

# FRANCHISE DISCLOSURE DOCUMENT



#### Specialists in COLOR RESTORATION & REPAIR®

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

The total investment necessary to begin operation of a Color Glo franchise is \$56,300.00 to \$61,375.00. This includes the \$33,000.00 initial fee and \$21,500.00 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: 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: January 7, 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 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:

- 1. NOTHING IN THE FRANCHISE DISCLOSURE DOCUMENT OR AGREEMENT(S) CAN ABROGATE FRANCHISEE'S RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY LAWS OF THE JURISDICTION IN WHICH THE FRANCHISED BUSINESS IS LOCATED.
- 2. THE FRANCHISOR COMPLIES WITH MINNESOTA STATUES, SECTION 80C.14, SUBS. 3, 4, AND 5, WHICH REQUIRE (EXCEPT IN SPECIFIED CASES) THAT A FRANCHISEE BE GIVEN 90 DAYS NOTICE OF TERMINATION (WITH 60 DAYS TO CURE) AND 180 DAYS NOTICE FOR NON-RENEWAL OF THE FRANCHISE AGREEMENT; AND THAT CONSENT TO TRANSFER THE FRANCHISE WILL NOT BE UNREASONABLE WITHHELD.
- 3. FAILURE TO PAY THE ANNUAL LICENSE FEE AND PRODUCT PURCHASE OF \$2,500.00 PER YEAR CAN RESULT IN TERMINATION OF THE FRANCHISE.
- 4. LOCATION MUST BE APPROVED BY THE FRANCHISOR BEFORE THE FRANCHISE AGREEMENT IS SIGNED AND THE PROSPECTIVE FRANCHISEE HAS 90 DAYS TO FIND A LOCATION AND OBTAIN FRANCHISOR'S APPROVAL.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: December 31, 2015



### 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:

California	December 08, 2015
Florida	May 9 2015
Illinois	July 24, 2015
Indiana	October 24, 2015
Michigan	February 23, 2016
Minnesota	December 31, 2015
New York	July 15, 2015
North Dakota	May 29, 2015
Rhode Island	June 25, 2015
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South Dakota	July 6, 2015
Virginia	June 4, 2015
Wisconsin	November 09, 2015

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