

FRANCHISE DISCLOSURE DOCUMENT



MDSA, LLC A Georgia Limited Liability Company 650 Engineering Drive Norcross, Georgia 30092 (770) 448-3900 Email: franchising@mightyautoparts.com www.mightyautoparts.com www.mightyfranchise.com

The franchisee will operate a business within a designated territory that sells and distributes automotive replacement parts, supplies, chemicals and other maintenance products.

The total investment necessary to begin operation of a Mighty franchised business is between \$131,100 and \$264,900. This includes from \$40,500 to \$77,500 that 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 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 the Franchise Department at 650 Engineering Drive, Norcross, Georgia 30092, (770) 448-3900.

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 <u>"A Consumer's Guide to Buying a Franchise</u>," 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 <u>www.ftc.gov</u> 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.

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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 I for information about the franchisor, about other franchisors, 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 RESOLVE DISPUTES WITH US BY MEDIATION AND/OR ARBITRATION ONLY IN GWINNETT COUNTY, GEORGIA. OUT OF STATE MEDIATION AND/OR ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE AND/OR ARBITRATE WITH US IN GEORGIA THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF GEORGIA 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. YOU MUST GRANT US A PRIORITY SECURITY INTEREST IN ALL PRESENT AND FUTURE ACCOUNTS RECEIVABLE AND INVENTORY IN THE FRANCHISE. THIS SECURITY INTEREST MAY IMPAIR YOUR ABILITY TO OBTAIN FINANCING FOR YOUR OPERATIONS.

4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We 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 referring you to us. You should make sure to do your own investigation of the franchise. We also pay referral fees to our existing franchisees and to certain suppliers who refer someone to us who then signs a franchise agreement.

Effective Date: 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 states having franchise registration and disclosure laws, with the following effective dates:

State	Effective Date
California	March 27, 2013
Hawaii	March 27, 2013
Illinois	March 21, 2013
Indiana	March 19, 2013
Maryland	
Michigan	
Minnesota	April 30, 2013
New York	April 17, 2013
North Dakota	April 18, 2013
Rhode Island	April 23, 2013
South Dakota	March 22, 2013
Virginia	
Washington	March 25, 2013
Wisconsin	March 8, 2013

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