

FRANCHISE DISCLOSURE DOCUMENT



Splash In ECO Car Wash, Inc. a Maryland corporation d/b/a "Splash In ECO Car Wash" 404 Baltimore Street Suite #3 La Plata, Maryland 20646 1.866.612.3274 http://www.splashinecocarwash.com

You will operate an in-bay or conveyor car wash under the service mark "SPLASH IN ECO CAR WASH.

The total investment for an in-bay automatic car wash franchise ranges from \$470,600 to \$732,500, if you are constructing the car wash building, or from \$271,100 to \$442,500 if you are converting an existing building. This includes the \$12,500 that must be paid to the franchisor or an affiliate. The total investment for a conveyor car wash franchise ranges from \$747,500 to \$2,344,500, if you are constructing the car wash building, or from \$447,500 to \$1,364,500 if you are converting an existing building. This includes the \$10,000 that must be paid to the franchisor or an 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.**

You may wish to receive your franchise disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact John Ragunas, at jragunas@twgi.net, 1.866.612.3274, or 404 Baltimore Street, Suite #3, La Plata, Maryland 20646.

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 you state agency or visit your public library for other sources of information.

There may also be laws on franchising in your state. Ask your state agencies about them.

Date of Issuance: January 16, 2015



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 <u>Exhibit F</u> 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 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 ARBITRATION OR LITIGATION IN MARYLAND. OUT-OF-STATE ARBITRATION OR LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN MARYLAND THAN IN YOUR OWN STATE
- 2. THE FRANCHISE AGREEMENT STATES THAT MARYLAND LAW 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 WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$271,100 TO \$2,344,500 TO BEGIN OPERATION OF THE FRANCHISE. THESE AMOUNTS EXCEED OUR STOCKHOLDER'S EQUITY WHICH WAS (\$180,416) AS OF SEPTEMBER 30, 2014.
- 4. THE SPOUSE(S) OF ANY INDIVIDUALS OWNING THE FRANCHISE ARE REQUIRED TO SIGN A PERSONAL GUARANTY OF THE FRANCHISE OBLIGATIONS. SUCH SPOUSE(S) IS/ARE JOINTLY AND SEVERALLY LIABLE FOR ALL DEBTS OF THE FRANCHISE, WHETHER OR NOT INVOLVED IN THE OPERATION OF THE FRANCHISED BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL AND MARITAL ASSETS OF THE FRANCHISE OWNERS AND SPOUSES AT RISK.
- 5. IF YOU FAIL TO MAINTAIN THE MINIMUM GROSS SALES REQUIREMENT, WE MAY TERMINATE THE FRANCHISE AGREEMENT AND YOU WILL LOSE YOUR INVESTMENT AND OWE US LIQUIDATED DAMAGES FOR EARLY TERMINATION.
- 6. WE MAY TERMINATE THE FRANCHISE AGREEMENT, AND YOU WILL LOSE YOUR INITIAL FRANCHISE FEE, IF YOU FAIL TO OBTAIN \$40,000 EVERY SIX MONTHS IN GROSS RECEIPTS.
- 7. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See State Effective Dates Page



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 |
|----------|----------------|
| Maryland | |
| Virginia | |

In all other states, the effective date of this Franchise Disclosure Document is the issuance date of January 16, 2015.

| This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/splash-in-eco-car-wash |
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