

FRANCHISE DISCLOSURE DOCUMENT

Hungry Howie's Pizza & Subs, Inc.,
a Michigan corporation
30300 Stephenson Highway, Suite 200
Madison Heights, Michigan 48071
(248) 414-3300

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Hungry Howie's
FLAVORED CRUST PIZZA

The franchisee will operate a Hungry Howie's restaurant, offering pizza, submarine sandwiches and other designated menu items for sale. The restaurant may be a Non-Traditional Restaurant, as defined in this disclosure document. The total investment necessary to begin operation of a Hungry Howie's franchised business (including Non-Traditional Restaurants) is between ~~\$239,700~~\$253,075.00 and ~~\$472,000~~\$453,850.00. This includes between ~~\$69,100~~\$70,700.00 and ~~\$98,000~~\$101,700.00 that must be paid to the franchisor or its affiliate(s).

Hungry Howie's may enter into ~~an~~ an Area Developer Multiple Unit Addendum with you which will give you the right to open a certain number of Hungry Howie's restaurants within a designated geographic area during a specified period of time. At the time you enter into ~~an~~ an Area Developer Multiple Unit Addendum you must pay Hungry Howie's the full franchise fee of \$25,000 for the first franchise and 50% of the franchise fee for each additional franchise.

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 14 calendar days before you sign a binding agreement with, or make a 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 in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Hungry Howie's Franchise Development Department, at 30300 Stephenson Highway, Madison Heights, Michigan 48071 (248) 414-3300.

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, 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.

Issued: ~~January~~April 1, 2015~~2016~~

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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 "B" 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ~~LITIGATION, OTHER THAN~~ ARBITRATION ~~FOR THE LIMITED PURPOSE OF DETERMINING THE FAIR MARKET VALUE OF YOUR ASSETS,~~ ONLY IN MICHIGAN. OUT-OF-STATE ~~LITIGATION OR~~ ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ~~LITIGATE OR~~ ARBITRATE WITH US IN MICHIGAN THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT MICHIGAN LAW GOVERNS THE AGREEMENT, ~~AND THIS LAW EXCEPT FOR MATTERS RELATING TO ARBITRATION, WHICH SHALL BE GOVERNED BY THE FEDERAL ARBITRATION ACT (9 USC SEC. 1 SE. SEQ.) AND MATTERS CONCERNING THE MARKS, WHICH SHALL BE GOVERNED BY THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 USC SECTIONS 1051 ET. SEQ.) MICHIGAN LAW, TO THE EXTENT APPLICABLE,~~ MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

~~3. THE FRANCHISE AGREEMENT REQUIRES YOU TO PAY HUNGRY HOWIE'S, WITHIN 90 DAYS AFTER TERMINATION, APPROXIMATELY \$1,000 PER MONTH FOR THE REMAINING TERM OF THE FRANCHISE AGREEMENT IF HUNGRY HOWIE'S TERMINATES THE FRANCHISE AGREEMENT AS A RESULT OF YOUR DEFAULT.~~

~~4.~~ 3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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

HUNGRY HOWIE'S PIZZA & SUBS, INC.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, 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 Franchise Disclosure Document is registered, on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	May 12, 2015 <u>Pending</u>
Illinois	April 2, 2015 <u>Pending</u>
Indiana	May 11, 2015 <u>Pending</u>
<u>Maryland</u>	<u>Pending</u>
Michigan	January 5, 2015 <u>April 1, 2016</u>
Minnesota	April 7, 2015 <u>Pending</u>
New York	May 5, 2015 <u>Pending</u>
North Dakota	April 9, 2015 <u>Pending</u>
Rhode Island	April 3, 2015 <u>Pending</u>
South Dakota	April 2, 2015 <u>Pending</u>
<u>Virginia</u>	<u>Pending</u>
Washington	May 8, 2015 <u>Pending</u>
Wisconsin	April 3, 2015 <u>Pending</u>

In all other states without franchise registration laws, the effective date of this Franchise Disclosure Document is the issuance date of April 1, 2016.

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