

FRANCHISE DISCLOSURE DOCUMENT



Recommed ARTISTES GREAT AMERICA LLC

A New York limited liability company

AUG 1 2 2019

New York, NY 10014
(917) 602-2686
franchise@carredartistes.com

www.carredartistes.com

Department of Pusiness Oversight

CARRE D'ARTISTES GREAT AMERICA LLC grants franchises for the operation of art galleries related to the sale of contemporary artworks under the name "CARRE D'ARTISTES®":

The total investment necessary to begin operation of a franchised CARRE D'ARTISTES franchise business is from \$254,000 to \$576,500. This includes \$125,000 that must be paid to CARRE D'ARTISTES GREAT AMERICA LLC or its 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 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 Mrs. Stephanie Tosi at CARRE D'ARTISTES GREAT AMERICA LLC, 241 Bleecker Street, New York, NY 10004, email: stephanie@carredartistes.com, telephone number: +33 4 42 63 62 59.

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, DC 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: July 8, 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 franchises 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 the State Agency Exhibit (Exhibit E) for information about CARRE D'ARTISTES GREAT AMERICA LLC 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 REQUIRES YOU TO RESOLVE DISPUTES WITH CARRE D'ARTISTES GREAT AMERICA LLC BY MEDIATION AND LITIGATION ONLY IN THE STATE OF NEW YORK. OUT-OF-STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT OF DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH CARRE D'ARTISTES GREAT AMERICA LLC 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 PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. THE FRANCHISOR'S FINANCIAL CONDITION, AS REFLECTED IN ITS FINANCIAL STATEMENTS (SEE ITEM 21), CALLS INTO QUESTION THE FRANCHISOR'S FINANCIAL ABILITY TO PROVIDE SERVICES AND SUPPORT TO YOU.
- 4. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND HAS A LIMITED OPERATING HISTORY. THE FRANCHISE IS LIKELY TO BE A RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER OPERATING HISTORY.
- 5. WHERE PERMITTED BY LAW, WE DETERMINE THE MINIMUM PRICE YOUR ARTWORK MAY BE SOLD AND THE ARTWORK CANNOT BE SOLD BELOW THE PRICE WE DETERMINE.

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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 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 next page for state effective dates

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