

FRANCHISE DISCLOSURE DOCUMENT



Lenny's Franchise Systems, LLC
an Indiana limited liability company
8295 Tournament Drive, Suite 200
Memphis, Tennessee 38125
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salesteam@lennys.com
www.lennys.com
www.lennysfranchise.com

Lenny's Franchise Systems, LLC, is offering a franchise of Lennys Grill & Subs, which are quick service restaurants offering a menu of submarine sandwiches served on bread that is baked on-premises, other deli sandwiches, Philly cheesesteaks, salads, desserts and beverages. The Lennys Grill & Subs offer counter service with carry-out and on-premises dining. Some locations also offer breakfast items, delivery, catering services, and/or drive-through service.

The total investment necessary to begin operation of a Lennys Grill & Subs franchise ranges from \$192,844 to \$431,326. The average total investment for Restaurants that opened between 2014 and 2018 is \$303,840. This includes \$25,000 that must be paid to the franchisor. If you meet our conditions to obtain the right to operate additional Lennys Grill & Subs, the total investment necessary to begin operation of your second and any subsequent Lennys Grill & Subs will vary based on the reduced Initial Franchise Fee we charge you for each franchise and the number of franchises you commit to develop.

This Franchise 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 your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Franchise Sales at Lenny's Franchise Systems, LLC, 8295 Tournament Drive, Suite 200, Memphis, TN 38125, (901) 753-4002, or salesteam@lennys.com.

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 complicated 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.

Issuance Date: April 16, 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 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. ALL DISPUTES (WITH LIMITED EXCEPTIONS) MUST BE MEDIATED AND IF NOT RESOLVED THROUGH MEDIATION, THEN THEY ARE TO BE RESOLVED BY ARBITRATION. BOTH MEDIATION AND ARBITRATION WILL BE HELD IN THE CITY WHERE OUR RESTAURANT SUPPORT CENTER IS LOCATED AT THE TIME OF THE DISPUTE. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN OUR HOME STATE THAN IN YOUR HOME STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT TENNESSEE LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. 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.

Registration States Effective Dates: See following page.



FRANCHISE DISCLOSURE DOCUMENT EFFECTIVE DATES IN DESIGNATED STATES

The following states require that the 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, exempt from registration, or otherwise effective in the following states with franchise registration and disclosure laws as of the dates listed:

| Illinois | Effective Date: |
|------------|-----------------|
| Indiana | Effective Date: |
| Maryland | Effective Date: |
| Michigan | Effective Date: |
| Minnesota | Effective Date: |
| New York | Effective Date: |
| Virginia | Effective Date: |
| Washington | Effective Date: |

In all other states, the effective date of this Franchise Disclosure Document is April 16, 2019.

| This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/lennys-grill-subs |
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