

FRANCHISE DISCLOSURE DOCUMENT RECEIVED
DEPT OF CORPORATIONS
SAN FRANCISCO**K & N MOBILE FRANCHISES, INC.**

(a Texas corporation)

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Fort Worth, Texas 76106

817-626-2885

www.kandnmobile.com**K & N MOBILE DISTRIBUTION SYSTEMS®**

The franchise described in this disclosure document relates to the establishment and operation of a mobile parts store business to market and sell electrical parts and related items and services, using our proprietary System and using our Marks.

The total investment necessary to begin operation of a K&N Mobile Distribution Systems franchise is between \$52,150 and \$179,100. This includes \$40,500 to \$78,500 that must be paid to the franchisor or 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 governmental agency has verified the information contained in this document.**

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 13, 2012, amended May 22, 2012.

| 2012 K&N FDD 052212-041342

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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, Connecticut, Florida, Hawaii, Illinois, Indiana, Kentucky, Maine, Maryland, Michigan, Minnesota, Nebraska, New York, North Carolina, North Dakota, Rhode Island, South Carolina, South Dakota, Texas, Utah, 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:

<u>STATE</u>	<u>EFFECTIVE DATE</u>
California pending)	May 3, 2011 <u>May 8, 2012</u> (renewal amendment)
Connecticut	April 21, 2008 (permanent)
Florida	April 15, 2011 (renewal pending)
Hawaii	Not registered
Illinois	April 18, 2011 (renewal pending)
Indiana	April 16, 2011 (renewal pending)
Kentucky	February 25, 2008 (permanent)
Maine	Exempt
Maryland	June 14, 2011 (renewal pending)
Michigan	April 16, 2011 <u>April 18, 2012</u> (renewal pending)
Minnesota pending)	May 25, 2011 <u>April 23, 2012</u> (renewal amendment)
Nebraska	April 18, 2011 (permanent renewal pending)
New York	May 10, 2011 (renewal pending)
North Carolina	Exempt
North Dakota	Not currently registered as of Issuance Date
Rhode Island	April 25, 2011 <u>May 15, 2012</u> (renewal pending)
South Carolina	Exempt
South Dakota	Not currently registered as of Issuance Date
Texas	February 25, 2008 (permanent)
Utah	Not currently registered as of Issuance Date
Virginia	May 15, 2011 (renewal pending)
Washington pending)	April 25, 2011 <u>April 29, 2012</u> (renewal amendment)
Wisconsin pending)	April 15, 2011 <u>April 18, 2012</u> (renewal amendment)

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

K & N MOBILE DISTRIBUTION SYSTEMS®

FRANCHISE DISCLOSURE DOCUMENT

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