

FRANCHISE DISCLOSURE DOCUMENT



Specialists in COLOR RESTORATION & REPAIR

The Franchisor is in the business of developing and franchising COLOR GLO Businesses for the color restoration of leathers, vinyls, velour, fabrics, carpet and wood grain panels.

The total investment necessary to begin operation of a Color Glo franchise is \$46,000.00 to \$49,800.00. This includes the \$25,000.00 initial fee and \$19,500.00 start-up fee that must be paid to the franchisor or its affiliate(s).

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 "<u>A Consumer's Guide to Buying a Franchise</u>," 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 600b Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at <u>www.ftc.gov</u> 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:

September 28, 2012



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 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:

THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY MEDIATION ONLY IN THE STATE OF MINNESOTA. OUT-OF-STATE LITIGATION/ARBITRATION/MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE/ARBITRATE/MEDIATE WITH US IN MINNESOTA THAN IN YOUR OWN STATE.

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.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date:



FRANCHISE DISCLOSURE DOCUMENT COLOR GLO INTERNATIONAL <u>TABLE OF CONTENTS</u>

Contents

Item 1: The Franchisor and any Parent's, Predecessors; and Affiliates	
Item 2: Business Experience.	
Item 3: Litigation.	5
Item 4: Bankruptcy	5
Item 5: Initial Fees	5
Item 6: Other Fees	
Item 7: Estimated Initial Investment.	
Item 8: Restrictions on Sources of Products and Services	9
Item 9: Franchisee's Obligations	
Item 10: Financing	
Item 11: Franchisor's Assistance, Advertising, Computer Systems, and Training	
Item 12. Territory	
Item 13. Trademarks.	
Item 14. Patents, Copyrights, and Proprietary Information.	
Item 15. Obligation to Participate in the Actual Operation of the Franchise Business	
Item 16: Restrictions on What the franchisee May Sell	
Item 17: Renewal, Termination, Transfer, and Dispute Resolution.	
Item 18: Public Figures	
Item 19. Financial Performance Representations	
Item 20: Outlets and Franchisee Information	
Franchise Owners & Locations as of 8/31/10	
Item 21: Financial Statements	
Item 22: Contracts	
Item 23: Receipts.	53
Exhibits	
Exhibit A – List of State Administrators, Agent for Service or Process	
Exhibit B – Operations Manual	
Financial Statements	
Appendix A to Franchise Agreement	
Color Glo Franchise Social Media Policy	
Schedule A – list of Franchisor supplied Equipment & Supplies	

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:

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Maryland	Pending	Illinois	08/09/12
Michigan	12/11/11	Minnesota	12/20/11
California	12/19/11	New York	08/06/12
Washington	7/29/12	Wisconsin	11/29/11
Virginia	06/23/12	North Dakota	07/27/12
Indiana	06/28/12	Florida	05/09/12

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