

### FRANCHISE DISCLOSURE DOCUMENT



PLANET SUB, INC. A Kansas Corporation 4928 Main Street Kansas City, MO 64112 (816) 561-1351 franchising@planetsub.com www.planetsub.com

You will operate an independently owned PLANET SUB restaurant that will provide the public with submarine sandwiches in an attractive restaurant setting. You will provide fresh hot oven baked subs on whole wheat bread made from scratch as well as fresh baked cookies, soups, chips, and salads.

The total investment necessary to begin operation of a Planet Sub franchise is \$182,500 to \$402,000. See Item 7. This includes \$25,500 to \$30,000 that must be paid to us or an affiliate as an initial franchise fees and a promotional advertising fee. See Items 5 and 6. You might pay us more if you sign an Area Development Agreement to develop multiple restaurants. See Items 5 and 7.

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 your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Ryan Joy at 4928 Main Street, Kansas City, MO 64112, via Phone at (816) 561-1351, or via email at franchising@planetsub.com.

The terms of your contract will govern your franchise relationship. Please do not rely on the disclosure document alone to understand your contract. Read 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, 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.

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### ITEM 1. THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this document, "you" means the person who buys the franchise and signs as an individual as well as any legal entities and their owners. We are a Kansas corporation that was incorporated in 2001 and we conduct business as "Planet Sub." Our principal address is 4928 Main Street, Kansas City, Missouri 64112. The name of the FRANCHISOR is Planet Sub, Inc. (referred to in this Franchise Disclosure Document as "FRANCHISOR", "we", "us", or "our"). The trade name for the restaurant we are offering to franchise is Planet Sub.

Our agent for service of process is Jeff Klusman, 20100 W. 92nd St., Lenexa, Kansas 66220.

As of December 31, 2012, our affiliates operated 21 restaurants. When we refer to "our restaurants" or similar terms, it means restaurants operated by our affiliates.

Our first "Planet Sub" restaurant was opened January 26, 1998. We had no prior restaurant experience. Our predecessor, Planet Sub Franchise Corporation, had conducted a business of the type being offered in this franchise disclosure document since 1979, and sold us its two restaurants that were operating under an exclusive franchise agreement with us in Lawrence, Kansas in 2006.

Our predecessor first offered franchises in 1998 and sold six franchises before we acquired the rights to the franchise system on January 1, 2002. Neither we nor our predecessor have offered franchises in any other lines of business, and our affiliates have never offered this franchise. Our acquisition from our predecessor included the assignment of all six franchises previously sold by our predecessor. As part of this acquisition, we entered into a special franchise agreement with Planet Sub Franchise Corporation granting it an exclusive franchise in the Lawrence, Kansas area and allowing it to pay no ongoing royalties, franchise fees, or advertising fees.

Franchisor's business involves the franchising of restaurants for the retail sale of submarine sandwiches and other food products, under the name and service mark Planet Sub, in accordance with a uniform method and system ("System") developed by Franchisor's predecessor and acquired by Franchisor emphasizing prompt and courteous service in a clean, wholesome atmosphere.

Franchisor offers to qualified persons ("Franchisees") the right to establish and operate "Planet Sub" restaurants (sometimes referred to as "Restaurant" or "Restaurants") in accordance with the terms of our standard Franchise Agreement ("Franchise Agreement"). Each Restaurant provides the public with submarine sandwiches and related food products in a wholesome restaurant setting and by pick-up and optional delivery services.

The "Planet Sub" concept began as "Yello Sub" in Lawrence, Kansas, on December 7, 1979. The original "Yello Sub" store was a quintessential hole-in-the wall sub shop that featured fresh sandwiches on made-from-scratch whole wheat bread. Yello Sub provided a break from the cookie cutter restaurants that exemplified corporate America. "Planet Sub" was built on this premise. This aspect of the operation differentiates "Planet Sub" from its competitors, which include all sandwich style restaurants.

The System includes, without limitation, distinctive building designs, decor, color schemes, trade dress, signage, secret food formulae, advertising, marketing, promotional programs, and an operations manual incorporating required standard procedures, policies, and techniques; all of which we may change, improve, and further develop in our discretion.

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