 37211, 800-550-4877.

The terms of your contract will govern your franchise relationship. Don't rely on this Disclosure Document alone to understand your contract. Read all of your contracts 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 (the "FTC"). You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, N.W., Washington, D.C. 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. Also see **Schedule 4**.

The issue date of this Disclosure Document is May 1, 2015.

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 **Schedule 4** 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 AND AREA DEVELOPMENT AGREEMENTS REQUIRE THAT ALL DISAGREEMENTS BE SETTLED BY ARBITRATION OR LITIGATION IN DAVIDSON COUNTY, TENNESSEE. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN TENNESSEE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AND AREA DEVELOPMENT AGREEMENTS STATE THAT TENNESSEE LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THOSE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNINGS THE FRANCHISE.

You may have elected to receive an electronic version of this Disclosure Document. If so, you may wish to print or download the Disclosure Document for future reference. You have the right to receive a paper copy of the Disclosure Document up until the time of the sale. To obtain a paper copy, contact the Franchise Development Department at 624 Grassmere Park Drive, Suite 30, Nashville, Tennessee 37211, 800-550-4877.

We have filed or registered this Disclosure Document or have qualified for an exemption from registration in the following states, with the following effective dates:

<u>State</u>	<u>Effective Date</u>	<u>State</u>	<u>Effective Date</u>
California	Not Filed	North Dakota	Not Filed
Hawaii	Not Filed	Rhode Island	Not Filed
Illinois	Not Filed	South Dakota	Not Filed
Indiana	Exempt	Virginia	Not Filed
Maryland	Not Filed	Washington	Not Filed
Minnesota	Not Filed	Wisconsin	Not Filed

In all other states, the effective date of this Disclosure Document is the issuance date of May 1, 2015.

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