

FRANCHISE DISCLOSURE DOCUMENT



Grease Monkey Franchising, LLC

a Colorado limited liability company

5575 DTC Parkway, Suite 100

Greenwood Village, CO 80111

Phone: (303) 308-1660

Fax: (303) 308-5906

E-mail: jking@greasemonkeyintl.com

www.greasemonkeyintl.com

Grease Monkey businesses provide oil changes and preventive maintenance services for cars and trucks to the general public ("Grease Monkey Business(es)"). Grease Monkey franchisees may also operate a Monkey Shine car wash facility ("Monkey Shine Facility" or "Facility") which provide car wash services to the general public.

The estimated total investment necessary to begin operation of a Grease Monkey franchise ranges from \$156,695 to \$342,850, including between \$5,000 and \$45,000 which must be paid to the franchisor or its affiliates. Grease Monkey area developers acquire the right to develop multiple franchises, with a minimum of three (3) Grease Monkey Businesses in a designated development area. The total investment necessary to begin operation as an area developer with three (3) Grease Monkey Businesses ranges from \$502,085 to \$989,550, including \$47,000 to \$72,000 which must be paid to the franchisor or its affiliates. If you purchase more than three (3) Grease Monkey franchised businesses, the estimated investment for each additional business is from \$160,695 to \$321,850, including \$9,000 to \$24,000 which must be paid to the franchisor or its affiliates. We may also require that you pay us for the Grand Opening Costs in an amount between \$10,000 and \$15,000 for each Grease Monkey Business you open if we provide Grand Opening services.

The estimated investment necessary to begin operation of a Monkey Shine Facility franchise ranges from \$151,650 to \$761,135, including \$0 which must be paid to the franchisor or its affiliates. These sums are in addition to the costs to open a Grease Monkey Business. The total investment necessary to begin operation of a Grease Monkey Business offering a Monkey Shine Facility ranges from \$308,345 to \$1,103,985, including \$5,000 to \$45,000 which must be paid to the franchisor 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 Jeff King (jking@greasemonkeyintl.com) or Ralph Yarusso (ryarusso@greasemonkeyintl.com) at 5575 DTC Parkway, Suite 100, Greenwood Village, Colorado 80111, (303) 308-1660.

The terms of your contract will govern your franchise relationship. Do not 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. In addition, there may be laws on franchising in your state. Ask your state agencies about them.

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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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION/LITIGATION ONLY IN COLORADO. OUT-OF-STATE ARBITRATION/LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE/LITIGATE WITH US IN COLORADO THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT COLORADO LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS THE LAW IN YOUR STATE. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOUR SPOUSE MUST SIGN A DOCUMENT THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN THOUGH YOUR SPOUSE HAS NO OWNERSHIP INTEREST IN THE BUSINESS. THIS GUARANTEE WILL PLACE BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, PERHAPS INCLUDING YOUR HOUSE, AT RISK IF YOUR FRANCHISE FAILS.
4. THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We reserve the right to 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 is our agent and represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Dates: See next page for state effective dates.



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