

FRANCHISE DISCLOSURE DOCUMENT

Rent-A-Tire, L.P.
(A TEXAS LIMITED PARTNERSHIP)
5438 WEST 104TH STREET
LOS ANGELES, CALIFORNIA 90045
(818) 786-7906
www.rentawheel.com



We are offering franchises to operate stores that lease and sell custom wheels, tires and related products under the service mark “RENT A WHEEL.” We offer 2 franchise programs:

1. A single Store. The total investment necessary to begin operation of a RENT A WHEEL franchise is \$158,550 to \$503,800. This includes the initial franchise fee of \$50,000 that must be paid to the franchisor.
2. Multiple Stores within a defined area pursuant to an Area Development Agreement. There is an initial development fee of \$25,000 multiplied by the number of Stores you must open (excluding your first Store), plus \$50,000 representing the initial franchise fee for your first Franchise Agreement and Store. You will pay an initial franchise fee of \$50,000 for each Store. However, we will credit the development fee against the initial franchise fees (at the rate of \$25,000 for the second and each subsequent Franchise Agreement).

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.**

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 Matt Seaburn at 5438 West 104th Street Los Angeles, California 90045 and 818-786-7906, ext. 287.

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 “Buying a Franchise, a Consumer's Guide,” 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: July 12, 2019.

STATE COVER PAGE

Your state may have a franchise law that requires us 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 H 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 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 PARTICIPATE IN NON-BINDING MEDIATION AND TO RESOLVE DISPUTES WITH US BY ARBITRATION IN CALIFORNIA. IT MAY COST MORE TO MEDIATE AND/OR ARBITRATE IN CALIFORNIA THAN IN YOUR HOME STATE.**
- 2. THE FRANCHISE AGREEMENT STATES THAT CALIFORNIA LAW GENERALLY 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. UNDER THE AREA DEVELOPMENT AGREEMENT, YOU MUST OPEN AND OPERATE A FIXED NUMBER OF FRANCHISES TO BE MUTUALLY AGREED ON BY YOU AND US AS EXPLAINED IN AN EXHIBIT TO THE AREA DEVELOPMENT AGREEMENT. FAILURE TO OPEN AND OPERATE THE REQUIRED NUMBER OF FRANCHISES COULD RESULT IN THE LOSS OF THE TERRITORY GRANTED TO YOU UNDER THE AREA DEVELOPMENT AGREEMENT.**
- 4. OUR OPERATIONS ARE REGULATED BY AND SUBJECT TO THE REQUIREMENTS OF VARIOUS FEDERAL AND STATE LAWS AND REGULATIONS. THESE LAWS AND REGULATIONS MAY EXPOSE YOU TO SIGNIFICANT COMPLIANCE COSTS OR BURDENS OR FORCE YOU TO CHANGE YOUR BUSINESS PRACTICES IN A MANNER THAT MAY BE MATERIALLY ADVERSE TO YOUR OPERATIONS.**
- 5. THERE MAY BE OTHER RISKS CONCERNING THE FRANCHISE. REFER TO THE STATE SPECIFIC ADDENDA.**

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

STATE EFFECTIVE DATES

The following chart lists states that require the Disclosure Document to be registered or filed with the state or to be exempt from registration in order to offer or sell franchises within the state. In these states, the effective date of the Disclosure Document is as follows:

STATE	EFFECTIVE DATE
California	Exempt
Hawaii	Not Registered
Illinois	Exempt
Indiana	
Maryland	See Separate FDD
Michigan	Not Registered
Minnesota	Not Registered
New York	Exempt
North Dakota	Not Registered
Rhode Island	Not Registered
South Dakota	Not Registered
Virginia	See Separate FDD
Washington	Exempt
Wisconsin	Not Registered

In all other states, the effective date of this Disclosure Document is the issuance date of July 12, 2019.

Some of the states listed above require that we give you additional disclosures. The additional required disclosures for these states are in Exhibit E to this Disclosure Document.

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