

FRANCHISE DISCLOSURE DOCUMENT



LIME Franchise Systems, LLC
a Colorado limited liability company
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Greenwood Village, Colorado 80121
720-708-7807
<http://LIMEpainting.com/>
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As a LIME Painting™ franchisee, you will operate a business that utilizes a distinctive selling system to offer and sell painting and substrate services to designated residential and commercial customers, and that may coordinate with sub-contractors to deliver the authorized products and services. (“LIME Business” or “Unit”).

The total investment necessary to begin operation of a LIME Business is \$89,550 to \$115,275. This includes \$46,650 that must be paid to the franchisor or its affiliates.

In some cases, and if you qualify, under an “Area Development Agreement” (AD Agreement) we may grant you (the “Developer”), the right to secure between two and five contiguous territories in which you operate LIME Businesses.

The total investment necessary to begin operation as a Developer under the AD Agreement is \$119,550 to \$220,275. This includes between \$77,550 and \$152,550 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 our Franchise Department, 5910 S. University Blvd., C-18 Unit 220, Greenwood Village, Colorado 80121, 720-708-7807.

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.

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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.

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. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION, ARBITRATION, AND MEDIATION ONLY IN A LOCATION THAT IS WITHIN 15 MILES OF OUR THEN-CURRENT HEADQUARTERS (CURRENTLY GREENWOOD VILLAGE, COLORADO). OUT-OF-STATE LITIGATION, ARBITRATION, AND MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO SUE, ARBITRATE, AND MEDIATE WITH US IN OUR THEN-CURRENT HEAD QUARTER'S STATE THAN IN YOUR OWN STATE.

2. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE IN WHICH THE FRANCHISOR'S CORPORATE OFFICE IS LOCATED (CURRENTLY COLORADO), WILL GOVERN THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

3. THE TERRITORY IS NOT EXCLUSIVE. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM FRANCHISOR OWNED OUTLETS OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS FRANCHISOR CONTROLS.

4. THIS NEW FRANCHISOR HAS BEEN IN BUSINESS FOR SUCH A SHORT PERIOD OF TIME THAT ITS FRANCHISES ARE A HIGHER RISK INVESTMENT THAN FRANCHISORS WITH A LONGER-TERM OPERATING HISTORY.

5. YOU MUST MAINTAIN MINIMUM SALES PERFORMANCE LEVELS. IF YOU FAIL TO DO SO, YOU COULD LOSE YOUR EXCLUSIVE TERRITORY OR THE FRANCHISOR COULD TERMINATE YOUR AGREEMENT AND YOU COULD LOSE YOUR INVESTMENT.

6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may in the future use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

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