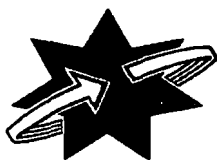


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FRANCHISE DISCLOSURE DOCUMENT

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Cartridge World

Ink Southwest, LLC
 An Arizona Limited Liability Company
 4411 S Rural Rd , Suite #201
 Tempe, Arizona 85282
 Telephone (480) 755-0744
 EMAIL jeff@cartridgeworldsowest.com
www.cartridgeworld.com

DEPARTMENT OF
 BUSINESS OVERSIGHT
 SAN FRANCISCO

You will operate a franchised Cartridge World® business (a “Unit Franchise” or a “Cartridge World Unit Franchise”) which will provide products and services related to printer (and other) cartridges, inkjet cartridges, laser cartridges, toner, computer hardware (including printers) and software, ancillary products and services, and such additional products and services as we may specify

The total investment necessary to begin operation of a Cartridge World Unit Franchise is from \$70,300 to \$174,300 This includes an Initial Franchise Fee of \$50,000 that must be paid to us If you sign a Multi-Unit Agreement, the total investment to begin the operation of your second and, if applicable, your third Unit Franchise is from \$38,800 to \$120,800 This includes an Initial Franchise Fee of \$20,000 that must be paid to us

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 Disclosure 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 Sayas at Ink Southwest, LLC, 4411 S Rural Road, Suite #201, Tempe, AZ 85282, telephone number (480) 755-0744

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

Date of Issuance July 18, 2016

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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 C 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.

Risk Factors

Please consider the following RISK FACTORS before you buy this franchise.

- 1 THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION OR LITIGATION ONLY IN ARIZONA. OUT-OF-STATE MEDIATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE OR LITIGATE WITH US IN ARIZONA THAN IN YOUR OWN STATE.
- 2 THE FRANCHISE AGREEMENT STATES THAT ARIZONA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3 YOUR SPOUSE OR DOMESTIC PARTNER MUST SIGN A SPOUSAL CONSENT WHICH PLACES YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.
- 4 IF YOU BUY THIS FRANCHISE, YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS. FRANCHISOR CONTROLS.
- 5 IN THE LAST YEAR, 26% OF OUR FRANCHISED OUTLETS WERE TERMINATED, NOT RENEWED, RE-ACQUIRED, OR CEASED OPERATIONS FOR OTHER REASONS. THIS FRANCHISE COULD BE A HIGHER RISK INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LOWER TURNOVER RATE.
- 6 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 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 Date See the next page for state effective dates

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