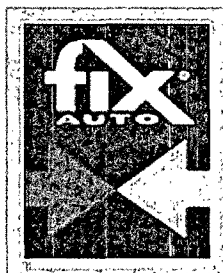


FRANCHISE DISCLOSURE DOCUMENT



FUSA, INC.
 (a California corporation)
 11555 Sorrento Valley Road, Suite 201
 San Diego, CA 92121
 (858) 433-3963
www.fixauto.com

Received
 LA Mailroom
 NOV 30 2017
 Department of
 Business Oversight

FUSA, Inc. grants you the right to establish and operate a FIX AUTO® collision repair shop specializing in auto body repair work and related services.

The total initial investment necessary to begin operations of an FIX AUTO® franchised business ranges from \$157,700 to \$3,069,000. This amount includes \$10,000 to \$20,000 that must be paid to the franchisor and/or its affiliates as an initial franchise fee.

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 Franchise Development Officer, at FUSA, Inc., 11555 Sorrento Valley Road, Suite 201, San Diego, CA 92121 and (858) 342-9213.

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: April 8, 2017, as amended May 16, 2017.

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 THIS FRANCHISE WITH A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A of this disclosure document 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 SUE AND TO ARBITRATE ONLY IN CALIFORNIA. OUT OF STATE LITIGATION OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE.
2. AS A FRANCHISEE, YOU ARE REQUIRED TO MEET CERTAIN PERFORMANCE STANDARDS, INCLUDING: A MINIMUM ANNUAL SALES STANDARD OF ONE MILLION DOLLARS (\$1,000,000); AN INSURANCE COMPANY RELATIONSHIPS STANDARD; CUSTOMER SATISFACTION STANDARDS, AND PRODUCTION PERFORMANCE STANDARDS (WHICH INCLUDE HOW QUICKLY YOU REPAIR A CAR IN YOUR FIX AUTO SHOP, AS WELL AS QUALITY AND VOLUME STANDARDS). YOUR FAILURE TO MEET THE PERFORMANCE STANDARDS MAY RESULT IN THE SUSPENSION OF WORK FLOW FROM CERTAIN INSURANCE COMPANIES, LIMITED REFERRALS FROM US OR TERMINATION OF YOUR FRANCHISE AGREEMENT.
3. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$157,700 TO \$3,069,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS' NEGATIVE EQUITY OF \$254,003, AS OF DECEMBER 31, 2016.
4. WE MAY BE REQUIRED TO CHANGE OUR PRINCIPAL TRADEMARK UPON THE EXPIRATION OF THE CURRENT LICENSE AGREEMENT BETWEEN OUR AFFILIATE AND THE LICENSOR OF THE "FIX AUTO" MARK. IF AN ALTERNATIVE TRADEMARK MUST BE ADOPTED AS A RESULT, IT MAY INCREASE YOUR EXPENSES.
- ~~5.~~ 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 Franchise Disclosure Documents 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	<u>April 21, 2017, as amended</u>
Hawaii	
Illinois	<u>April 24, 2017, as amended</u>
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

In all other states, the effective date of this Franchise Disclosure Document is April 8, 2017, as amended
May 16, 2017.

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