

## FRANCHISE DISCLOSURE DOCUMENT

### **OROZCO'S FRANCHISE, LLC**

A California limited liability company

3619 Atlantic Avenue

Long Beach CA 90807

562-331-3660

orozco@orozcosautoservice.com

www.ozcosfranchise.com



We offer two types of franchised businesses under this disclosure document. The first involves the “conversion” of an existing auto service establishment into an Orozco’s Auto Service franchise using our trademarks and franchised System. The second involves the purchase of an existing Orozco’s Auto Service business already in operation. Certain of the existing Orozco’s Auto Service locations may not be offered for sale from time to time, as we may determine in our sole discretion.

The estimated investment necessary to convert an existing auto service shop to an Orozco’s Auto Service franchised business is between \$24,950 and \$224,800. For a conversion franchise, prior to signing a franchise agreement with you we will conduct an inspection of your current operations and prepare a detailed report including estimated costs to convert to an Orozco’s Auto Service Franchise Business. If you elect to convert your shop, you will sign a franchise agreement with us in the form attached to this disclosure document as Exhibit B.

The estimated investment necessary to purchase an existing Orozco’s Auto Service under an asset purchase agreement you sign with our Affiliate and a franchise agreement you sign with us, is between \$117,050 and \$267,500. If you acquire an operating Orozco’s Auto Service location from our Affiliate, the price you pay for its assets and other items will be negotiated between you and our Affiliate and certain items unique to the purchase of any existing business such as the going concern value, are not reflected in the estimated initial investment. The form of asset purchase agreement you will sign with our Affiliate, is attached as Exhibit C to this disclosure document.

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](http://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: September 24, 2020

## How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. Once we have franchisees, you can find their names and contact information in Item 20 or Exhibit H.
<b>How much will I need to invest?</b>	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the estimated initial investment to open. Item 8 describes the suppliers you must use.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Orozco’s in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be an Orozco’s franchisee?</b>	Item 20 or Exhibit H lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in the disclosure document to better understand this franchise opportunity. See the table of contents.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/orozcos>