

## FRANCHISE DISCLOSURE DOCUMENT

**CAR-X, LLC**  
a Delaware limited liability company  
1375 E. Woodfield Road, Suite 500  
Schaumburg, Illinois 60173  
(800) 359-2359  
[dlegault@carx.com](mailto:dlegault@carx.com)  
[www.carx.com](http://www.carx.com)



The franchised business is a motor vehicle center specializing in the repair and replacement of automotive products and services such as air conditioning, brake systems, maintenance service, muffler and exhaust systems, ride control products, tires, and other automotive products and services that is operated under the Car-X Auto Service and Car-X Tire and Auto brand name. You may purchase a single franchise or an area development franchise.

The total investment necessary to begin operation of a Car-X franchise is from \$262,000 to \$413,500. This includes from \$30,000 to \$35,000 that must be paid to the franchisor or affiliate and an additional \$183,000 to \$275,000 that may be paid to the franchisor or affiliate. If you purchase an area development franchise you must pay an additional area development fee that will be negotiated based on the number of franchises to be developed and the development schedule, but you will only pay an initial franchise fee of \$7,500 for each franchise developed.

This disclosure document summarizes certain provision 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 to you. To discuss the availability of disclosures in different formats, contact Daniel LeGault at 1375 E. Woodfield Road, Suite 500, Schaumburg, Illinois 60173; (800) 359-2359.

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](http://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: July 25, 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. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION IN NEW YORK. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN NEW YORK THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT NEW YORK 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 RISK FACTORS CONCERNING THIS FRANCHISE.

LOCAL LAW MAY SUPERSEDE THESE AND OTHER FRANCHISE AGREEMENT PROVISIONS. CERTAIN STATES REQUIRE THE SUPERSEDING PROVISIONS TO APPEAR IN AN ADDENDUM IN THIS FRANCHISE DISCLOSURE DOCUMENT, WHICH, IF APPLICABLE, IS ATTACHED AS EXHIBIT R TO THIS FRANCHISE DISCLOSURE DOCUMENT.

**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, 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, if an effective date is listed for the state:

<b><u>State</u></b>	<b><u>Effective Date</u></b>
Illinois	July 29, 2019
Indiana	July 28, 2019
Minnesota	October 25, 2019
Wisconsin	July 26, 2019

In all other states, the effective date of this Franchise Disclosure Document is the issuance date noted on the cover page.

The states listed above may require specific disclosures and revisions to the Franchise Agreement and Area Development Agreement. Those disclosures and revisions, if required, are contained in Exhibit Q to the Disclosure Document.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/car-x>