



FRANCHISE DISCLOSURE DOCUMENT

NOVUS FRANCHISING 2 LLC a Delaware limited liability company

650 Pelham Boulevard, Suite 100 St. Paul, MN 55114 (952) 944-8000 Email: info@novusglass.com

www.novusglass.com www.novusfranchising.com

The franchise offered is for the operation of a retail or mobile business that provides the public with high quality automotive glass, commercial and residential glass repair and replacement services, and certain other automotive after-market products and services under the name Novus. The total investment necessary to begin operation of a retail location franchise ranges from \$79,500 to \$258,199. This includes \$40,300 to \$64,999 that must be paid to us or our affiliates. The total investment necessary to begin operation of a mobile franchise ranges from \$54,500 to \$143,600. This includes \$37,800 to \$48,600 that must be paid to us or our affiliates. If you sign an Area Development Agreement to develop two or more franchises, you will pay us a fee equal to \$10,500, multiplied by the number of franchises you are permitted to develop, at the time you sign that agreement. There is no other initial investment required under that agreement.

This Disclosure Document summarizes certain provisions of our 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 Krista Knowles at 650 Pelham Boulevard, Suite 100, St. Paul, Minnesota 55114, telephone: (952) 944-8000.

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, 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.

ISSUANCE DATE: April 30, 2019. (See page entitled "State Specific Effective Dates" for state specific effective dates.)



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 K 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 TO RENEW.

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

- (1) THE FRANCHISE AGREEMENTS PERMIT YOU TO RESOLVE DISPUTES WITH US BY LITIGATION ONLY IN MINNESOTA. OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO LITIGATE WITH US IN MINNESOTA THAN IN YOUR OWN STATE.*
- (2) THE FRANCHISE AGREEMENTS STATE THAT MINNESOTA 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) YOU MUST MAINTAIN MINIMUM GROSS REVENUE REQUIREMENTS. YOUR INABILITY TO MAINTAIN THESE LEVELS MAY RESULT IN LOSS OF ANY TERRITORIAL RIGHTS YOU ARE GRANTED, TERMINATION OF YOUR FRANCHISE, AND LOSS OF YOUR INVESTMENT.
- (4) THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

*See Disclosure Document and Franchise Agreement for provisions that create exceptions to these clauses, or that may override this clause.

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 pay this person a fee for selling our franchise or referring you to us. You should make sure to do your own investigation of the franchise.

Effective Date: See the next page for state effective dates.





STATE SPECIFIC EFFECTIVE DATES

The effective dates of this Disclosure Document for the states of California, Hawaii, Illinois, Indiana, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin are listed below.

<u>STATE</u>	EFFECTIVE DATE
California	, 2019
Hawaii	, 2019
Illinois	, 2019
Indiana	, 2019
Maryland	, 2019
Minnesota	, 2019
New York	, 2019
North Dakota	, 2019
Rhode Island	, 2019
South Dakota	, 2019
Virginia	, 2019
Washington	, 2019
Wisconsin	April 30, 2019

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