



FRANCHISE DISCLOSURE DOCUMENT
HCAC FRANCHISE, INC.
A Delaware corporation
280 Skokie Boulevard
Northbrook, Illinois 60062
Telephone: (224) 534-0200
Email: franchise@heartautocare.com
www.heartautocare.com

HCAC Franchise, Inc., a Delaware corporation, offers franchises for the operation of Heart Certified Auto Care automotive repair and maintenance business that offer automotive repair and maintenance services to the public under the trade name and service mark "Heart Certified Auto Care". We offer the rights for 2 different franchises in this Disclosure Document:

Single Franchise Program. Under the Single Franchise Program, you will sign a Franchise Agreement to operate one Heart Certified Auto Care automotive repair and maintenance business. The total investment necessary to begin operations of one Heart Certified Auto Care automotive repair and maintenance business ranges from approximately \$301,100 to \$815,500. This includes between \$36,100 and \$37,500 that must be paid to us or our affiliates.

Area Development Program. Under the Area Development Program, we will assign you a defined area within which you must develop and open 2 or more Heart Certified Auto Care automotive repair and maintenance businesses within a specified period of time. The total investment necessary to begin operations of the first of 2 to 3 Heart Certified Auto Care automotive repair and maintenance business under an Area Development Agreement ranges from approximately \$323,600 to \$850,500. This includes between \$56,100 and \$67,500 that must be paid to us or our affiliates.

This Disclosure Document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read the 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 payments 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 Brian Moak, 280 Skokie Boulevard, Northbrook, Illinois 60062; Telephone: (224) 534-0200; Email:franchise@heartautocare.com.

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 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.

THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT IS APRIL 3, 2018

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 on Exhibit J 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 THIS FRANCHISE, 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 HCAC FRANCHISE, INC. BY MEDIATION AND LITIGATION ONLY IN ILLINOIS. OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO PARTICIPATE IN MEDIATION AND LITIGATION WITH HCAC FRANCHISE, INC. IN ILLINOIS THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT DELAWARE LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE FRANCHISE BUSINESS. BOTH YOUR AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.
4. 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 may 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.

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, 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 state having franchise registration and disclosure laws, with the following effective date:

Illinois: _____
Indiana: _____
Wisconsin: _____

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of April 3, 2018.

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