

APR 01 2016

Department of  
Business Oversight

## FRANCHISE DISCLOSURE DOCUMENT

Velofix Holdings USA, Inc.  
a Delaware corporation  
233-35 West 5th Avenue  
Vancouver, British Columbia, Canada V5Y 1H4  
604-418-7447  
velofix.com  
twitter.com/thevelofix  
facebook.com/thevelofix  
youtube.com/user/velofixable  
instagram.com/velofix

# velofix

Save Time. Ride More.

The franchise is for a mobile workshop business that provides on-site repair and servicing of all types of bicycles as well as other ancillary services and products.

The total investment necessary to begin operation of a Velofix Business ranges from \$163,200 to \$198,950, including \$82,700 to \$88,200 that must be paid to the franchisor or its affiliates.

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 Davide Xausa at 233-35 West 5th Avenue, Vancouver, British Columbia, Canada V5Y 1H4 or 604-418-7447 or [davide@velofix.com](mailto:davide@velofix.com).

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 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](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.

Date of Issuance: March 29, 2016

## 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 Attachment A 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 MEDIATION ONLY AT THE AMERICAN ARBITRATION ASSOCIATION OFFICE NEAREST TO OUR THEN-CURRENT PRINCIPAL PLACE OF BUSINESS AND BY LITIGATION ONLY IN THE STATE AND FEDERAL DISTRICT COURTS LOCATED IN THE STATE OF DELAWARE (SUBJECT TO STATE LAW). OUT OF STATE MEDIATION AND LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO MEDIATE WITH US AT THE AMERICAN ARBITRATION ASSOCIATION OFFICE NEAREST TO OUR THEN-CURRENT PRINCIPAL PLACE OF BUSINESS AND TO SUE US IN DELAWARE THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT DELAWARE LAW GOVERNS THE FRANCHISE AGREEMENT (SUBJECT TO STATE LAW), AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS
3. IF THE FRANCHISEE IS AN INDIVIDUAL, THE FRANCHISEE'S SPOUSE MUST SIGN A PERSONAL GUARANTY UNDER WHICH THE SPOUSE WILL BE JOINTLY AND SEVERALLY LIABLE FOR OBLIGATIONS OF THE FRANCHISEE WHETHER OR NOT THE SPOUSE IS INVOLVED IN THE OPERATION OF THE FRANCHISED BUSINESS. THIS REQUIREMENT PLACES THE PERSONAL ASSETS OF THE FRANCHISE OWNER AND THE SPOUSE AT RISK.
4. THE FRANCHISOR HAS BEEN OFFERING FRANCHISES FOR A SHORT PERIOD OF TIME. THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.
5. YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.

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