

## FRANCHISE DISCLOSURE DOCUMENT



TIRE PROS FRANCORP  
A California Corporation  
12200 Herbert Wayne Court, Suite 150  
P.O. Box ~~3445~~1251  
Huntersville, North Carolina 28070-~~3445~~1251  
(704) 992-2000  
JDavis@ATD-US.com  
www.tirepros.com

This Disclosure Document is for the offer of a franchise for the conversion of an existing retail tire sales and service store to a TIRE PROS center.

The total investment necessary to begin operation of a TIRE PRO center is ~~\$82,735,84,735~~ to ~~\$331,485,333,485~~. This includes between ~~\$5,000,7,000~~ to ~~\$105,000,107,000~~ that must be paid to the franchisor or an affiliate of the franchisor.

This Disclosure Document summarizes certain provisions of your license 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 and 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 Jason Davis at 12200 Herbert Wayne Court, Suite 150, P.O. Box ~~3445~~1251, Huntersville, North Carolina 28070-~~3445~~1251 and (704) 805-6860.

The terms of your contract will govern your franchise relationship. Do not 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 "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.

The date of issuance of this Disclosure Document is March ~~28, 2013~~2014.

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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 KJ for information about the franchisor, or about franchising in your state.

MANY LICENSE 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 LICENSE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION AND LITIGATION ONLY IN NORTH CAROLINA. 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 NORTH CAROLINA THAN IN YOUR OWN STATE.

2. THE LICENSE AGREEMENT STATES THAT NORTH CAROLINA LAW GOVERNS THE AGREEMENT, AND THIS LAW MIGHT NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MIGHT WANT TO COMPARE THESE LAWS.

3. YOU MUST PAY US A MINIMUM LICENSE FEE OF \$495 EACH MONTH AND A MINIMUM MARKETING FEE OF \$250 EACH MONTH, EVEN IF YOU HAVE NO REVENUE. THESE MONTHLY FEES MAY INCREASE AT OUR DISCRETION.

4. YOUR FRANCHISE BUSINESS HAS NO TERRITORIAL PROTECTION WHATSOEVER, AND WE AND OUR AFFILIATES HAVE THE RIGHT WITHOUT ANY RESTRICTION AT ALL TO ENGAGE IN ANY AND ALL ACTIVITIES WE AND THEY DESIRE, IN COMPETITION WITH YOUR FRANCHISE.

5. PLEASE NOTE THAT AS OF DECEMBER 31, ~~2012~~2013, ~~75~~75.69% OF OUR TOTAL ASSETS ARE INTANGIBLE. YOU MAY WANT TO CONSIDER THIS WHEN MAKING A DECISION TO PURCHASE THIS FRANCHISE.

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

The effective dates of this Disclosure Document in the states with franchise registration laws in which we have sought registration appear on the following page.

### STATE EFFECTIVE DATES

This 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	April 11, 2013
Florida (exemption)	June 16, 2013
Hawaii	
Illinois	April 9, 2013
Indiana	April 9, 2013
Kentucky (exemption)	July 17, 2009
Maryland	April 19, 2013
Michigan	April 6, 2013
Minnesota	April 5, 2013
Nebraska (exemption)	July 17, 2009
New York	April 24, 2013
North Dakota	April 23, 2013
Rhode Island	April 5, 2013
South Dakota	April 3, 2013
Texas (exemption)	March 26, 2001
Utah (exemption)	April 5, 2013
Virginia	April 18, 2013
Washington	April 21, 2013
Wisconsin	April 3, 2013

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