



FRANCHISE DISCLOSURE DOCUMENT

Coast to Coast Engineering Services, Inc.
d/b/a Criterium Engineers
22 Monument Square
Portland, ME 04101
1-800-242-1969, (207) 828-1969
www.criterium-engineers.com

The franchisee will own a consulting engineering service business which specializes in providing reports, inspections, consultation, investigation and litigation support services on the structural and mechanical aspects of residential, commercial and light industrial buildings to prospective purchasers, real estate brokers, litigants and others.

The total investment necessary to begin operation of a CRITERIUM ENGINEERS franchised business is \$50,950.00 to \$80,900.00. This includes \$34,500.00 that must be paid to the franchisor or its affiliate(s). We also offer to select qualified persons the opportunity to acquire the exclusive right to develop multiple CRITERIUM ENGINEERS Franchises in a Designated Development Area. The total investment necessary to begin operation under the Area Development Agreement is approximately \$53,950.00 to \$85,900.00. This includes the Area Development fee of \$1,000.00 multiplied by the number of CRITERIUM ENGINEERS Franchises you establish in the Development Area. You must also pay the full amount of the then-current Franchise Fee for the first CRITERIUM ENGINEERS Franchise you open as well as for each subsequent Franchise opened under the Area Development Agreement. After your first CRITERIUM ENGINEERS Franchise is opened and operating, you will receive a credit of \$1,000.00 toward the payment of each subsequent Franchise Fee.

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 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 Coast to Coast Engineering Services, Inc. d/b/a Criterium Engineers, 22 Monument Square Portland, ME 04101, 1-800-242-1969, (207) 828-1969.

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, DC 20580. You can also visit the FTC's home page at 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 19, 2018.

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 THE DISCLOSURE DOCUMENT.**

Call the state franchise administrator listed in **Exhibit F** 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 AND AREA DEVELOPMENT AGREEMENT REQUIRE YOU TO RESOLVE DISPUTES WITH US BY LITIGATION AND MEDIATION ONLY IN MAINE. OUT-OF-STATE LITIGATION AND MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE AND MEDIATE WITH US IN MAINE THAN IN YOUR OWN STATE.**
2. **THE FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT STATE THAT MAINE LAW GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS YOUR LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.**
3. **AS MORE FULLY DESCRIBED IN NOTE 1 TO THE FINANCIAL STATEMENTS, MANAGEMENT HAS NOT, AS REQUIRED BY U.S. GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, DETERMINED THE NET REALIZABLE VALUE OF A SIGNIFICANT ACCOUNTS RECEIVABLE BALANCE AT DECEMBER 31, 2016 AND 2015. THE EFFECT OF THIS DEPARTURE FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES ON THE FINANCIAL STATEMENTS CANNOT BE REASONABLY DETERMINED.**
4. **AFTER THE END OF THE FIRST 12 MONTHS FROM EXECUTION OF THE FRANCHISE AGREEMENT, YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO, YOU COULD LOSE ANY TERRITORIAL RIGHTS YOU ARE GRANTED OR THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT RESULTING IN THE LOSS OF YOUR INVESTMENT.**
5. **THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

Effective Date: See the next page for state effective dates.

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