

DEPARTMENT OF
 BUSINESS OVERSIGHT

MAR 18 2016

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2016 MAR 18 PM 3 14 FRANCHISE DISCLOSURE DOCUMENT

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 Sacramento

 101 Mobility Franchise Systems, LLC
 5221 Oleander Drive
 Wilmington, North Carolina 28403
 (910) 350-2755
 franchise@101mobility.com
 www.101mobility.com
 www.101mobilityfranchise.com

You will operate a retail business which sells, rents, installs, and services mobility and accessibility-related equipment and accessories such as stair lifts, auto lifts, vertical lifts, patient lifts, elevators, and ramps under the 101 MOBILITY® trademarks

The total investment necessary to begin operation of a franchise ranges from \$114,060 to \$210,120 This includes the \$41,000 to \$63,500 that must be paid to the franchisor or affiliate

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 or grant **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 Mike Gardner, franchise@101mobility.com, 5221 Oleander Drive, Wilmington, North Carolina 28403, (910) 350-2755

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

Date of Issuance March 2, 2016

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 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.

- 1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION OR ARBITRATION IN THE STATE OF NORTH CAROLINA. OUT-OF-STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE OR ARBITRATE IN NORTH CAROLINA THAN IN YOUR HOME STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 THE FRANCHISE AGREEMENT STATES THAT IF YOUR ANNUAL GROSS SALES FOR ANY YEAR OF OPERATION FAILS TO MEET THE ANNUAL PERFORMANCE REQUIREMENT, WE MAY TERMINATE YOUR TERRITORIAL PROTECTION OR TERMINATE YOUR FRANCHISE AGREEMENT.
- 4 FRANCHISOR MAY TERMINATE YOUR LIMITED TERRITORIAL PROTECTION UNDER THE FRANCHISE AGREEMENT IF 1) ANNUAL GROSS SALES DO NOT EXCEED \$300,000 DURING YOUR THIRD THROUGH FIFTH YEARS IN OPERATION, 2) ANNUAL GROSS SALES DO NOT EXCEED \$500,000 DURING YOUR SIXTH AND SUBSEQUENT YEARS IN OPERATION, AND 3) YOU DO NOT MAKE AND DOCUMENT AT LEAST 30 SALES CALLS PER APR PER QUARTER.
- 5 YOU WILL BE LIABLE FOR A MINIMUM ROYALTY FEE OF \$2,100 FOR YOUR THIRD FULL OPERATING QUARTER, \$3,600 FOR YOUR FOURTH OPERATING QUARTER, AND \$5,400 FOR EACH SUBSEQUENT OPERATING QUARTER.
- 6 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 represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

Effective Date See the next page for state effective dates.

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

STATE	EFFECTIVE DATE
California	March 8, 2016
Illinois	March 7, 2016
Indiana	
Maryland	March 11, 2016
Michigan	March 7, 2016
Minnesota	March 8, 2016
New York	
Rhode Island	
Virginia	March 10, 2016
Washington	March 24, 2016
Wisconsin	March 7, 2016

In all other states, the effective date of this Disclosure Document is the issuance date of March 2, 2016

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