

FRANCHISE DISCLOSURE DOCUMENT

JUN 27 2012



CarSoup Franchising, LLC
A Minnesota Limited Liability Company
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CarSoup Franchising, LLC offers franchises for the operation of a vehicle-specific online media business in a specific geographical area ("Media Business").

The total out-of-pocket investment necessary to begin operation of a CarSoup® Media Business is from \$83,450 to \$477,000. This includes \$50,000 to \$351,500 that must be paid to us or our affiliates but does not include the value of use of your media in the initial promotion of the Media Business or its website. If you sign a Development Agreement with us, this includes \$55,000 to \$385,000 that must be paid to us or our 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. **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 Darrell Schmidt, CarSoup Franchising, LLC, 1401 American Blvd E, Suite 6, Bloomington, MN 55425, (952) 707-8557.

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.

Issuance Date June 26, 2012

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 IS CORRECT

Call the state franchise administrator listed in **Exhibit F** 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 ONLY IN MINNESOTA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH US IN MINNESOTA THAN IN YOUR OWN STATE
- 2 IF YOU FAIL TO MEET THESE MINIMUM PERFORMANCE STANDARDS DURING THE TERM OF THE FRANCHISE AGREEMENT, WE CAN TERMINATE THE FRANCHISE AGREEMENT
- 3 THE FRANCHISE AGREEMENT REQUIRES YOU TO MEET OUR MINIMUM PERFORMANCE STANDARDS, WHICH WILL INCLUDE A MINIMUM NUMBER OF VEHICLES AND MINIMUM PERCENTAGES OF PAGE VIEWS AND USER SESSIONS.
- 4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

Effective Date See the next page for state effective dates

STATE EFFECTIVE DATES

The following states require that the 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 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	State	Effective Date
California	Pending	New York	Pending
Hawaii	Pending	North Dakota	Pending
Illinois	Pending	Rhode Island	Pending
Indiana	June 27, 2012	South Dakota	June 27, 2012
Maryland	Pending	Virginia	Pending
Michigan	June 26, 2012	Washington	Pending
Minnesota	Pending	Wisconsin	June 27, 2012

In the states listed below, the effective date of this disclosure document (the issuance date) is June 26, 2012

Alabama	Kentucky	Ohio
Alaska	Louisiana	Oklahoma
Arizona	Maine	Oregon
Arkansas	Massachusetts	Pennsylvania
Colorado	Mississippi	South Carolina
Connecticut	Missouri	Tennessee
Delaware	Montana	Texas
District of Columbia	Nebraska	Utah
Florida	Nevada	Vermont
Georgia	New Hampshire	West Virginia
Idaho	New Jersey	Wyoming
Iowa	New Mexico	
Kansas	North Carolina	

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