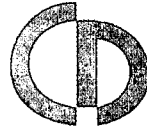


**FRANCHISE DISCLOSURE DOCUMENT****MARKED TO SHOW CHANGES****ClosetsbyDesign®****DEPARTMENT OF CORPORATIONS  
RECEIVED LOS ANGELES OFFICE****APR 02 2012**

**CBD FRANCHISING, INC.**  
A California Corporation  
11145 Knott Avenue, Suite A  
Cypress, California 90630-5140  
(714) 890-5860  
[www.closetsbydesign.com](http://www.closetsbydesign.com)  
[cbdfanchising@closetsbydesign.com](mailto:cbdfanchising@closetsbydesign.com)

The franchisee will operate a retail sales and installation business selling custom closets, garage cabinets and other organizers within a designated territory. The total investment necessary to begin operation of a Closets by Design franchise is from \$124,900 to \$278,400 (not including real property), including \$36,900 that must be paid to the franchisor.

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 the Franchise Sales Administrator at 11145 Knott Avenue, Suite A, Cypress, California 90630; (714) 890-5860.

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.

Issuance date: ~~September 10, 2011~~ March 30, 2012.

**CA**

## 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 F for information about the franchisor, about other franchisors, 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:

**OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS; ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF CORPORATIONS AT [www.corp.ca.gov](http://www.corp.ca.gov).**

**THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.**

We 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 is our agent and 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.

### 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 is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

California	_____ , 2012 <del>October 10, 2011</del>
Hawaii	October 20, 2011
Illinois	October 28, 2011
Indiana	October 11, 2011
Maryland	November 28, 2011
Michigan	October 17, 2011
Minnesota	November 22, 2011
New York	June 18, 2009, reinstated November 29, 2011
North Dakota	January 25, 2012
Rhode Island	November 1, 2011
South Dakota	October 11, 2011
Virginia	January 9, 2012
Washington	December 23, 2011
Wisconsin	October 11, 2011

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