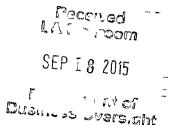


## FRANCHISE DISCLOSURE DOCUMENT





## PHILLY FOODS, INC dba PHILLY'S BEST AUTHENTIC CHEESESTEAK & HOAGIE SHOP

A California Corporation 13805 Alton Parkway, Suite A Irvine, California 92618-1690 (949) 206-9724 bobpb@sbcglobal net www eatphillysbest com

As a Philly's Best franchisee, you will operate a sandwich shop offering food and products that are unique to Philadelphia at approved locations. The total investment necessary to begin operating a Philly's Best sandwich shop ranges from \$203,500 to \$418,000 for a single sandwich shop. This includes \$30,000 that must be paid to PFI and its affiliates.

We offer qualified individuals the right to own and operate multiple Sandwich Shops in a designated development area by entering into an Area Development Agreement ("ADA"). The total initial investment necessary to begin operating under the ADA will vary depending on the number of Sandwich Shops to be opened in your designated area (a "Development Territory"). The total estimated initial investment to being operation of your first Sandwich Shop under an ADA for three Sandwich Shops ranges from \$213,500 to \$428,000, which includes \$40,000 you must pay to us or our affiliates.

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 Andrea Levey at 13805 Alton Parkway, Suite A, Irvine, California 92618, (949) 206-9724

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

© 2015 Philly Foods Inc Franchise Disclosure Document



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 homepage 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

The issuance date is September 15, 2015



## STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with the 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 G 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

- THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN THE STATE OF CALIFORNIA OUT-OF-STATE MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO MEDIATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE
- 2 ANY DISPUTES NOT SUBJECT TO MEDIATION MUST BE RESOLVED BY LITIGATION ONLY IN THE STATE OF CALIFORNIA IT MAY COST YOU MORE TO LITIGATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE
- OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT www corp ca gov
- IF THE FRANCHISEE/AREA DEVELOPER IS AN INDIVIDUAL, WE REQUIRE THAT THE FRANCHISEE'S/AREA DEVELOPER'S SPOUSE EXECUTE A PERSONAL GUARANTY IF THE FRANCHISEE/AREA DEVELOPER IS A BUSINESS ENTITY, EACH PRINCIPAL OF THE FRANCHISEE/AREA DEVELOPER ENTITY AND THE RESPECTIVE SPOUSES OF EACH PRINCIPAL MUST EXECUTE A PERSONAL GUARANTY THIS PLACES THE PERSONAL ASSETS OF THESE INDIVIDUALS AND THEIR SPOUSES AT RISK
- 5 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE -

We may 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 is our agent and 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.

This is a docum free by visiting:	ent preview downloa https://franchisepan	aded from Franch da.com/franchise	nisePanda.com. es/phillys-best-au	The full documen	t is available for eak-hoagie-shop