

FRANCHISE DISCLOSURE DOCUMENT



CGI Franchising, Corp
9825-35 West 74th St.
Eden Prairie, MN 55344 USA
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As a franchisee, you will operate a COLOR GLO Business 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 \$90,800.00 to \$96,375.00. This includes the \$45,500.00 initial fee and \$40,000.00 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.**

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 Mandi Brandon, at 9825 West 74th Street, Eden Prairie, MN 55344; telephone (952) 835-1338.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all 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 600b Pennsylvania Avenue, NW, Washington, D.C. 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.

Date of Issuance: _____ March 4, 2026 _____

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Color Glo business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be Color Glo franchisee?	Item 20 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit B.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the Location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Minnesota. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Minnesota than in your own state.

Certain states may require other risks to be highlighted. Check the “State Specific Addenda” (if any) to see whether your state requires other risks to be highlighted.

2. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

FRANCHISE DISCLOSURE DOCUMENT COLOR GLO INTERNATIONAL

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ITEM 1: The Franchisor and any Parents, Predecessors, and Affiliates

The purpose of this FRANCHISE DISCLOSURE DOCUMENT is to familiarize you with the important legal and business aspects of “Color Glo,” the franchisor, 9825 West 74th Street, Eden Prairie, MN 55344, and the franchise it offers to be qualified franchisees.

“Color Glo” means Color Glo International, a division of CGI Franchising, Corp, the Franchisor. CGI Franchising, Corp was incorporated under the laws of the State of Minnesota on February 27, 2026, for the purpose of offering Color Glo business format franchises. Color Glo businesses restore, and repair leather, vinyl, velour, cloth and hard plastics commonly found in the markets of automotive, aircraft, marine and furniture.

In the FRANCHISE DISCLOSURE DOCUMENT, “you” means the person who buys the franchise. “You” must be an individual and not a corporation.

The business you will operate under this franchise agreement is a mobile service that repairs and restores leather, vinyl, velour, and plastic under our trademarks, service marks. Trade names, color schemes and logos (collectively, the “Marks”) using our distribution programs, processes, standards, manuals and other confidential business systems, practices and materials (collectively, the “System”) which has been developed and improved by “Color Glo,” its principals, predecessors and franchisees since 1976. The business operated under our Marks and Systems is referred to in this FRANCHISE DISCLOSURE DOCUMENT as the “Franchised Business.” We have never operated a business of this type but reserve the right to do so in territories in which no franchisee is currently under contract or in operation.

Competition with the Franchised Business is limited. Color Glo franchisees acquire skills obtained through training and experience incorporating Color Glo products that enable Color Glo franchisees to perform services and achieve results for customers that cannot be realized by consumers or employees of the commercial entities for whom you will perform services. Because the market does not possess those skills acquired through training and experience, Color Glo franchisees are trained to know which products are to be used in connection with specified tasks. Although you are not required to perform the actual labor yourself, you must acquire the knowledge through training and experience to supervise your employees or contractor laborers when owning and managing a Color Glo business.

You must comply with all local, state, and federal laws and regulations that apply to your Franchised Business. Our system involves the use of chemicals, adhesives, water-based dyes and related supplies. As with any chemical product at work OSHA regulations may apply. The normal operation of your Franchised Business may require disposal of small quantities of other materials. As with other chemicals,

improper disposal of these materials may result in a violation of federal, state and local environmental laws and regulations.

Color Glo Franchised Businesses are typically based out of a home office; however, a retail location is suitable and acceptable to us.

ITEM 2: Business Experience

Chief Executive Officer, James Miller, from September 2025 to present. 9825-35 West 74th Street, Eden Prairie, MN 55344

Chief Financial Officer, Anthony Verch, from September 2025 to present. 9825-35 West 74th Street, Eden Prairie, MN 55344

President, Mike Altamimi, from September 2025 to present. 9825-35 West 74th Street, Eden Prairie, MN 55344

Board of Directors: Gary E. Smith, President since July 1991 moving into Board of Directors September 2025. 9825-35 West 74th Street, Eden Prairie, MN 55344

Board of Directors: Scott L. Smith CFO since July 1991. Mr. Smith moved into the Board of Directors role in September 2025. 9825-35 West 74th Street, Eden Prairie, MN 55344

ITEM 3: Litigation

There is no litigation at this time.

ITEM 4: Bankruptcy

No bankruptcy information is required to be disclosed in this Item.

ITEM 5: Initial Fees

When you sign the Franchise Agreement you will pay us in cash or another form of payment that will make the funds immediately accessible to us, such as a cashier's check or wire transfer.

Initial Franchise Fee The Initial Franchise Fee is \$45,500.00.

Additional Territory Fee Generally, the Exclusive Territory covered by each Franchise Agreement will include at least a population of 300,000. For each 10,000 population exceeding 300,000, you will pay an additional \$1,000.00.

Sub-Franchisee Fee For each additional Sub-Franchisee, a fee of \$9,800.00 USD will be paid to the Franchisor to cover the cost of training and the start-up kit. Each Sub-Franchisee is required to complete one week of training at the Franchisor's training center and must sign a Sub-Franchise Agreement.

Start-Up Fee You must pay a Start-Up Fee of \$40,000.00 (plus shipping), which includes legal and administrative costs, initial training costs for 2 people (but not travel), and the purchase of the start-up kit containing an initial supply of all required Color Glo products and supplies. The start-up fee is nonrefundable.

ITEM 6: Other Fees

Type of Fee	Amount	Due Date	Remarks
Royalty Fee (Note 1)	10% of gross sales or \$500.00 per month for all years. (Note 2)	Payable each month on the 15 th day of the month	Gross sales include the total collected dollar amount of your Color Glo business not including taxes if applicable in your location. A surcharge of \$25.00 applies to late payments.
Product Purchases (Note 1)	\$2,500.00 per year	2,500.00**per year (208.33/month).	Required annual purchase of Product. The monthly payment is a credit from which products may be ordered.
Aviation Training Fee	\$60,000	Before training commences.	Required only if you choose to perform work on aircraft. Includes training at the Aviation Training Center.
Audit	Cost of Audit.	30 days after billing.	Payable only if audit shows an understatement of at least 2% of gross sales.
National Accounts Admin Fee	10% of the contract price.	As incurred.	Payable on corporate assignments secured by the Franchisor on the Franchisee's behalf.

			minimum required annual purchase of Product.
Insurance	Estimated cost of \$500.00 to \$1,000.00 per year (excluding automobile liability insurance)	On purchase of insurance	You are required to procure and pay for general liability insurance, personal property insurance, automobile liability insurance and other necessary insurance. General liability coverage must have a limit of \$1,000,000.00 and name Color Glo as an additional insured.
Transfer Fee	\$25,000.00	Prior to consummation of transfer	Payable when you sell or transfer your Franchise Business.

Notes:

- (1) All fees are imposed by or payable to Color Glo. All fees are non-refundable. Any purchase/fee not paid when due will be assessed a \$25.00 per month late fee until all fees are brought current.

ITEM 7: Estimated Initial Investment

YOUR ESTIMATED INITIAL INVESTMENT				
Type of Expenditure	Amount	Method of Payment	Date Due	To whom the payment is to be made
Initial Franchise Fee	\$45,500.00 (Note 1)	Lump Sum	At signing of Franchise Agreement	Color Glo
Start-Up Fee (Notes 2 & 5)	\$40,000.00 + shipping costs (Notes 6 & 7)	Lump Sum	At signing of Franchise Agreement	Color Glo

YOUR ESTIMATED INITIAL INVESTMENT				
Type of Expenditure	Amount	Method of Payment	Date Due	To whom the payment is to be made
Travel Expenses While Training	\$500.00 to \$2,500.00	As Incurred	During Training	Airlines, Hotels and Restaurants
Business Vehicle/Signs	\$175 to \$1500 (Note 3 & 8)	(Note 3 & 8)	(Note 3 & 8)	(Note 3 & 8)
Business Licenses/Permits (Note 9)	\$50.00 to \$200.00	As Incurred	As required by payee	Governmental units
Equipment and Supplies	\$200.00 to \$300.00 (Note 4)	As Incurred	At signing of Franchise Agreement	Suppliers
Computer equipment, Ipad, iPhone	\$250 to \$750 (Note 10)	As Incurred	As Incurred	Merchants
Additional Funds (Working Capital)	\$500.00 to \$1,500.00 (Note 4)	As Incurred	At the time of Business opening	Suppliers, employees, etc.
Internet Marketing (Note 10)	\$125.00 (Note 10)	As Incurred	As required by payee	Google
Total expenditures (Note 11)	\$80,800 to \$96,375	\$85,500 Lump Sum The remainder As Incurred		

Notes:

1. When you sign the Franchise Agreement you will pay us in cash or another form of payment that will make the funds immediately accessible to us such as a cashier's check or wire transfer, the Initial Fee of \$45,500.00. The Initial Fee is nonrefundable. The initial fee franchise fees are deferred until the business opens.

2. When you sign the Franchise Agreement, you must pay us a Start-up fee of \$40,000.00 (plus shipping), which includes legal and administrative costs, initial training costs for 2 people (but not travel), and the Start-Up Kit, containing an initial supply of all required Color Glo Products and Supplies. The start-up fee is nonrefundable.
 - i. Other than as described in Item 6, you are not required to pay us or an affiliate any additional sums before you begin the Franchised Business.
3. Work Vehicle. Your work vehicle must present a professional appearance and must be licensed and insured. You must obtain our approval of your work vehicle before beginning operation of the Franchised Business. The low estimate assumes you will use your personal vehicle as your work vehicle. The high estimate assumes you will lease a used vehicle, with a \$340.00 down payment and monthly lease payment of \$328.00 for three months. Both estimates include \$175.00 for gasoline during the first three months of operations.
4. You will need approximately \$500.00 to \$1,500.00 for working capital. The amounts needed for Working capital will vary depending upon the size of your business, whether you use Working capital for economic factors, household bills family expenses, etc. Although these amounts are not paid to Color Glo, payments by you made from working capital are generally not refundable as they are typically considered monthly expenses.
5. Color Glo International does not offer direct or indirect financing to FRANCHISEES for any part of the initial investment. Additional funds is factored by over 45 years of Color Glo Franchising, franchise sales, training, support and expansion.
6. A FRANCHISEE may acquire a larger Exclusive Territory for an additional fee. More than 90% of our FRANCHISEES operate in a standard size Exclusive Territory. If you choose to have a larger than normal Exclusive Territory, you will pay an additional \$1000.00 fee per increase of 10,000 in population. All fees must be paid in full before we will schedule training.
7. The Start-up fee includes legal and administrative costs for 2 people (but not travel), and the purchase of the Start-Up Kit that contains an initial supply of all required Color Glo Products and Supplies. The Start-up fee must be paid in full before we will schedule training and includes all shipping costs incurred by the initial supply package.
8. Vehicle Signs. Before beginning operations, you must have all required vehicle signs applied to your work vehicle, exactly according to our specifications. These will be supplied as part of the initial supply package at no additional cost.
9. Business Licenses/Permits. You must obtain all necessary permits and licenses, required by applicable law, before you begin the Franchised Business.
10. Marketing. You must spend the current monthly minimum expenses (currently \$125.00) with Google AdWords or other approved supplier to market your Franchised Business. We will coordinate with your marketing supplier, but you will pay Google Ad Word or another approved supplier directly. The \$125.00 estimate is for 3 months at the minimum monthly rate.
11. The Aviation Training Fee of \$60,000 is optional and not included in this initial estimate, if you choose to pursue aviation work, this fee is due prior to training at our Aviation Training Center.

ITEM 8: Restrictions on Sources of Products and Services

To maintain compliance with Color Glo's standards of uniformity and quality of products and services by all FRANCHISEES, you must purchase certain items and services according to our specifications. These specifications may include minimum standards for quality, performance, design, appearance, delivery and other restrictions. These specifications are maintained in the Operations Manual and other support material we make available to you (collectively, the "Manual"). The Manual is available to you online through our website. We may periodically change these specifications either by notice to you or through changes to the Manual, and you must promptly comply with the changed standard. You may incur expenses or increase costs to comply with these changes.

You must purchase certain items and services from Color Glo or products that we have approved in the Manual. This includes the Start-Up Kit, Color Glo products, Craftsman's Choice products, marketing materials and promotional products. All required product purchases are included in the Start-Up Kit. Color Glo products include those manufactured by Color Glo or from agreements with manufacturers committed to the quality and specifications required by Color Glo. A complete list of these items and services and approved suppliers for each is contained in the Manual. The approved suppliers have demonstrated to our satisfaction that they could meet standards and specifications for relevant items and services, that they possess adequate quality controls, and that they have the capacity to supply your needs promptly and reliably. Color Glo derives no benefit for/or volume discount for requiring the use of a specific supplier. We have the right to change the list of approved suppliers, and you must promptly change suppliers if required.

We are the sole designated supplier of the proprietary Color Glo products, including Dash Repair, Velour Adhesives and Promoters, Bases, Additives and Conditioners, Top Coatings and Flatteners, Deodorizers and Neutralizers, Cleaners and Solvents, Colorants, Aniline Leather Dyes, Colorants of Distinction, Cyanoacrylates, Adhesives, Activators, Leather Fillers, Hot Cures, Velour Fibers, Headlight Restoration and Specialty Furniture Cleaning Products.

Color Glo has no affiliates which are approved suppliers for any products or supplies which are not proprietary Color Glo products. Color Glo has no purchase agreements with any suppliers and derives no revenue from suppliers. No negotiated purchase agreements exist with suppliers, including price terms, for the benefit of the FRANCHISEES.

Except for the initial equipment and supplies package you must first purchase from us, there are no other products or equipment needed to operate your Franchise Business that you must purchase from us for that first calendar year you start your Franchised Business. There are no required purchases of computer hardware or software from Color Glo or approved suppliers.

100% of FRANCHISEE'S required purchases will be from FRANCHISOR.

If you desire to use or offer additional items or services that we have not approved, you must first obtain our written consent. We do not have any formal policies or procedures for approving new items or services, or for revoking approval. The primary factors in our analysis of possible new items and services are whether the item or service would be a good fit in our franchise system and whether the supplier has the capacity to supply our franchisees needs promptly, reliably, and economically. This analysis involves the subjective opinion of Color Glo International management.

In connection with any request by you for approval of additional items, services, or suppliers, we may require you to provide us with photographs, drawings, specifications, samples, or any additional materials or information we desire to evaluate your request. You must pay for our reasonable expenses in evaluating your request. We will notify you of our approval or disapproval of any new item, service or supplier requested by you within a reasonable time (usually within 120 days) after we have received all of the relevant information requested. We may uphold approval of any item, service, or supplier at any time for any reason, and we will notify you of any revocation of approval.

It is estimated that the required purchases are approximately 13% of your total on-going operating expenses. Color Glo is not involved with any purchasing or distribution cooperatives. Except as set forth above, you are not obligated to purchase or lease any goods, services, products, or materials from Color Glo or from designated sources. Currently there are no suppliers of which an officer of CGI Franchising, Corp owns an interest. Whenever possible, an officer of CGI Franchising, Corp will negotiate purchase agreement with suppliers for the benefit of its FRANCHISEES.

We may conduct a review of your purchase history to ensure your compliance with the minimum purchase requirements. All products, equipment and supplies used and offered for sale by you in the Franchise Business must meet our current standards and specifications, including but not limited to branding requirements (including our color and label requirements) as established in the Manuals or otherwise in writing.

We may also identify certain products you must use without reference to a particular manufacturer. We reserve the right to change these requirements and you will be responsible, at your expense to make these changes.

You must own a work vehicle that creates a professional appearance for a service vehicle and must be licensed and insured. Most FRANCHISEES use a minivan, station wagon, SUV or similar vehicle in the operation of the franchise. We do not have any color, make or model requirements. You must obtain approval of your work vehicle before beginning operation of your Color Glo service. We require you to submit a photograph and written details regarding the proposed vehicle from which we can determine the vehicle's body condition and other factors affecting your vehicle's appearance. You must permanently display, at you own expense, on all vehicles you use for the franchised service, all signs (provided in Start-Up Kit) of any nature, form, color, number, location and size that we require, exactly according to the specification that we have designated in the Manual or in writing.

You must procure and maintain, during the term of the Franchise Agreement, the types and amounts of insurance covering the operation of the Franchise Business and the Office from insurance carriers reasonably acceptable to us.

ITEM 9: Franchisee's Obligations

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

FRANCHISEE'S OBLIGATIONS		
Obligation	Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Article 1	Item 11
b. Pre-opening purchase/leases	Article 7	Item 8

FRANCHISEE'S OBLIGATIONS		
Obligation	Section in Agreement	Disclosure Document Item
c. Site development and other pre-opening requirements	Articles 4, 6, 7, 8, 13, & 14	Items 6, 7, & 11
d. Initial and ongoing training	Article 13	Item 11
e. Opening	Article 1	Item 11
f. Fees (Disclosure Document Item)	Articles 4, 5, 6, 7, 13, 15, & 16	Items 5 & 6
g. Compliance with standards and policies/Operating Manual	Articles 1, 7, 8, & 14	Item 11
h. Trademarks and proprietary information	Article 3	Items 13 & 14
i. Restrictions on products/services offered. (Disclosure Document Item)	Article 7	Item 16
j. Warranty and customer service requirements	Not Applicable	Not Applicable
k. Territorial development and sales quota	Not Applicable	Not Applicable
l. Ongoing product/service purchases	Articles 7 & 8	Item 8
m. Maintenance, appearance and remodeling requirements	Not Applicable	Not Applicable
n. Insurance	Article 14	Item 6
o. Advertising	Not Applicable	Not Applicable
p. Indemnification	Article 15	Not Applicable
q. Owner's participation management/staffing	Articles 7 & 8	Item 15
s. Inspections and Audits	Articles 7 & 16	Items 6 & 11
t. Renewal	Article 2	Item 17
u. non-competition covenants	Article 12	Item 17
v. Dispute resolution	Not Applicable	Not Applicable

ITEM 10: Financing

We do not offer direct or indirect financing. We do not guarantee your Note, lease or obligation. We are able to refer you to lenders who may be willing to enter into a financial arrangement with you.

ITEM 11: Franchisor's Assistance, Advertising, Computer Systems, and Training

Except as listed below, Color Glo is not required to provide you with any assistance.

Color Glo will not provide any assistance in finding a site if FRANCHISEE decides to operate from a fixed location. Color Glo does not determine or consider for FRANCHISEE any factors in selecting or approving sites. Color Glo does not maintain a funded advertising program nor does Color Glo require FRANCHISEE to buy an electronic cash register or computer system. Color Glo does not restrict any FRANCHISEE from advertising in their own location. During the operation of your Franchise Business, Color Glo will loan you a copy of our Operations Manual.

Training Program The Franchisor will provide training to familiarize you with the operation of a Color Glo business. The period of initial training will be two (2) weeks.

Aviation Training If you choose to perform work on aircraft, you must complete the requisite aviation training provided at the Franchisor's Aviation Training Center. The fee for this training is \$60,000.00 USD. If you do not pursue this training, the Franchisor reserves the right to license others to perform aviation work in your territory.

FRANCHISEE must use its best efforts to promote the Color Glo business to all industry targets throughout the Exclusive Territory. To do this the FRANCHISEE must actively market its Color Glo business according to our recommendations, including electronic advertising, direct mail and direct in- person customer contact.

In order for a FRANCHISEE to make full use of the online resources to communicate with us while at job sites, you must have a smart phone or tablet computer, such as an iPad with paid Internet service for Internet access, purchased at the current market rate. FRANCHISEE must also monitor and participate in the communication/ forum group available for all Color Glo FRANCHISEES through the Color Glo Intranet system. There are no restrictions on the FRANCHISEE'S use of the Internet. Color Glo does not have independent access to the information stored or generated on your systems.

Except as discussed below, Color Glo need not provide any assistance to you. Before you open your Franchise Business, Color Glo will:

- (1) provide you with a schedule of all supplies and equipment approved by the FRANCHISOR for use in the FRANCHISEE'S business (Article 13, page 14 of the Franchise Agreement); and
- (2) provide you with an initial supply of Color Glo products as set forth in Exhibit E of this Franchise Disclosure Document; and
- (3) provide one copy of Color Glo's Operating Manual (Article 7, page 8 of the Franchise Agreement).

TRAINING PROGRAM

Outline of Week #1 of Color Glo's Training Program

Monday – Friday

Subject	Instructional Material	Hours of Classroom Training	Hours of On-the-Job Training	Location
Introduction to staff and Color Glo System	N/A	3 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota
Equipment Overview	Equipment and tools supplied in Franchise Start-Up package	2 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota
Procedures for how to perform a successful repair on Auto & Marine interiors	Color Glo Products and recommended tools	20 hours	Varies with training performed in the field	Classroom Training held at Corporate Office, in Minneapolis, Minnesota. Field training varies with Trainer

Color Mixing & Matching	Color Glo Dye system; color mixing & matching literature, color wheel, and misc. mixing supplies	6 hours	Varies with training performed in the field	Classroom Training held at Corporate Office, in Minneapolis, Minnesota. Field training varies with Trainer
Understanding of the Color Glo Bases	Color Glo Bases & Bases literature	2 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota

Subject	Instructional Material	Hours of Classroom Training	Hours of On-the-Job Training	Location
Proper application of your dye and base mixture	Color Glo Bases & Dyes and recommended HVLP spray gun w/compressor	2 hours	Varies with training performed in the field	Classroom Training held at Corporate Office, in Minneapolis, Minnesota. Field training varies with Trainer
Weekly Review	Varies upon FRANCHISEES questions and concerns	5 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota

Outline of Week #2 of Color Glo's Training Program

Monday – Friday

Subject	Instructional Material	Hours of Classroom Training	Hours of On-the-Job Training	Location
Hazmat Training, Operations Manuals, MSDS review, FAA Review, Respirator fit test	Operations Manual's SDS, Franchisee's Assigned Respirator, FAA literature	3 Hours	N/A	Classroom Training held at Corporate Office
In the field, hands on training	Color Glo Products & recommended tools	N/A	15 Hours	Field Training varies with trainer
The repair and servicing of both residential and commercial furniture	Color Glo Products & recommended tools	10 Hours	N/A	Field Training varies with trainer
Sales and Marketing	Color Glo Brochures, Sales Aids, Mailings	4 Hours	N/A	Classroom Training held at Corporate Office
Introducing you and your service, Customer billing	Invoices, work proposal sheets, billing statements	4 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota
Weekly Review	Any remaining questions, concerns or product and repair technique review	4 hours	Varies with each FRANCHISEE	Classroom Training held at Corporate Office, in Minneapolis, Minnesota. Field training varies with Trainer

Outline of Optional Week #3 of Color Glo Training**Monday – Friday**

Subject	Instructional Material	Hours of Classroom Training	Hours of On-the-Job Training	Location
Unpack and inventory products, vehicle and product setup	FRANCHISEES vehicle & Color Glo product	N/A	8 hours	Franchisee's Market Area Field Training varies with Trainer
Mapping of service route	N/A	N/A	3 hours	Franchisee's Market Area Field Training varies with Trainer
Soliciting of service route	Vehicle & Product	N/A	37 hours/ 4 days	Franchisee's Market Area Field Training varies with Trainer
Weekly Review	Varies upon FRANCHISEE'S questions and concerns	5 hours	N/A	Classroom Training held at Corporate Office, in Minneapolis, Minnesota

Training is begun within 90 days of execution of the Franchise Agreement and must be attended by the new FRANCHISEE. CGI's classroom instructor has ten years of experience. The field training is done by a FRANCHISEE with a minimum of ten years of experience. Refresher training and additional training is conducted during regional seminars and our annual seminar in Minneapolis. The Franchise Agreement shall be terminated if the FRANCHISEE fails to commence operations of the Color Glo business within 90 days of execution of the Franchise Agreement.

Color Glo Certified Trainers

Currently our Certified Trainers are as follows:

- Bill Sachse, 42+ years of field experience and training certification
- Robert deHann, 44 + years of field experience and training certification
- Bob Litke, 18+ years of field experience and training certification
- Darcy Huber, 26+ years of field experience and training certification
- Dennis Stachowski, 23+ years of field experience and training certification
- Ruben Moodley, 21+ years of field experience and training certification
- Ahmad Al, 16+ years of field experience and training certification
- Bryan Smith, 10+ years of field experience and training certification

During the operation of the Franchise Business, Color Glo will:

- (1) Provide certain advertising production materials (Article 13, page 14 of the Franchise Agreement);
- (2) Inspect your business as often as Color Glo deems necessary (Article 13, page 14 of the Franchise Agreement);
- (3) Protect the Marks and Business System (Article 3, page 4 of the Franchise Agreement); and

- (4) Provide the supplements and modifications to the Operating Manuals (Article 8, page 9 of the Franchise Agreement).

Your franchise area will be designated by the parties in the Franchise Agreement prior to execution. Generally, the area will be chosen by you based upon where you live. Site selection is generally based upon population (Article 1, page 2 of the Franchise Agreement). There is a 90-day time limit for the FRANCHISOR to approve an area. Should an area not be approved within this time limit, no franchise shall be awarded to the FRANCHISEE. The FRANCHISOR provides names and contact information of approved suppliers for signs & decals only. Delivery and installation are the responsibility of the FRANCHISEE. Payment for the Franchise is due at the time of signing the Franchise Agreement. In most cases, it is less than 60 days from the time of signing the Franchise Agreement to the opening of the business. The only delay in commencing business will be the availability of financing to the FRANCHISEE. The FRANCHISOR is not required to spend any money on advertising in the FRANCHISEE'S area or territory. The FRANCHISOR is not required to participate in any local or regional advertising cooperatives. Further, there is no advertising council composed of FRANCHISEES. Any restrictions the FRANCHISOR has regarding the FRANCHISEE'S use of the Internet can be found in the Color Glo social media Policy, listed as Exhibit A, within this Franchise Document.

The FRANCHISOR does not require the FRANCHISEE to buy or use electronic cash registers or computer systems but does recommend a credit card debit system that can be used in conjunction with most mobile devices and cost on average \$15.00 - 20.00 per month. With these types of devices there are a few maintenance updates and several are done by the device at no charge. Support contracts associated with these devices are inclusive of your monthly fees.

Color Glo provides training to you in your franchised area or at another location designated by Color Glo. The content of the training program will include training in the use of all products used in operating the Color Glo business with specific emphasis on advertising and accounting procedures. The mandatory training program must have been completed by you or your on-premises supervisor to Color Glo's satisfaction. The length of the training is at the discretion of Color Glo; but will generally last three (3) weeks and takes place approximately two (2) weeks after signing the Franchise Agreement. You are responsible for all expenses in connection with attending the training including travel, room and board, salaries, and fringe benefits for all persons attending the training program. There is no actual cost to you for the training itself or for any materials used during the training session. These costs are included in the Initial Fee. Color Glo maintains a formal training staff and does implement a formal training procedure. The training instructors are experienced in all aspects of the operation of a Color Glo business and have trained for Color Glo for at least ten years. The training criteria used to train you is up to the discretion of Color Glo. Color Glo may; but is not required to offer additional training as it deems appropriate. Any such additional training is not mandatory and will be provided at no cost to you. You will be responsible for all expenses incurred in connection with attending any additional training sessions. The additional training sessions may be held in the franchise area or at such other location designated by Color Glo. The content of any additional training sessions will be instructions on new techniques and methods to be used in the Color Glo business. Such training will not exceed one day in length (Article 13, page 14 of the Franchise Agreement).

Color Glo provides additional training for new products and services introduced at the annual International Seminar. Attendance, which will not exceed three days in duration, is mandatory. You must pay for any travel and daily living expenses for this additional training. Color Glo may charge a registration fee to offset its costs. The registration fee includes seminar meals and your seminar workbook.

FRANCHISEES generally commence their business in less than 60 days from the date the Franchise Agreement is executed. The only delay in commencing business will be the availability of financing to the FRANCHISEE.

During the operation of your business Color Glo will loan you a copy of our Operations Manual. This Manual is confidential and remains our property. (See Exhibit C for Contents of Operations Manual).

ITEM 12: Territory

Each Color Glo franchise is granted an Exclusive Territory, but no specific location is designated for the premises of the Franchised Business. Each Color Glo FRANCHISEE is granted an Exclusive Territory, which requires a minimum population of 300,000, but no specific location is designated for the premises of the Franchised Business. Your Color Glo Service must be based within your Exclusive Territory. We do not have any approval rights as to the locations or relocation of your Franchised Business within your Exclusive Territory. There will normally be about 300,000 people in your Exclusive Territory. The exact boundaries of your territory will be negotiated in accordance with the most recent city and county census figures available. (1) Your Color Glo Service must be based within your Exclusive Territory. You may not authorize another FRANCHISEE to use our Marks or other Marks to operate a similar or competitive Service in the Exclusive Territory, nor sell products to another Service Provider in the Exclusive Territory (including through our channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing sales). The Franchise Agreement restricts us and our affiliates from selling Proprietary Products to end users or product resellers in the Exclusive Territory. The Proprietary Products are those products that cannot be used without the required training provided to Franchised Territories. However, Color Glo and its affiliates and FRANCHISEES sell Craftsman's Choice Products® and CGI Boutique Services Products® to end users and resellers regardless of their locations (including through our channels of distribution such as the Internet, catalog sales, telemarketing or other direct marketing sales) Craftsman's Choice Products® and CGI Boutique Services Products® are products that may be used by consumers without the required training for the use of the Color Glo Proprietary Products. There are no territorial restrictions for the sales of Craftsman's Choice Products® and CGI Boutique Services Products® and we will not provide any compensation to you for any sales of Craftsman's Choice Products® and CGI Boutique Services Products in your Exclusive Territory.

(1) Ares is best defined by zip codes.

We and our affiliates do not operate a franchise and have no plans to operate a franchise or any competing business under any other marks.

Except for the rights expressly granted to you under the Franchise Agreement in your Exclusive Territory, the franchise is not exclusive. We reserve the rights in the Trade Name, Marks, and System not expressly granted in the Franchise Agreement, including the rights to:

- (a) Sell at retail or wholesale or otherwise, directly or indirectly, or license others to sell or distribute any products or services which bear any proprietary marks, including the Trade Name or Marks, including any Proprietary Products, through any means of distribution not specifically prohibited by the Franchise Agreement.
- (b) Own, acquire, establish, operate or offer franchises to others for any business whatsoever outside the Exclusive Territory regardless of how close the business or territory is to your Exclusive Territory;
- (c) Sell Proprietary Products through any means of distribution not specifically prohibited by another provision of this Document or the Franchise Agreement including wholesale distribution to retail

stores, catalog sales or Internet sales;

- (d) Acquire or be acquired by any competing system including a competing system that has one or more units within your Exclusive Territory.

You may not solicit business nor provide services to a customer in another Color Glo FRANCHISEE'S Exclusive Territory (including by use of the Internet, mail order catalog, telemarketing, etc.). You may provide services to customers outside your Exclusive Territory only with our prior written consent and only upon the condition that you will immediately relinquish the customer, with receiving or accepting any consideration for so doing, if the territory is granted to another FRANCHISEE or if we withdraw our consent.

You will not be required to meet a quota or other condition to maintain the exclusivity of your Exclusive Territory or to keep us from modifying your Exclusive Territory. However, if you fail to make minimum annual purchases of Proprietary Products (minimum \$2,500.00 per year), you may lose your Franchise.

The only circumstance under which we might modify your Exclusive Territory would be if you ask us to cancel your franchise and to re-issue 2 or more franchises with smaller territories so that part of the Exclusive Territory may be sold to another FRANCHISEE.

If you fail to use your best efforts to promote the Franchised Business to all industry segments throughout your Exclusive Territory, we will encourage you to cooperate with other of our FRANCHISEES so that all industry segments in all of your Exclusive Territory are serviced by Color Glo FRANCHISEES.

Your Franchise does not give you an option to purchase additional franchises in neighboring territories.

ITEM 13: Trademarks & Trademark Applications

Color Glo will grant you the right to use, and you must use, the Service Mark "COLOR GLO." Color Glo registered the COLOR GLO Service Mark on the United States Patent and Trademark Office principal register on December 9, 1980, as Registration Number 1,142,823. The following is a summary of the trademark and service mark registrations:

principal register of the United States Patent and Trademark Office (USPTO):

Registration No. 1,142,823
Registered: December 9, 1980
Mark: **COLOR-GLO**

Registration No. 1,579,707
Registered: January 30, 1990
Mark: **COLOR GLO INTERNATIONAL and
Rectangle Design INDUSTRIES**

Registration No. 2,711,996
Registered: April 29, 2003
Mark: **THE LEATHER GUYS**

Registration No. 2,879,014
Registered: August 31, 2004
Mark: **THE RIGHT BUSINESS AT THE RIGHT
TIME**

Registration No. 1,244,071
Registered: July 5, 1983
Mark: **SPRAY WAND DESIGN**

Registration No. 2,904,454
Registered: November 23, 2004
Mark: **SPECIALISTS IN COLOR
RESTORATION & REPAIR**

Registration No. 3,144,089
Registered: September 19, 2006
Mark: **COLOR GLO**

You must follow all rules when you use these marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs, or symbols except for those which Color Glo licensed to you. You may not use Color Glo's registered marks in connection with the sale of an unauthorized product or service or in a manner not authorized in writing by Color Glo.

There are presently no effective determinations of the United States Patent and Trademark Office, or the trademark administrator in a state or court, no pending interference, opposition or cancellation proceeding, no pending material litigation involving the trademarks which have limited or restricted the use of the FRANCHISOR'S trademarks, trade names, service marks or commercial symbols in any state.

There are no agreements in effect which significantly limit the rights of the FRANCHISOR to use or license its trademarks, trade names, service marks or commercial symbols in any manner material to the Franchise. To the knowledge of the FRANCHISOR there are no infringing uses which could materially affect the FRANCHISEE'S use of the COLOR GLO mark.

You must notify Color Glo immediately when you learn about an infringement of or challenge to your use of our service mark. Color Glo will take the action we think appropriate. Color Glo is obligated under the Franchise Agreement to protect the rights which you have to use its trademarks and other related rights or to protect you against claims of infringement and unfair competition with respect to the trademarks. However, if anyone establishes to Color Glo's satisfaction this its rights are, for any legal reason, superior to any of Color Glo's trademarks, trade names or service marks, then you are required to use such variances of other service marks, trademarks or trade names as required by the FRANCHISOR to avoid conflict with such superior rights.

The FRANCHISOR has filed all required affidavits. All registrations remain in full effect and have been renewed. The FRANCHISOR will protect the FRANCHISEE'S right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the FRANCHISEE from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name, Color Glo.

CGI Franchising, Corp

SEPTEMBER 2025

TRADEMARKS

U.S. Trademark Registrations

U.S. Trademark
Registration No. 1,237,927
Registered: May 17, 1983

U.S. Service Mark
Registration No. 1,481,073
Registered: March 15, 1988

Mark: COUSTIC-GLO
Renewal Due Date: May 17, 2033

U.S. Trademark
Registration No. 1,743,163
Registered: December 29, 1992
Mark: COUSTIC GRID
Renewal Due Date: December 29, 2032

U.S. Service Mark
Registration No. 1,142,823
Registered: December 9, 1980
Mark: COLOR-GLO
Renewal Due Date: December 9, 2030

U.S. Trademark
Registration No. 2,798,481
Registered: December 23, 2003
Mark: CRAFTSMAN'S CHOICE
Renewal Due Date: December 23, 2033

U.S. Service Mark
Registration No. 3,144,089
Registered: September 19, 2006
Mark: COLOR GLO INTERNATIONAL
Renewal Due Date: September 19, 2026

U.S. Trademark
Registration No. 4,880,458
Registered: January 5, 2016
Mark: AGE STOP
Renewal Due Date: January 5, 2026

Mark: COUSTIC-GLO
Renewal Due Date: March 15, 2028

U.S. Service Mark
Registration No. 2,373,681
Registered: August 1, 2000
Mark: CEILING GUYS
Renewal Due Date: August 1, 2030

U.S. Service Mark
Registration No. 1,116,953
Registered: April 24, 1979
Mark: CHEM-GLASS
Renewal Due Date: April 24, 2029

U.S. Service Mark
Registration No. 2,252,584
Registered: June 15, 1999
Mark: CRAFTSMAN GUARANTEED
INDUSTRIES
Renewal Due Date: June 15, 2029

U.S. Service Mark
Registration No. 4,476,420
Registered: February 4, 2014
Mark: COLOR GLO
Renewal Due Date: February 4, 2034

U.S. Service Mark
Registration No. 7,841,652
Registered: June 24, 2025
Mark: CGI BOUTIQUE SERVICES
Renewal Due Date: June 24, 2031

U.S. Trademark Applications

U.S. Trademark
Application No.
98/527,759 Mark:
COUSTIC-COAT

Foreign Trademark Registrations

COUSTIC-GLO

Australian Trademark
Registration No. 1,114,678
Registered: May 22, 2006
Mark: COUSTIC-GLO
Renewal Due Date: May 22, 2026

Indian Trademark
Registration No. 1,909,149
Registered: January 15, 2010
Mark: COUSTIC-GLO
Renewal Due Date: January 15, 2030

International Service Mark
Registration No. 1,492,679
Registered: August 23, 2019
Mark: COUSTIC-GLO
Country: Japan
Renewal Due Date: August 23, 2029

CRAFTSMAN'S CHOICE

Canadian Trademark
Registration No. 631,798
Registered: February 2, 2005
Mark: CRAFTSMAN'S CHOICE
Renewal Due Date: February 2, 2030

THE CEILING GUYS

Australian Trademark
Registration No. 1,157,311
Registered: January 22, 2007
Mark: THE CEILING GUYS
Renewal Due Date: January 22, 2027

COLOR GLO

International Service Mark

Registration No. 887,333

Registered: November 11, 2005

Mark: COLOR GLO

Countries: Armenia, Australia, P.R. China, S. Korea, Russian Federation, Ukraine, Singapore, Vietnam, Norway, Japan, Egypt and European Community

Bulgaria, Cyprus,

Germany, Denmark,

Estonia, Spain, Finland, France,

Greece, Hungary,

Ireland, Italy, Lithuania, Latvia, Malta, Poland, Portugal,

Romania, Sweden, Slovenia, Slovakia)

Renewal Due Date: November 11, 2025

Malaysian Trademark

Registration No. 3,013,327

Registered: August 25, 2006

Mark: COLOR GLO

Renewal Due Date: October 2, 2033

South Africa Trademark

Registration No. 2007/11192 (Austria, Benelux,

Registered: April 14, 2010 Czech Republic,

Mark: COLOR GLO

Renewal Due Date: May 28, 2027 United Kingdom,

Indian Trademark

Registration No. 1,909,148

Registered: January 15, 2010

Mark: COLOR GLO

Renewal Due Date: January 15, 2030

Kuwait Trademark

Registration No. 167547

Registered: March 2, 2019

Mark: COLOR GLO

Renewal Due Date: July 9, 2028

Jordan Trademark Registration No. 187223

Registered: January 18, 2024 Mark: COLOR GLO

Renewal Due Date: May 30, 2032

ITEM 14: Patents, Copyrights, and Proprietary Information

Color Glo may grant you the right to use copyrighted material in connection with F.A.A. approved aircraft cleaning and repairs. The copyrighted material is an instructional training manual protected by U.S. Copyright TXu-1-106-508, which was issued August 25, 2003, for the work titled "Aircraft Interior Repair/Restoration." Color Glo owns this U.S. Copyright and only FRANCHISEES who have successfully passed the F.A.A. training program are permitted to use it.

You must notify Color Glo immediately if you learn about an infringement or challenge of our copyrighted material. Color Glo will take the action we think is appropriate. Color Glo has the exclusive right to prosecute any litigation involving the copyrighted material.

There are presently no effective determinations of the United States Patent and Trademark Office, any pending interference, opposition, or cancellation proceeding and no pending material litigation involving the pending patent which have limited or restricted the use of Color Glo's patent in any state.

You must notify Color Glo immediately if you learn about an infringement or challenge to your use of our pending patent. Color Glo will take the action we think is appropriate. Color Glo has the exclusive right to prosecute any litigation involving the pending patent.

ITEM 15: Obligation to Participate in the Actual Operation of the Franchise Business.

Color Glo does require you to personally manage or operate the Color Glo business. The operator or manager of the Color Glo business does have to complete the Color Glo training program. The manager cannot have an interest or business relationship with any of Color Glo's business competitors. Color Glo reserves the right to require operator or manager to sign a written agreement to maintain confidentiality of its trade secrets. However, Color Glo requires that the operator of the Color Glo business have a 10% ownership interest in the business. Upon request, you must provide the name and background information of any person managing your business.

ITEM 16: Restrictions on What the franchisee May Sell.

The Franchise Agreement provides that you must sell all the products and services required by Color Glo. Furthermore, you are prohibited from offering or selling any products or services unauthorized by Color Glo in connection with the Color Glo marks or business system. You are not limited in the customers to whom you may sell services, but you are prohibited from selling or re-selling the Color Glo products to anyone not licensed by Color Glo. The FRANCHISOR reserves the right to change the types of authorized products and services without limitation.

ITEM 17: Renewal, Termination, Transfer, and Dispute Resolution.

You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	Article 2(a)	Term of Franchise Agreement is for ten years.
b. Renewal or extension of the term	Article 2(b)	If you are in good standing you can renew for an additional term of ten years
c. Requirements for FRANCHISEE to renew or extend the franchise system	Article 2(b)	Give 90 days notice, be in compliance, and pay a Renewal Fee of \$7,500..
d. Termination by FRANCHISEE	Article 10	Upon any grounds available by law; requires 30 days notice to cure.
e. Termination by FRANCHISOR without cause	Not Applicable	Not Applicable
f. Termination by FRANCHISOR with	Article 9	Can terminate for cause (e.g., failure to pay, abandonment, criminal conviction).

Provision	Section in Franchise or Other Agreement	Summary
cause		FRANCHISEE defaults
g. “Cause” defined – curable defaults	Article 9(A)	You have 30 days to cure: nonpayment of fees, nonpayment of liabilities, not purchasing any equipment required for the operation of a Color Glo business, abandonment, you or your employees are convicted or plead guilty to or no contest to a felony or law relating to the Color Glo business, failure to conform to the Business System, you are insolvent or bankrupt, make an assignment to creditors and/or trademark misuse
h. “Cause” defined – non-curable defaults	Not Applicable	Not Applicable
i. Franchisee’s obligations on termination/non-renewal	Article 11	Obligations include complete de-identification and payment of amounts due (also see “r” below)
j. Assignment of Contract by FRANCHISOR	Article 17(A)	No restriction on Color Glo’s right to assign except 30 days prior written notice must be given to the FRANCHISEE
k. “Transfer” by FRANCHISEE – defined	Article 17	You must pay a transfer fee of \$25,000 upon assignment, transfer, or sale of the business or capital stock.
l. FRANCHISOR approval of transfer by FRANCHISEE	Article 17(E)	Color Glo has the right to approve all transfers but will not unreasonably withhold approval
m. Conditions for FRANCHISOR approval of transfer	17(E)	All of your obligations under the Franchise Agreement have been satisfied, you agree to perform all post-term obligations, new FRANCHISEE is personally liable to Color Glo, new FRANCHISEE qualifies, training completed by new FRANCHISEE, transfer fee paid (see also “r” below)
n. FRANCHISOR’S right of first refusal to acquire FRANCHISEE’S business	Not Applicable	Not Applicable
o. FRANCHISOR’S option to purchase FRANCHISEE’S business	Not Applicable	Not Applicable
p. Death or disability of FRANCHISEE	Article 17 (C)	Franchise may be assigned, transferred or bequeathed to any person or beneficiary. However, transferee has to execute all necessary legal documents to transfer title & agree to be bound by the Franchise Agreement

q. Non-Competition covenants during the term of the Franchise	Article 12(A)	No involvement in competing business
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Provision	Section in Franchise or Other Agreement	Summary
r. Non-Competition covenants after the term of the Franchise	Article 12(B)	No competing business, for the first year, within 25 miles of another Color Glo franchised area
s. Modification of the Agreement	Article 8(C) Article 18(C)	No modifications may be made except by written instrument. The Operating Manual is subject to change
t. Integration/merger clause	Article 18(H)	Only the terms of the Franchise Agreement are binding (subject to state law) Any restrictions or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. No provision in any Franchise Agreement is intended to disclaim the express representations made in this Disclosure Document
u. Dispute resolution by arbitration or mediation	Article 18(H)	Except for certain claims, all disputes are subject to mediation in the State of Minnesota (subject to state law).
v. Choice of Forum	State Cover Page	Mediation and litigation must be in the State of Minnesota (subject to state law).
w. Choice of Law	State Cover Page	The law of the state in which the Franchised Business is located applies

ITEM 18: Public Figures

Color Glo does not use any public figure to promote its Franchise.

ITEM 19 **FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing about possible performance at a particular location or under particular circumstances.

Parts I and II of this Item 19 presents unaudited information about 53 Franchised Territories that were open and continuously operating from January 1, 2025, through December 31, 2025 (the "2024 Reporting Period") and 54 Franchised Territories that were open and continuously operating from January 1 2024, through December 31, 2024 (the "2024 Reporting Period). We obtained the Gross Sales and Gross Profit information from unaudited franchisee reports submitted to us consistent with our reporting requirements. Neither we nor our independent certified public accountants have audited or verified any of the Gross Sales or Gross Profit information reported to us. Franchisees are not required to use generally accepted accounting principles when reporting these figures.

As of the end of the 2024 Reporting Period, there were 54 Franchised Territories open and operating in the United States, and 54 of those Franchise Territories were open for the full 2024 Reporting Period. Of the 1 Franchised Territories excluded from the 2024 tables of this Item 19, (i) 2 Franchised Territory is excluded because the Color Glo Business for such territory was not continuously open for the full 2024 and was mutually terminated.

As of the end of the 2025 Reporting Period, there were 53 franchised territories open and operating in the United States, and 53 of those Franchise territories were open for the full 2025 Reporting Period. Of the (0) Franchised Territories excluded from the 2025 table of this item (i) 1 Franchised Territory is excluded because of the Color Glo Business for such territory was not continuously open for the full 2024 Reporting Period and was mutually terminated.

Part I and II of this Item 19 presents unaudited information about 53 Franchised Territories that were open and continuously operation from January 1, 2025, through December 31, 2025 (the 2024 Reporting Period) and 53 Franchised Territories that were open and continuously operating from January 1, 2024, through December 31, 2024 (the 2024 Reporting Period).

PART I – STATEMENT OF AVERAGE AND MEDIAN GROSS SALES

TABLE 1A
GROSS SALES OF THE 53 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2025 REPORTING PERIOD (NOTE 1)

Average Gross Sales (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
\$95,849.14	\$919,451.8 4	\$77,472.0 0	\$21,531.0 0	50/77%	15/23%	32/50%	32/50%

TABLE 1B
GROSS SALES OF THE 54 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2024 REPORTING PERIOD (NOTE 1)

Average Gross Sales (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
\$101,274.88	\$982,446.2 1	\$81,422.9 1	\$22,001.0 0	50/77%	15/23%	32/50%	32/50%

Footnotes to Tables 1A and 1B

- (1) Table 1A includes all 53 Franchised Territories open the entire 2025 Reporting Period and Table 1B includes all 54 Franchised Territories open the entire 2024 Reporting Period, regardless of the number of full calendar years in operation.
- (2) Gross Sales – As referenced above, “Gross Sales” means the results of the number of services performed multiplied by the price charged for the service.

- (3) Average Gross Sales – In the above charts, Average Gross Sales is defined by the total Gross Sales of each time period divided by the number of Franchised Territories. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (4) Median – This is the Median Gross Sales amount for each grouping of Franchised Territories in the charts above. In calculating the median for the Franchised Territories in the tables above, the two central amounts for an even number of Franchised Territories were averaged.
- (5) High – Discloses the highest Gross Sales from a Franchised Territory within each time period.
- (6) Low – Discloses the lowest Gross Sales from a Franchised Territory within each time period.
- (7) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales met or exceeded the Average Gross Sales.
- (8) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Average Gross Sales.
- (9) Number & % Above Median – Refers to the number percentage of Franchised Territories for each time period whose Gross Sales met or exceeded Median Gross Sales.
- (10) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Sales were less than the Median Gross Sales.

PART II: STATEMENT OF AVERAGE AND MEDIAN GROSS PROFITS

TABLE 2A
GROSS PROFITS BY OF THE 54 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2024 REPORTING PERIOD

Average Gross Profit (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
\$78,588.66	\$753,950.5 1	\$71,568.0 0	\$11,568.0 0	50/77%	15/23%	32/50%	32/50%

TABLE 2B
GROSS PROFITS BY OF THE 53 FRANCHISED TERRITORIES
OPEN THE ENTIRE 2025 REPORTING PERIOD

Average Gross Profit (Notes 2 and 3)	High (Note 5)	Median (Note 4)	Low (Note 6)	Number & % Above Average (Note 7)	Number & % Below Average (Note 8)	Number & % Above Median (Note 9)	Number & % Below Median (Note 10)
\$84,652.10	\$801,228.9 6	\$74,652.0 0	\$14,350.2 2	50/77%	15/23%	32/50%	32/50%

Footnotes to Tables 2A and 2B

- (1) Table 1A includes all 53 Franchised Territories open the entire 2025 Reporting Period and Table 1B includes all 54 Franchised Territories open the entire 2024 Reporting Period, regardless of the number of full calendar years in operation.
- (2) Gross Profit – As referenced above, “Gross Profit” means the profit a business makes after subtracting all the costs that are related to manufacturing and selling its products or services. You can calculate gross profit by deducting the cost of goods sold (COGS) from your total sales.
- (3) Average Gross Profit – In the above charts, Average Gross Profit is defined by the total Gross Profits of each time period divided by the number of Franchised Territories in each time period. As noted above, information relating to the Franchised Territories is based on unaudited franchisee reports submitted to us.
- (4) Median – This is the Median Gross Profit amount for each grouping of Franchised Territories in the charts above. In calculating the median for the Franchised Territories in the tables above, the two central amounts for an even number of Franchised Territories were averaged.
- (5) High – Discloses the highest Gross Profits from a Franchised Territory within each time period.
- (6) Low – Discloses the lowest Gross Profits from a Franchised Territory within each time period.
- (7) Number & % Above Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits met or exceeded the Average Gross Profits.
- (8) Number & % Below Average – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits were less than the Average Gross Profits.
- (9) Number & % Above Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits met or exceeded Median Gross Profits.
- (10) Number & % Below Median – Refers to the number and percentage of Franchised Territories for each time period whose Gross Profits were less than the Median Gross Profits.

Notes to Parts I and II of Item 19:

1. **Some Franchised Territories have earned these amounts. Your individual results may differ. There is no assurance you will earn as much.**
2. The Gross Sales and Gross Profit information included in this Item 19 relates only to the Franchised Territories that were continuously open and operating during the entire 2024 Reporting Period and entire 2025 Reporting Period (as explained above). The tables do not include Gross Sales and Gross Profit information for Franchised Territories open less than the applicable 2024 and 2025 Reporting Period. You should conduct an independent investigation of the costs and expenses you will incur in operating your Territory. Current and former franchisees listed in this Disclosure Document may be one source of this information.
3. Written substantiation of all data presented in this Item 19 will be made available to you on reasonable request.
4. You are responsible for developing your own business plan for your Business. We encourage you to consult with your own accounting, business, and legal advisors in doing so.

Other than the preceding financial performance representation, we do not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing franchise territory, however, we may provide you with the actual records of that territory. If you receive any other financial performance information or projections of your future income, you should report it to our management by contacting Anthony Verch, our **CFO** at Color Glo International (9825-35 West 74th St. Eden Prairie, MN 55344 USA, 952-835-1338), the Federal Trade Commission, and the appropriate state regulatory agencies.

Financial Performance information that differs from that included in Item 19 may be given only if: (a) a FRANCHISOR provides the actual records of an existing outlet you are considering buying; or (b) a FRANCHISOR supplements the information provided in their Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances. Written substantiation for the financial performance representation will be made available to the prospective FRANCHISEE upon request.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

ITEM 20: Outlets and Franchisee Information

In some instances, current and former FRANCHISEES sign provisions restricting their ability to speak only about their experience with Color Glo International. You may wish to speak with current and former FRANCHISEES, but be aware that not all such FRANCHISEES will be able to communicate with you

Franchise Owners & Locations as of February, 2026

Jason Palenske
PO Box 201225
Anchorage, AK 99521
907-441-7551

Randy TonLoy
550 East McKellips
Mesa, AZ 85203
480-430-7431

Shannon Hudgins
15987 N. 162nd Ave
Surprise, AZ 85374
623-910-2878

James Violante
1235 South Green Street
Techachapi, CA 95361
61-823-8435

Ben Campos
29028 Summersweet Place
Murrieta, CA 92563
951-377-6846

Marc Trujillo
612 Zion
Colorado Springs, CO 80910
719-351-3422

Edgar Zubia
6521 Clay St
Denver, CO 80221
303-875-8097

Doris Spall
19390 Road 21
Lweis, CO 81327
970-759-5818

Petra Garner
2420 Hilton Drive
Navarre, FL 32566
850-293-7666

Tom Kneuer

135 Teresa Lane
Merritt Island, FL 32952
407-948-3057

Jeff Rankin
797 Wedge Lane
Pompano Beach, FL 33069
954-560-1099

Ben Yocum
270 Nottingham Drive
Naples, FL 34109
239-450-7332

Michael Huddleston
42 Marton Drive
Ray City, GA 31645
229-834-3071

Bert McDowell
10443 W. Fairview Ave
Boise, ID 83704
208-724-8008

Tracee Shank
PO Box 702
Filer, ID 83328
208-326-3295

Dave & Nick DeBuhr
1713 Continental Access Road
Cedar Falls, IA 50613
319-277-8974

Rod Miller
470 Woodbine Drive
Marion, IA 52302
319-241-8586

Troy Roth
5765 Derby Ave SW
Kalona, IA 52247
319-430-6174

Bill Sachse
315 Cedar Ave

Charter Oak, IA 51439
719-651-9920

Robert Trujillo
19922 W. 29th Street
Colwich, KS 97030
316-680-7587

Colton Linville
320 W. 17th Street
Junction City, KS 66441
785-307-9878

Brian Dylewicz
14 Benson street
Worcester, MA 01604
508-755-2071

Dan Bowen
52 Woodland Drive
Hanover, MA 02339
339-933-1061

Todd Earle
401 Pebblebrook Dr
Bloomington, MN 55437
612-835-0084

Joe Foerster
33025 Heather Street NW
Cambridge, MN 55008
612-390-8387

Randy Thoennes
6062 39th Ave NE
Alexendria, MN 53608
800-630-5628

Bob Litke
PO box 438
Delano, MN 55328
651-470-9586

Bryan Smith
PO Box 390702
Edina, MN 55439
612-910-3031

Dennis Stachowski
3926 Vera Cruz Avenue N.

Robbinsdale, MN 55422
612-618-7635

Drew Wallace
3010 Zeus Way
Sparks, NV 89441
760-525-0462

Serge Chevrier
041 Redbud Vine St
Las Vegas, NV 89085
702-505-6985

Jeff Burt
PO Box 304
Hartwick, NY 13348
607-293-831

Jacob Berry
185 Lake Village Dr
Ann Harbor, MI 48103
418-265-6983

Rick Ross
8235 Sandy Point Road
Elida, OH 45807
419-642-6372

Jeremy Eickhoff
PO Box 1087
Fairview, OR 97024
503-481-5990

Cody Engstrom
13452 Applegate Terr.
Oregon City, OR 97045
503-459-7958

Richard Kitzel
2214 Avengale Dr
Eugene, OR 97408
541-345-3737

Scott Thoensen
1525 SW Sandey Dell Road
Troutdale, OR 97060
503-618-8765

Adam Sears
PO Box 573

Bend, OR 97709
541-419-9035

George Elfering
2128 Raven Trail
West Columbia, SC 29169
803-796-0059

Valerie Arthurs Johnson
808 Jackson St
Rock Hill, SC 29732
803-633-9067

David Gimbel
210 Golden Bear Walk
Duncan, SC 29334
864-483-2744

Kenny O'Neal
4076 Locerbie Cir.
Springhill, TN 37174
931-334-1692

Tarek Itani
111 Flint Lane
Greer, SC 29651
864-201-8751

Chris O'Bryant
2987 Warr Road
Salt Lake City, UT 84109
801-898-3147

Stacy Monson
6855 W. Clearwater Ave
Kennewick, WA 99336
509-947-1968

Joe Blessen
PO Box 28
Mead, WA 9021
509-290-6266

Greg Martsolf
21414 NE 174th St
Brush Prairie, WA 98606
360-885-1925

Julie Nord
1420 Marvin Road NE

Lacey, WA 98516
360-352-2176

Mark Rissell
17803 51st AVE S
Seatac, WA 98188
206-679-8619

Gary Whitcomb
PO Box 40066
Spokane, WA 99202
509-245-3506

Darren Pen
PO Box 517
Everson, WA 98247
360-319-5825

Steve Haugen
16212 Bothell Everett Hwy
Millcreek, WA 98704
419-265-6983

Marty Griffin
2242 Louisburg Rd
Cuba City, WI 3807
608-744-2083

Jenni Vaught
2200 W. Greenbrier Ct
Oak Green, WI 53154
414-217-9682

Currently, no known franchisees have signed confidentiality clauses during the last three years.

Franchisees who have had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement for the most recent fiscal year, or who have not communicated with the Franchisor within ten weeks of the application date are as follows:

Cecil King
5228 Moonlight Way
Elk Grove, CA 95758
916-296-6297
Retired

If you buy a franchise, your contact information may be disclosed to other buyers when you leave the Franchise system. Franchisees are not required to sign a confidentiality clause within the last 3 years.

Systemwide Outlet Summary

For years 2023 to 2025

Table 1

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	54	54	0
	2024	54	54	0
	2025	54	53	-1
Company Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Outlets	2023	54	54	0
	2024	54	54	0
	2025	54	53	-1

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)

For years 2023 to 2025

Table 2State	Year	Number of Transfers
California	2023	0
	2024	0
	2025	-1
Colorado	2023	0
	2024	0
	2025	0
Florida	2023	0
	2024	0
	2025	0
Georgia	2023	0
	2024	0

	2025	0
Louisiana	2023	0
	2024	0
	2025	0
Montana	2023	0
	2024	0
	2025	0
Nevada	2023	0
	2024	0
	2025	0
Oregon	2023	1
	2024	0
	2025	0
Total	2023	2
	2024	0
	2025	0

**Status of Franchise Outlets
For years 2023 to 2025**

Table 3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
AK	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
AZ	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
CA	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	1	2
CO	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non- Renewals	Reacquired by Franchisor	Ceased Operations- Other Reasons	Outlets at End of Year
	2025	3	0	0	0	0	0	3
CT	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
FL	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
	2023	1	0	0	0	0	0	1

GA	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
HI	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
ID	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
IL	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
IN	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
IA	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
KS	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
KY	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MA	2023	2		0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
MI	2023	0	1	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
MN	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
MT	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
NM	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
NV	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
NY	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	1	0	0	1
NC	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
OH	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
OK	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
OR	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
PA	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
SC	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
TN	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
TX	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
UT	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
WA	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
WI	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

Table 4

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of Year
INT'L TOTAL	2023	54	0	0	0	0	0	54
	2024	54	0	0	0	0	0	54
	2025	54	0	0	0	0	0	54
U.S. TOTAL	2023	54	0	0	0	0	0	54
	2024	54	0	0	0	0	0	54
	2025	54	0	0	0	0	1	53

**Status of Company-Owned Outlets
for years 2023-2025**

Table 5

Year	Outlets at Start of Year	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at the End of the Year
2023	0	0	0	0	0
2024	0	0	0	0	0
2025	0	0	0	0	0

**Projected New Franchised Outlets
as of August 31, 2025**

State	Franchise Agreements Signed but Outlet not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Current Fiscal Year
Florida	0	2	0
New York	0	1	0
North Carolina	0	1	0
South Carolina	0	1	0
Texas	0	1	0
Total	0	6	0

Color Glo Currently Operates in the following countries:

Armenia	New Zealand
Australia	Nigeria
Austria	Norway
Bahamas	Oman
Bahrain	Puerto Rico
Belgium	Qatar
Cambodia	Romania
Canada	Russia
Crete	Saudi Arabia
Cyprus	South Africa
Denmark	South Korea
UAE	Sweden
Finland	Switzerland
Germany	Thailand
Greece	Tunisia
India	Ukraine
Ireland	United States
Israel	United Kingdom
Italy	Lithuania
Japan	Albania
Kazakhstan	France
Kuwait	Holland
Luxembourg	Indonesia
Malaysia	Egypt
Namibia	Lithuania
Netherlands	Lebanon
Dubai	

ITEM 21: Financial Statements

We have not been in business for th three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit F contains our unaudited financial statement starting February 27, 2026 the inception date.

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ITEM 22: Contracts

Exhibit A is the Color Glo International FRANCHISE AGREEMENT.

ITEM 23: Receipts

Attached to this Disclosure Document as Exhibit I is a detachable acknowledgment of receipt.

EXHIBIT A: Color Glo International Franchise Agreement



FRANCHISE AGREEMENT

BETWEEN

**COLOR GLO INTERNATIONAL,
A Division of CGI Franchising, Corp
9825-35 West 74th Street, Eden Prairie, MN 55344
(952) 835-1338**

And

COLOR GLO INTERNATIONAL

FRANCHISE AGREEMENT

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT, made and entered into this__ day of _____, 2026, by and between COLOR GLO INTERNATIONAL, a Division of CGI Franchising, Corp, a Minnesota corporation, hereinafter referred to as the "FRANCHISOR", and _____ hereinafter referred to as the "FRANCHISEE".

WITNESSETH:

WHEREAS, the FRANCHISOR has developed a plan, method and system for color restoration of leathers, vinyls, velour, fabrics, carpet and wood grain panels and exterior bumper repair at reasonable prices under its COLOR GLO service mark (hereinafter referred to as the "Business System"); and

WHEREAS, the FRANCHISOR has the right to license the use of the name "COLOR GLO" and such other trade names, trademarks and service marks as may be designated by the FRANCHISOR for use in connection with the Business System (hereinafter "Marks"); and

WHEREAS, the FRANCHISEE desires, upon the terms and conditions herein fully set forth, to be trained and licensed by the FRANCHISOR to operate a business under the COLOR GLO Business Systems; and

WHEREAS, the FRANCHISEE has had a full and adequate opportunity to be thoroughly advised of the terms and conditions of this FRANCHISE AGREEMENT, and has had sufficient time to evaluate and investigate the COLOR GLO Business System, the competition in the field and the procedures and financial requirements associated with the Business System; and

WHEREAS, the FRANCHISEE has provided the FRANCHISOR with sufficient evidence to demonstrate that it has adequate financial resources to pay for the Initial Service Fee and the startup costs and expenses required for the FRANCHISEE's COLOR GLO business; and

WHEREAS, the FRANCHISEE recognizes the importance to the FRANCHISOR, to other COLOR GLO FRANCHISEEs and to the public of maintaining the distinctive standards, qualities, attributes and services identified by the COLOR GLO service mark and is willing to maintain such standards, qualities and attributes;

NOW, THEREFORE, the parties, in consideration of the mutual promises herein expressed and for other good and valuable consideration, the receipt and adequacy of which is acknowledged, hereby agree to the following provisions of the FRANCHISE AGREEMENT.

ARTICLE 1 - GRANT OF LICENSE: LICENSED AREA

(1) The FRANCHISOR hereby grants to the FRANCHISEE a personal license to operate a COLOR GLO business in conformity with the FRANCHISOR'S Business System and further grants the FRANCHISEE a personal license to operate the COLOR GLO business in the following area _____ hereinafter referred to as the "LICENSED AREA" and the FRANCHISEE hereby undertakes the obligation to operate a COLOR GLO business under the FRANCHISOR's Business System in strict compliance with the terms and conditions of the FRANCHISE AGREEMENT. The FRANCHISOR agrees that except as set forth herein it will not operate or license others to operate a COLOR GLO business in the LICENSED AREA provided the FRANCHISEE is in complete compliance with the terms and conditions of the FRANCHISE AGREEMENT. Except for limited product sales on the internet to aviation customers, the FRANCHISOR further agrees that it will not sell the "COLOR GLO" products or process to any retail operations, with the exception of FRANCHISEES who qualify and are trained for the specialized "Color Glo" services specific to the aviation industry, in the LICENSED AREA provided the FRANCHISEE is in complete compliance with this FRANCHISE AGREEMENT. The FRANCHISEE must obtain the FRANCHISOR'S prior written approval on any "assumed" or fictitious names adopted or filed by the FRANCHISEE.

(2) The rights and privileges granted to the FRANCHISEE under this FRANCHISE AGREEMENT are applicable only to this EXCLUSIVE TERRITORY, are personal in nature, and may not be used elsewhere or at any other location by the FRANCHISEE. The FRANCHISEE shall not have the right to sub-franchise and sublicense. The FRANCHISEE shall not have a right to assign or transfer its rights under this FRANCHISE AGREEMENT, except as specifically provided in the FRANCHISE AGREEMENT.

The FRANCHISEE acknowledges that if they choose to perform work on aircraft, additional training is required to comply with the stringent regulations of the aviation industry. Accordingly, the FRANCHISEE agrees to complete the requisite aviation training, which will be provided at the FRANCHISOR'S Aviation Training Center for an additional fee of \$60,000.00 USD.

(3) Additionally, FRANCHISEE may periodically receive corporate assignments through Franchisor's National Accounts programs. If the FRANCHISEE chooses to undertake such work, a 10% Administrative Fee shall be paid to the FRANCHISOR to cover costs incurred in securing these assignments on the Licensee's behalf.

ARTICLE 2 - TERM OF LICENSE: FRANCHISEE'S RIGHT TO RENEW

(A) The term of this FRANCHISE AGREEMENT shall be for ten (10) years commencing on the date of this FRANCHISE AGREEMENT. This FRANCHISE AGREEMENT shall not be considered executed and shall not be enforceable until it has been signed by both the FRANCHISEE and FRANCHISOR. This FRANCHISE AGREEMENT shall be terminated if the FRANCHISEE fails to commence operations of the COLOR GLO business within ninety (90) days of execution of the FRANCHISE AGREEMENT.

(B) The FRANCHISEE shall have the right to renew its license for the LICENSED AREA for continuing ten (10) year terms provided that the following conditions have been met:

(1) The FRANCHISEE has given the FRANCHISOR written notice at least ninety (90) days prior to the end of the term of this FRANCHISE AGREEMENT or any renewal term of its intention to renew; and

(2) The FRANCHISEE has complied with all of the material terms and conditions of this FRANCHISE AGREEMENT and has complied with the FRANCHISOR's material operating and quality standards and procedures; and

(3) All monetary obligations owed by the FRANCHISEE to the FRANCHISOR have been satisfied prior to renewal, and have been paid in a timely manner throughout the term of this FRANCHISE

AGREEMENT; and

(4) The FRANCHISEE has agreed, in writing, to make such reasonable capital expenditures necessary to replace and modernize the supplies and equipment used in the FRANCHISEE's business so that the FRANCHISEE's business will conform to the FRANCHISOR's then-current standards.

(C) The FRANCHISEE shall have the right to renew its license for the LICENSED AREA... however, the FRANCHISEE shall be required to pay the Renewal Fee of Seven Thousand Five Hundred (\$7,500 USD) if the FRANCHISEE exercises its right to renew. The FRANCHISOR will not offer to license the LICENSED AREA at the end of the term of this FRANCHISE AGREEMENT to any other person or entity on more favorable terms or conditions than those offered to the FRANCHISEE. The FRANCHISEE acknowledges that the terms and conditions of the then-current standard FRANCHISE AGREEMENT of the FRANCHISOR may, at that time, vary in substance and form from the terms and conditions of this FRANCHISE AGREEMENT.

ARTICLE 3 - FRANCHISOR'S RIGHT TO LICENSE THE TRADEMARKS

(A) The FRANCHISOR has the right to license the name "COLOR GLO" and other Marks and trade symbols. Any and all improvements by the FRANCHISEE relating to the Marks and Business System shall become the sole and absolute property of the FRANCHISOR who shall have the sole and exclusive right to register and protect all such improvements in its name. The FRANCHISEE's right to use and identify with the Marks and Business System shall exist concurrently with the term of this FRANCHISE AGREEMENT and such use by the FRANCHISEE shall inure exclusively to the benefit of the FRANCHISOR. The FRANCHISEE further agrees not to contest or aid in contesting, directly or indirectly, the validity or ownership of the Marks and Business System.

(B) The FRANCHISEE agrees that its personal right to use the name "Color Glo" as the name of the FRANCHISEE's business and its right to use the Marks and Business System applies only to the LICENSED AREA and only so long as the FRANCHISEE shall fully perform and comply with all of the conditions, terms and covenants of this FRANCHISE AGREEMENT. The FRANCHISEE acknowledges and agrees that the FRANCHISOR shall have the absolute right to license others to use the licensed Marks and Business System anywhere outside of the LICENSED AREA. The FRANCHISEE shall not have or acquire any rights in any of the Marks and Business System other than the right of use. The FRANCHISEE shall have the right to use the Marks and Business only in the manner prescribed, directed and approved by the FRANCHISOR in writing. If, in the judgment of the FRANCHISOR, the acts of the FRANCHISEE infringe upon or demean the goodwill, standards of uniformity or quality, or business standing associated with the Marks and Business System, then the FRANCHISEE shall immediately, upon written notice from the FRANCHISOR, modify its use of the Marks and Business System in the manner prescribed by the FRANCHISOR in writing.

(C) If there is a claim by any party that its rights are superior and if the FRANCHISOR determines that such claim is legally meritorious, then upon receiving written notice from the FRANCHISOR, the FRANCHISEE, at its expense, will immediately use such changes and amendments to the conflicting marks as may be required by the FRANCHISOR and, if so required, the FRANCHISEE will immediately cease using the conflicting marks. The FRANCHISEE will not make any changes or amendments whatsoever in or to the use of the Marks and Business System unless directed by the FRANCHISOR in writing.

(D) The FRANCHISEE will have no obligation to and shall not, without the written consent of the FRANCHISOR, defend or enforce the licensed Marks in any Court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. However, the FRANCHISEE will give the FRANCHISOR prompt and timely written notice of any claims or complaints made against the FRANCHISEE with respect to the Marks and will, at its expense, cooperate in all respects with the FRANCHISOR in any Court or other proceedings involving the Marks. The cost and expense of all litigation incurred by the FRANCHISOR including attorney's fees, specifically relating to the Marks, shall be paid by the FRANCHISOR. However, the FRANCHISEE may, at its option and expense, retain an attorney to represent it individually in all such litigation

and Court proceedings, and shall do so with respect to matters involving only the FRANCHISEE (i.e. not involving the FRANCHISOR or its interests); however, the FRANCHISOR's legal counsel shall have the absolute right to control and conduct such litigation. The FRANCHISOR shall have no liability to the FRANCHISEE for any costs that the FRANCHISEE incurs in such litigation and the FRANCHISEE shall pay for all costs, including attorneys' fees, which it may incur under the ARTICLE.

ARTICLE 4 - INITIAL FEE

Upon signing this FRANCHISE AGREEMENT, the FRANCHISEE shall pay the FRANCHISOR... an initial franchise fee is \$45,500.00. For each 10,000 population exceeding 300,000 you will pay an additional \$1,000.00. For each additional Sub-FRANCHISEE a fee of \$9,800.00 USD will be paid to FRANCHISOR to cover the cost of training and start-up kit. In addition when you sign the FRANCHISE AGREEMENT, you must pay the FRANCHISOR a Start-up Fee of \$40,000.00.

Should the FRANCHISEE request a larger Exclusive Territory, the FRANCHISOR may grant a larger Exclusive Territory to the FRANCHISEE, at our discretion, upon the payment of the additional fee. Generally in this case, the extra territory to be included in the FRANCHISEE's Exclusive Territory and would be capable of supporting a Sub-FRANCHISEE.

Other than situations where a FRANCHISEE desires a larger than normal Exclusive Territory, the initial franchise fee is uniform for all FRANCHISEES. The initial fee is nonrefundable

In addition when you sign the FRANCHISE AGREEMENT, you must pay the FRANCHISOR a Start-Up Fee of (see Addendum) (plus shipping), which includes legal and administrative costs, initial training costs for 2 people (but not travel) and the purchase of the start-up kit containing an initial supply of all required Color Glo products and supplies. This fee is not refundable. Other than as described in this Article 4, you are not required to pay the FRANCHISOR or an affiliate any additional sums before you begin the franchised business.

ARTICLE 5 – ROYALTY FEE

In addition to the Initial Fee and Start-Up Fee, the FRANCHISEE shall, for the term of this FRANCHISE AGREEMENT, pay the FRANCHISOR 10% of gross sales, including cash, or a minimum of \$500.00 a month for all years of business within the contracted time.

B. The Royalty Fee shall be payable to the FRANCHISOR by the FRANCHISEE during the entire term of this FRANCHISE AGREEMENT and is a material provision of this FRANCHISE AGREEMENT. The FRANCHISEE's obligation to pay the FRANCHISOR the Royalty Fee under the terms of this FRANCHISE AGREEMENT shall be absolute and shall remain in full force and effect until the term of this FRANCHISE AGREEMENT has expired or until this FRANCHISE AGREEMENT is terminated in accordance with the terms and conditions set forth in this FRANCHISE AGREEMENT.

C. The Royalty Fee payable by the FRANCHISEE shall be paid to the FRANCHISOR on or before the 15th day of each month for the preceding month. In the event the FRANCHISEE fails to remit the Royalty Fee due to the FRANCHISOR within fifteen (15) days after the end of each month, as provided for in this FRANCHISE AGREEMENT, a surcharge in the amount of \$25.00 shall be added to the unpaid balance due to the FRANCHISOR.

D. The Royalty Fee is, in part, payment to the FRANCHISOR for: (1) the services and materials

provided to the FRANCHISEE by the FRANCHISOR pursuant to ARTICLE 13 of this FRANCHISE AGREEMENT; (2) costs incurred in protecting the Marks and Business System licensed to the FRANCHISEE; (3) legal fees and accounting fees incurred by the FRANCHISOR to comply with federal, state and local laws, including all continuing requirements under franchise laws; (4) the services to be performed by the FRANCHISOR under this FRANCHISE AGREEMENT; AND (5) selling, general and administrative expenses.

ARTICLE 6 - ANNUAL LICENSE FEE AND PRODUCT PURCHASES

ANNUAL LICENSE FEE AND PRODUCT PURCHASES During each twelve (12) month period under this FRANCHISE AGREEMENT, the FRANCHISEE shall pay the FRANCHISOR an annual License Fee of (\$2,500.00) Two Thousand, Five Hundred Dollars per year due and payable on the 15th of each month in the amount of \$208.33.

ARTICLE 7 - QUALITY CONTROL, UNIFORMITY & STANDARDS REQUIRED OF THE FRANCHISEE

It is recognized by the FRANCHISEE that the FRANCHISOR and its predecessors have expended large sums of money to popularize the Marks and Business System licensed to the FRANCHISEE so that the same represents very valuable goodwill distinctive of the FRANCHISOR's business and reputation. It is also recognized that the FRANCHISOR must promulgate, from time to time, uniform standards of quality and service regarding the business operations of the FRANCHISEE's COLOR GLO business so as to protect (for the benefit of all FRANCHISEEs and the FRANCHISOR), the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and Business System. Accordingly, to insure that all FRANCHISEEs will maintain the uniform requirements and quality standards for goods and services associated with COLOR GLO businesses and with the Marks and Business System, the FRANCHISEE agrees to maintain the uniformity and quality standard required by the FRANCHISOR for all products and services and agrees to the following terms and conditions to assure the public that all COLOR GLO businesses will be uniform in nature and will sell and dispense quality products and services.

(A) The FRANCHISEE will operate its business so that it is clearly identified and advertised as a COLOR GLO business. However, the style and form of the words "COLOR GLO" in any advertising must have the prior written approval of the FRANCHISOR. Whenever practical, the FRANCHISEE will use the name "COLOR GLO" and the other Marks which now or hereafter may form a part of the FRANCHISOR's Business System, on all vehicles, uniforms, paper supplies, advertising materials, signs or other articles in the identical combination and manner as may be prescribed by the FRANCHISOR in writing. The FRANCHISEE will, at its expense, comply with all notices of registration required by the FRANCHISOR and will, at its expense; comply with any other trademark, trade name, service mark, copyright or patent notice marking requirements.

(B) The FRANCHISEE shall not use the words "COLOR GLO" or anything confusingly similar or "CGI" in its corporate or partnership name but must file a certificate of assumed name indicating that FRANCHISEE shall hold itself out to the public as an independent contractor operating its business pursuant to a license from the FRANCHISOR. The FRANCHISEE shall clearly indicate on its business checks, stationery, purchase orders, business cards, receipts, promotional materials and other written materials that the FRANCHISEE is the owner of the business and that the FRANCHISEE is a COLOR GLO franchisee.

(C) The FRANCHISEE will use only approved advertising and promotional materials. In the event that the FRANCHISEE desires to use any unapproved advertising or promotional materials bearing the name "COLOR GLO" or other Marks, then the FRANCHISEE must obtain written approval from the FRANCHISOR prior to using any such materials.

(D) The FRANCHISEE will use the Marks and Business System in strict compliance with the standards,

operating procedures, specifications, requirements and instructions required of all COLOR GLO Businesses, which may be amended and supplemented by the FRANCHISOR from time to time.

(E) The FRANCHISEE will sell only those products and services in connection with COLOR GLO Marks or Business System which have been approved by the FRANCHISOR in writing and will offer for sale all products and services prescribed by the FRANCHISOR. The FRANCHISEE will conform to all quality and customer service standards prescribed by the FRANCHISOR in writing.

(F) The FRANCHISEE will use only the approved COLOR GLO restoration products in connection with the COLOR GLO restoration process.

(G) The FRANCHISEE acknowledges and agrees that the FRANCHISOR must police the use of its COLOR GLO products to insure that only authorized FRANCHISEEs of the FRANCHISOR use the COLOR GLO products. The FRANCHISEE shall not, directly or indirectly, sell or resell any COLOR GLO products.

(H) The FRANCHISEE will purchase, from vendors and suppliers approved in writing by the FRANCHISOR, all equipment, supplies, products and services (sometimes referred to in this FRANCHISE AGREEMENT as "goods and services"), which the FRANCHISOR determines must meet the standards of quality and uniformity symbolized by and associated with the Marks and Business System. If the FRANCHISEE desires to purchase these goods or services from any vendors or suppliers for any reason, then the FRANCHISEE shall have the right and option to purchase them from other vendors or suppliers; provided however, that such goods and services must conform in quality to the FRANCHISOR's standards and specifications. If the FRANCHISEE desires to purchase any goods and services from such other sources, then the FRANCHISEE shall submit samples and specifications to the FRANCHISOR for testing to determine whether the goods and services comply with the FRANCHISOR's standards and specifications and the prior written approval of the FRANCHISOR must be obtained by the FRANCHISEE prior to the time that any unapproved goods and services are used in the FRANCHISEE's COLOR GLO Business.

(I) All mechanical equipment shall be kept in good working order by the FRANCHISEE at all times and shall meet the FRANCHISOR's quality standards. Any replacement equipment must comply with the FRANCHISOR's then-existing specifications.

(J) The FRANCHISEE will, at its expense, comply with all applicable local, state, federal and municipal laws, ordinances, rules and regulations pertaining to the operation of the FRANCHISEE's business.

(K) The FRANCHISEE will pay on a timely basis all of its obligations and liabilities due and payable to the FRANCHISOR, suppliers, lessors and creditors. The FRANCHISEE shall be absolutely and exclusively responsible and liable for the prompt payment of all taxes payable as a result of the FRANCHISEE's business. The FRANCHISOR shall have no liability for these or any other taxes and the FRANCHISEE will indemnify the FRANCHISOR for any such taxes that may be assessed or levied against the FRANCHISOR which arise or result from the FRANCHISEE's business. In the event that FRANCHISEE does not meet any of its monetary obligations to FRANCHISOR in a timely fashion, FRANCHISOR can require the FRANCHISEE to post an irrevocable letter of credit in such amount as FRANCHISOR reasonably deems necessary to secure FRANCHISEE's monetary obligations to FRANCHISOR. FRANCHISOR expressly reserves the right to withhold or delay the shipment of COLOR GLO cleaning compounds to FRANCHISEE if the FRANCHISEE is in arrears with respect to any amount owed to FRANCHISOR and FRANCHISEE fails to post the required letter of credit.

(L) The FRANCHISEE will comply with such programs of standardization as may from time to time be promulgated by the FRANCHISOR to promote the common business image and to protect the goodwill associated with the Marks and Business System.

(M) The FRANCHISEE will hire a sufficient number of adequately trained and competent persons to guarantee efficient service to the FRANCHISEE's customers. If requested by FRANCHISOR, FRANCHISEE will provide FRANCHISOR with an up-to-date customer list in the form prescribed as well as copies of customer invoices. FRANCHISOR shall have the right to contact FRANCHISEE's customers to ascertain the quality of work performed and the level of customer satisfaction.

(N) The FRANCHISOR will have the absolute right to photograph employees, equipment, vehicles, and

other goods, fixtures and equipment at the FRANCHISEE's business at all reasonable times.

ARTICLE 8 - CONFIDENTIAL OPERATING MANUALS AND OTHER INFORMATION

(A) In order to protect the reputation and goodwill of the FRANCHISOR and to maintain uniform operating standards under the Marks and Business System, the FRANCHISEE shall conduct its business in accordance with the FRANCHISOR's Confidential Operating Manuals (hereinafter the "Manuals"), one copy of which the FRANCHISEE acknowledges having received on loan from the FRANCHISOR for the term of this FRANCHISE AGREEMENT.

(B) The FRANCHISEE shall at all times treat the Manuals, and other manuals created for or approved for use in the operation of the FRANCHISEE's COLOR GLO business, and the information contained therein as secret and confidential, and shall use all reasonable efforts to maintain such information as secret and confidential. The FRANCHISEE shall not at any time, without the FRANCHISOR's prior written consent, copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

(C) The Manuals shall at all times remain the sole property of the FRANCHISOR. The FRANCHISOR may from time to time revise the contents of said Manuals and the FRANCHISEE expressly agrees to comply with each new or changed standard. The FRANCHISEE shall at all times insure that its copy of said Manuals is kept current and up to date, and in the event of any dispute as to the contents of said Manuals, the terms of the master copy of the Manuals maintained by the FRANCHISOR shall be controlling.

(D) The FRANCHISEE shall not, during the term of this FRANCHISE AGREEMENT or thereafter, communicate, divulge or use for the benefit of any other person or entity any confidential information, knowledge or know-how concerning the methods of operation of the COLOR GLO business which may be communicated to the FRANCHISEE, or of which the FRANCHISEE may be apprised, by virtue of the FRANCHISEE's operation under the terms of this FRANCHISE AGREEMENT. The FRANCHISEE shall divulge such confidential information only to such of its employees as must have access to it in order to operate the COLOR GLO business. Any and all information, knowledge and know-how, including, without limitation, drawings, materials, equipment, methods, procedures, specifications, techniques and other data, which the FRANCHISOR designates as confidential shall be deemed confidential for purposes of this FRANCHISE AGREEMENT, except information which the FRANCHISEE can demonstrate came to its attention prior to disclosure thereof by the FRANCHISOR; or which, at the time of disclosure by the FRANCHISOR to the FRANCHISEE, had become part of the public domain, through publication or communication by others; or which after disclosure to the FRANCHISEE by the FRANCHISOR, becomes a part of the public domain, through publication or communication by others.

(E) The FRANCHISOR reserves the right to require the FRANCHISEE to have all of FRANCHISEE's employees and agents (and all officers, directors, and shareholders if the FRANCHISEE is a corporation; and all partners if the FRANCHISEE is a partnership) to execute agreements, in a form satisfactory to the FRANCHISOR, to maintain the confidentiality during the course of employment and thereafter of all information designated by the FRANCHISOR as confidential. Copies of the executed agreements shall be submitted to the FRANCHISOR upon request.

(F) FRANCHISEE acknowledges that the FRANCHISOR's list of authorized FRANCHISEEs is FRANCHISOR's proprietary information. FRANCHISEE agrees that it will not contact the other COLOR GLO FRANCHISEEs for purposes of soliciting or marketing purposes or for any reason unrelated to the COLOR GLO business.

(G) The FRANCHISOR shall have the right to use and incorporate into the Business System for the benefit of other FRANCHISEEs of the FRANCHISOR or company-owned businesses, any modifications, changes and improvements, in whole or in part, developed or discovered by the FRANCHISEE or its employees or agents in connection with the FRANCHISEE's COLOR GLO business, without any liability or obligation to the developer thereof. In addition, the FRANCHISOR shall have the right to introduce on an experimental or research basis

different products, methods or procedures to a limited number of licensed or company-owned COLOR GLO businesses without offering such products, methods or procedures to all FRANCHISEES.

(H) FRANCHISEE must permanently display, at his/her own expense, on all vehicles FRANCHISEE use in the franchised service, COLOR GLO signs of any nature, form, color, number, location and size containing any legends that FRANCHISOR has designated in writing.

ARTICLE 9 - FRANCHISOR'S TERMINATION RIGHTS

(A) In addition to the other rights of termination contained in this FRANCHISE AGREEMENT, the FRANCHISOR shall have the right and privilege to terminate this FRANCHISE AGREEMENT, as provided herein, if (1) the FRANCHISEE fails to commence operations of the COLOR GLO business within ninety (90) days from the date of this FRANCHISE AGREEMENT; (2) the FRANCHISEE violates any material provision, term or condition of this FRANCHISE AGREEMENT, including, but not limited to, failure to pay any monetary obligations to the FRANCHISOR; (3) the FRANCHISEE or any of its managers, directors, officers or majority stockholders are convicted of, plead guilty to or no contest to (a) a charge of violating any law relating to the COLOR GLO business or (b) any felony; (4) the FRANCHISEE fails to conform to the Business System or the standards of uniformity and quality for the products and services promulgated by the FRANCHISOR in connection with the Business System; (5) the FRANCHISEE fails to pay in a timely manner any of its non-contested or liquidated obligations or liabilities (including, if applicable, federal and state taxes) due and owing to the FRANCHISOR, suppliers, banks, purveyors, creditors or any federal, state or municipal government; (6) FRANCHISEE is insolvent within the meaning of any state or federal law, files for bankruptcy or is adjudicated a bankrupt under any state or federal law; (7) the FRANCHISEE makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (8) any check issued by the FRANCHISEE is dishonored because of insufficient funds or closed accounts; (9) the FRANCHISEE fails to purchase and pay for the equipment, fixtures or supplies required for the business operations of a COLOR GLO business prior to the opening of the FRANCHISEE's business; (10) the FRANCHISEE voluntarily or otherwise abandons the COLOR GLO business; or (11) the FRANCHISEE is involved in any act or conduct which materially impairs the goodwill associated with the name "COLOR GLO" or with any other Marks of the Business System.

(B) The FRANCHISOR shall not be entitled to terminate this FRANCHISE AGREEMENT unless and until: (1) written notice by personal service or registered or certified mail setting forth the alleged breach in detail has been delivered to the FRANCHISEE by the FRANCHISOR; and (2) after receiving the written notice the FRANCHISEE fails to correct the alleged breach within the period of time specified by applicable law. In the event that applicable law does not specify a time period to correct an alleged breach, then the FRANCHISEE shall have thirty (30) days after receipt of written notice by personal service or registered or certified mail to correct the alleged breach. If the FRANCHISEE fails to correct the alleged breach within the applicable period of time specified by law or within thirty (30) days after receiving written notice of the alleged breach and the FRANCHISOR's notice of intent to terminate, then this FRANCHISE AGREEMENT may be terminated by the FRANCHISOR as provided in this FRANCHISE AGREEMENT. For the purposes of this FRANCHISE AGREEMENT, an alleged breach of this FRANCHISE AGREEMENT by the FRANCHISEE shall be deemed to be "corrected" if both the FRANCHISOR and FRANCHISEE agree in writing that the alleged breach has been corrected.

(C) Nothing in the ARTICLE 9 shall preclude the FRANCHISOR from seeking other remedies under state law against the FRANCHISEE, including but not limited to, damages suffered by the FRANCHISOR as a result of FRANCHISEE's breach of the FRANCHISE AGREEMENT or other conduct detrimental to the FRANCHISOR and its interests.

(D) In the event that the provisions of this ARTICLE 9 are inconsistent with applicable state law, then the applicable state law shall apply.

(E) In the event of termination according to the provisions of this ARTICLE 9 all business and financial rights and obligations between the FRANCHISEE and the SUBFRANCHISEE(S), if any, will be automatically

transferred as business and financial rights and obligations between the FRANCHISOR and the SUBFRANCHISEE(S), as the FRANCHISOR takes the place of the FRANCHISEE. However, any financial and business obligations in the contract between the FRANCHISEE and the SUBFRANCHISEE which are not approved by the FRANCHISOR shall not obligate the FRANCHISOR.

ARTICLE 10 - FRANCHISEE'S TERMINATION RIGHTS

(A) The FRANCHISEE shall have the right and privilege to terminate this FRANCHISE AGREEMENT, as provided herein, if the FRANCHISOR violates any material provision, term or condition of this FRANCHISE AGREEMENT.

The FRANCHISEE shall not be entitled to terminate this FRANCHISE AGREEMENT or to commence an action against the FRANCHISOR for injunctive relief, violation of any state or federal law, violation of common law (including allegations of fraud and misrepresentation), recession, general or punitive damages, or termination, unless and until: (1) written notice by personal service or registered or certified mail setting forth the alleged breach in detail has been delivered to the FRANCHISOR by the FRANCHISEE; and (2) the FRANCHISOR fails to correct the alleged breach within thirty (30) days after receipt of the written notice by personal service or registered or certified mail. If the FRANCHISOR fails to correct the alleged breach as provided herein within thirty (30) days after receiving written notice of the alleged breach and the FRANCHISEE's notice or intent to terminate, then this FRANCHISE AGREEMENT may be terminated by the FRANCHISEE as provided in this FRANCHISE AGREEMENT. For the purposes of this FRANCHISE AGREEMENT, an alleged breach of this FRANCHISE AGREEMENT by the FRANCHISOR shall be deemed to be "corrected" if both the FRANCHISOR and FRANCHISEE agree in writing that the alleged breach has been corrected.

(B) The FRANCHISEE must give the FRANCHISOR immediate written notice of an alleged breach or violation of this FRANCHISE AGREEMENT after the FRANCHISEE has knowledge of, determines, or is of the opinion that there has been an alleged breach or violation of this FRANCHISE AGREEMENT by the FRANCHISOR. If the FRANCHISEE fails to give written notice to the FRANCHISOR of an alleged breach of this FRANCHISE AGREEMENT within one (1) year from the date that the FRANCHISEE has knowledge of, determines or is of the opinion that there has been an alleged breach by the FRANCHISOR, then the alleged breach shall be deemed to be condoned, approved and waived by the FRANCHISEE, and the alleged breach or violation shall not be deemed to be a breach or violation of this FRANCHISE AGREEMENT.

(C) Minnesota law provides franchisees with certain termination and non-renewal rights. Minn. St. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given ninety (90) days notice of termination (with sixty (60) days to cure) and 180 days notice for non-renewal of the franchise agreement.

ARTICLE 11 - FRANCHISEE'S OBLIGATIONS UPON TERMINATION

In the event this FRANCHISE AGREEMENT is terminated for any reason, then the FRANCHISEE will (1) not use the FRANCHISOR's name, marks, designs, commercial symbols and business systems; (2) within five (5) days after termination, pay all amounts due and owing to the FRANCHISOR; (3) not use any names, signs, decor, commercial symbols, logos, business features or the like which would be confusingly similar to the FRANCHISOR's; (4) remain liable for any leases or other contracts for equipment, supplies, rental and other business contracts then in effect; (5) maintain records of the operation of the FRANCHISEE's COLOR GLO business in a secure place for five (5) years; (6) return to FRANCHISOR by first class prepaid United States mail all manuals, advertising materials, and all other printed materials pertaining to the operation of the COLOR GLO business; and (7) comply with all other applicable provisions of the FRANCHISE AGREEMENT. Upon termination of this FRANCHISE AGREEMENT for any reason, the FRANCHISEE's right to use the name COLOR GLO and the other marks in the business shall terminate immediately.

ARTICLE 12 - FRANCHISEE'S COVENANTS NOT TO COMPETE

(A) The FRANCHISEE will not, during the term of this FRANCHISE AGREEMENT, on its own

account or as an employee, consultant, partner, officer, director or shareholder of any other person, firm entity, partnership or corporation, own operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any other color restoration of leathers, vinyls, velour, fabrics, carpet and wood grain panels business or any other competitive business.

(B) The FRANCHISEE will not, for a period of one (1) year after the termination or expiration of this FRANCHISE AGREEMENT, on its own account or as an employee, consultant, partner, officer, director or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any business which offers services similar to the services offered by COLOR GLO businesses, including but not limited to color restoration of leathers, vinyls, velour, fabrics, carpet and wood grain panel businesses which is located in the LICENSED AREA or within a twenty-five (25) mile radius of any COLOR GLO licensed area. The FRANCHISEE expressly agrees that the one (1) year period and the twenty-five (25) mile radius are the reasonable and necessary time and distance needed to protect the FRANCHISOR if this FRANCHISE AGREEMENT is terminated for any reason. (Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the states of Michigan, North Dakota and South Dakota and may be unenforceable in the state of California. By law, in Indiana, the restrictive covenant is limited to the LICENSED AREA.)

(C) The FRANCHISEE agrees that damages alone cannot adequately compensate the FRANCHISOR if there is a violation of these noncompetitive covenants and that injunctive relief is essential for the protection of the FRANCHISOR. The FRANCHISEE therefore agrees that in case of any alleged breach or violation of this ARTICLE by it, the FRANCHISOR may seek injunctive relief, in addition to all other remedies that may be available to the FRANCHISOR at equity or law.

ARTICLE 13 - TRAINING: FRANCHISOR'S OTHER OBLIGATIONS

(A) The FRANCHISOR will, at its expense, provide training to the FRANCHISEE in the FRANCHISEES AREA or at such other location designated by the FRANCHISOR to familiarize and acquaint the FRANCHISEE with the operation of a COLOR GLO business. The training will consist of on-the-job instruction on basic operating skills and such topics as may be selected by the FRANCHISOR. The period of training will be three (3) weeks and shall be scheduled by the FRANCHISOR in its sole discretion. If applicable, the FRANCHISEE shall be responsible for the payment of any salaries, expenses, fringe benefits, payroll taxes, unemployment compensation, workers' compensation insurance, travel costs and other expenses for persons being trained and will comply with all applicable state and federal laws pertaining to employees.

FRANCHISOR will have additional training for new products and services introduced at the International Seminar. FRANCHISEE's attendance, which will not exceed three days in duration, is mandatory. FRANCHISEE must pay for any travel and daily living expenses for this additional training. FRANCHISOR may charge a registration fee to offset its costs. The registration fee includes seminar meals and FRANCHISEE's seminar workbook.

(B) Consistent with the FRANCHISOR's uniform requirements and quality standards adopted from time to time, the FRANCHISOR will (1) provide the FRANCHISEE with a schedule of all supplies and equipment necessary and required for the operation of the FRANCHISEE's COLOR GLO business; (2) provide the FRANCHISEE upon request with an approved list of vendors and suppliers of the supplies and equipment required for the FRANCHISEE's business; (3) provide advertising production materials upon request in the type and quantity determined by the FRANCHISOR in its sole discretion; (4) maintain supervision over the FRANCHISEE's business to assure compliance with the FRANCHISOR's uniform requirements and quality standard; (5) inspect the FRANCHISEE's business as often as the FRANCHISOR deems necessary; (6) protect the Marks and Business System for the benefit of all FRANCHISEEs; (7) provide the FRANCHISEE with an initial supply of COLOR GLO products and other materials as set forth and described in Schedule A which is attached hereto; and (8) provide the FRANCHISEE with the Manuals and all continuing supplements and modifications to the Manuals. The FRANCHISOR reserves the right to revise, combine or eliminate the Manuals at any time during the term of

the FRANCHISE AGREEMENT.

ARTICLE 14 - INSURANCE

The FRANCHISEE shall procure and maintain in full force and effect, at its sole cost and expense, insurance policies insuring the FRANCHISEE, the FRANCHISOR, and their respective officers, directors and employees from and against liability claims or expenses connected to such claims including bodily injury, personal injury, death, property damage, contractual liability, and all other occurrences resulting from the operation of the business. Such policy or policies shall:

- a) Be written by insurer(s) licensed and admitted to write coverage in the state in which the FRANCHISEE'S business is located and with a rating of "A" or better as set forth in the most recent edition of Best's Key Rating Guide;
- b) Name FRANCHISOR and its affiliates, and their partners officers, subsidiaries, shareholders, directors, regional directors, agents, and employees as additional insureds on a primary noncontributory basis to the general liability policy and the auto liability policy;
- c) The additional insured coverage must be provided on an Additional Insured Grantor of FRANCHISOR; and
- d) Comply with FRANCHISOR'S written requirements at the time such policies are obtained, and provide at least the types and minimum amounts of coverage specified below or as described within FRANCHISOR'S written notice to you.

Such policies shall include, at the minimum, the following policies:

- a. Comprehensive general liability insurance, including products and completed operations, in an amount of not less than the following combined single limits: \$1,000,000 per occurrence and \$2,000,000 completed operations/products aggregate.
- b. All "risk" or "special" property insurance covering all real and personal property and equipment on a replacement costs basis.
- c. Automobile liability coverage, including coverage of owned, non-owned, rented or hired vehicles with coverage in amounts not less than \$1,000,000 combined single limit.
- d. Workers' compensation insurance for statutory limits and employer's liability insurance in an amount not less than \$100,000.
- e. Garagekeepers insurance for a minimum of \$50,000.

ARTICLE 15 - INDEPENDENT CONTRACTORS: INDEMNIFICATION OF THE FRANCHISOR

(A) The FRANCHISOR and FRANCHISEE are each an independent contractor. Neither the FRANCHISOR nor the FRANCHISEE shall make any agreements, representations or warranties in the name of or on behalf of the other or that their relationship is other than FRANCHISOR and FRANCHISEE and neither the FRANCHISOR nor the FRANCHISEE shall be obligated by or have any liability under any agreements, representations or warranties made by the other nor shall the FRANCHISOR be obligated for any damages to any person or property directly or indirectly arising out of the operation of the FRANCHISEE's business conducted pursuant to this FRANCHISE AGREEMENT, whether caused by the FRANCHISEE's negligent or willful action or failure to act. The FRANCHISEE agrees to indemnify the FRANCHISOR against and to reimburse the FRANCHISOR for all such obligations and damages for which it is held liable and for all costs reasonably incurred by the FRANCHISOR in the defense of any such claim brought against it or in any action in which it is named as a party including without limitation reasonable attorneys' fees, cost of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses. The FRANCHISOR shall have the right to defend such claim against it. The FRANCHISOR agrees to indemnify the FRANCHISEE against and to reimburse the FRANCHISEE for any obligations or liability for damages attributable to agreements, representations or warranties of the FRANCHISOR, or caused by the negligence or willful action of the FRANCHISOR, and for costs (as

hereinabove defined) reasonably incurred by the FRANCHISEE in defense of any such claim brought against him or the LICENSED AREA or in any action in which he is named as a party, provided that the FRANCHISOR shall have the right to participate in and, to the extent the FRANCHISOR deems necessary, to control any litigation or proceeding which might result in liability or of expense to the FRANCHISEE subject to such indemnification. The indemnities and assumptions of liabilities and obligations set forth in this FRANCHISE AGREEMENT shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this FRANCHISE AGREEMENT.

(B) The FRANCHISEE will pay costs and expenses, including reasonable attorneys' fees, incurred by the FRANCHISOR in enforcing any term, condition or provision of this FRANCHISE AGREEMENT or in seeking to enjoin any violation of this FRANCHISE AGREEMENT in the event the FRANCHISOR prevails.

ARTICLE 16 - SALES REPORTS

(A) The FRANCHISEE will maintain an accurate written record of gross sales and will remit a signed and verified statement of the monthly gross sales generated by, at, or from the FRANCHISEE's business using such forms as the FRANCHISOR may prescribe in writing. The monthly statement of gross sales shall accompany the FRANCHISEE's monthly Royalty Fee and, thus, shall be provided to the FRANCHISOR on or before the 15th day of each month for the preceding calendar month.

(B) The FRANCHISEE will make all of its books and records available for Color Glo related services and for inquiries to the FRANCHISOR at all reasonable times for review and audit by the FRANCHISOR or its designee, and the books and records for each fiscal and calendar year of the FRANCHISEE shall be kept in a secure place by the FRANCHISEE and shall be available for audit by the FRANCHISOR for at least five (5) years. In the event that an audit by the FRANCHISOR results in a determination that the monthly Royalty Fees paid to the FRANCHISOR are deficient (underpaid) by more than two percent (2%), then the FRANCHISEE shall pay the FRANCHISOR for all reasonable costs and expenses (including salaries of the FRANCHISOR's employees, travel costs, room and board, and audit fees) that it has incurred as a result of the audit.

ARTICLE 17 - ASSIGNMENT OF FRANCHISE AGREEMENT

(A) The FRANCHISE AGREEMENT may be assigned and transferred by the FRANCHISOR by giving thirty (30) days prior written notice to the FRANCHISEE and shall inure to the benefit of the FRANCHISOR's successors and assigns. Any such assignment or transfer shall require the assignee to fulfill the FRANCHISOR's obligations under this FRANCHISE AGREEMENT.

(B) This FRANCHISE AGREEMENT may be transferred or assigned by the FRANCHISEE to a corporation which is owned or controlled by the FRANCHISEE, provided that the FRANCHISEE and all of the shareholders of the assignee corporation remain primarily liable for the FRANCHISEE's obligations under this FRANCHISE AGREEMENT, and further provided that the FRANCHISEE furnishes prior written proof to the FRANCHISOR substantiating that the corporation will be financially able to perform all of the terms and conditions of this FRANCHISE AGREEMENT. The FRANCHISEE will give the FRANCHISOR fifteen (15) days written notice prior to the proposed date of assignment or transfer of this FRANCHISE AGREEMENT to an owned or controlled corporation of the FRANCHISEE; however, the transfer or assignment of this FRANCHISE AGREEMENT shall not be valid or effective until the FRANCHISOR has received the legal documents which it deems necessary to properly and legally document the transfer or assignment of this FRANCHISE AGREEMENT to the corporation as provided herein.

(C) In the event of the death or permanent disability of the FRANCHISEE, this FRANCHISE AGREEMENT may be assigned, transferred or bequeathed by the FRANCHISEE to any person or beneficiary. However, the assignment of this FRANCHISE AGREEMENT to the transferee, assignee or beneficiary shall not be valid or effective until the FRANCHISOR has received the properly executed legal documents which its legal counsel deems necessary to properly and legally document the transfer, assignment or bequest of this FRANCHISE AGREEMENT, and until the transferee, assignee or beneficiary agrees to be unconditionally bound by the terms

and conditions of this FRANCHISE AGREEMENT and to personally guarantee the performance of the FRANCHISEE's obligations under this FRANCHISE AGREEMENT.

(D) If the FRANCHISEE desires to sell its COLOR GLO business, the FRANCHISEE may list the business with a third party (such as a broker, sales agent or consultant) provided that the listing agreements contain exclusion for any purchaser located by the FRANCHISOR. There shall be no commission or other remuneration payable as a result of a sale of the FRANCHISEE's COLOR GLO business to a purchaser located by the FRANCHISOR.

(E) The FRANCHISEE shall not sell, assign or transfer any interest in the COLOR GLO business without the prior written consent of the FRANCHISOR. The FRANCHISOR shall not unreasonably withhold its consent to any transfer of an interest in the FRANCHISEE or in this FRANCHISE AGREEMENT, subject to any or all of the conditions set forth below which the FRANCHISOR may, in its sole discretion, deem necessary. The conditions which the FRANCHISOR may impose prior to the time of the transfer, including any transfer by a trustee in bankruptcy, are as follows:

(1) All of FRANCHISEE's obligations under this FRANCHISE AGREEMENT (including all accrued monetary obligations and fee reports) shall have been satisfied, and the FRANCHISEE shall not be in default under this FRANCHISE AGREEMENT.

(2) The FRANCHISEE shall have agreed to observe all applicable post-term obligations and covenants contained in this FRANCHISE AGREEMENT.

(3) The transferee FRANCHISEE shall be personally liable to discharge all of the FRANCHISEE's obligations under this FRANCHISE AGREEMENT.

(4) The transferee FRANCHISEE shall have demonstrated to the FRANCHISOR's satisfaction that he meets the FRANCHISOR's managerial, financial, and business standards for new FRANCHISEEs, possesses a good business reputation and credit rating, and has the aptitude and ability to conduct the licensed business (as may be evidenced by prior related business experience or otherwise) and that he has the then-current equipment package to operate the COLOR GLO business.

(5) Prior to the date of transfer, the transferee FRANCHISEE shall have successfully completed the training program prescribed by the FRANCHISOR. The current FRANCHISEE will be required to be available to the transferee FRANCHISEE for a period of 90 days to assist the transferee FRANCHISEE in developing the relationship necessary to take over the current FRANCHISEE's existing accounts as well as any on-site technical support the transferee FRANCHISEE requires while taking over the current FRANCHISEE's existing business. Any and all costs of training shall be the responsibility of the FRANCHISEE.

(F) If this FRANCHISE AGREEMENT is assigned, transferred or bequeathed to another person or entity, or if the FRANCHISEE transfers his capital stock to another person or entity, then the FRANCHISEE will pay the FRANCHISOR a fee of Twenty-Five Thousand (\$25,000.00) for the cost incurred by the FRANCHISOR for attorneys' fees, accountants' fees, out-of-pocket expenses, long distance telephone calls, and the time of its employees.

ARTICLE 18 - ENFORCEMENT

(A) 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 dispute. It may also cost you more to litigate/arbitrate/mediate with us in Minnesota than in your state. The Franchise Agreement states that Minnesota 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. Should mediation not resolve the dispute, the FRANCHISOR shall be entitled to seek temporary and permanent injunctions and orders of specific performance enforcing the provisions of this FRANCHISE AGREEMENT relating to FRANCHISEE's use of the licensed Marks and Business System, the obligations of the FRANCHISEE upon termination or expiration of this

FRANCHISE AGREEMENT and assignment of the licensed business and ownership interests in FRANCHISEE, and to prohibit any act or omission by FRANCHISEE, the FRANCHISEE's employees that constitutes a violation of any applicable law, ordinance or regulation, is dishonest or misleading to the FRANCHISEE's customers, or prospective customers, or other COLOR GLO businesses, or constitutes a danger to the FRANCHISEE's employees or customers or to the public, or may impair the goodwill associated with the licensed Marks or Business System. If the FRANCHISOR secures any such injunction or order of specific performance, the FRANCHISEE agrees to pay to the FRANCHISOR an amount equal to the aggregate of its cost of obtaining such relief, including without limitation reasonable attorneys' and expert witness fees, costs or investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, and any damages incurred by the FRANCHISOR as a result of the breach of any such provision.

(B) All provisions of this FRANCHISE AGREEMENT are severable and this FRANCHISE AGREEMENT shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions shall be enforced to the extent valid and enforceable. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to renew this FRANCHISE AGREEMENT than required hereunder or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this FRANCHISE AGREEMENT or any specifications, standard or operating procedure prescribed by the FRANCHISOR is invalid or unenforceable, the prior notice or other action required by such law or rule shall be substituted for the notice requirements hereof, or such invalid or unenforceable provision, specification, standard or operating procedure shall be modified to the extent required to be valid and enforceable. Such modifications to this FRANCHISE AGREEMENT shall be effective only in such jurisdiction and shall be enforced as originally made and entered into in all other jurisdictions.

(C) The FRANCHISOR and FRANCHISEE may by written instrument unilaterally waive any obligation of or restriction upon the other under the FRANCHISE AGREEMENT. No acceptance by the FRANCHISOR of any payment by the FRANCHISEE and no failure, refusal or neglect of the FRANCHISOR or FRANCHISEE to exercise any right under this FRANCHISE AGREEMENT or to insist upon full compliance by the other with its obligations hereunder, including without limitation any mandatory specification, standard or operating procedure, shall constitute a waiver of any provision of this FRANCHISE AGREEMENT.

(D) The FRANCHISEE agrees that it will not, on grounds of the alleged non-performance by the FRANCHISOR of any of its obligations hereunder; withhold payment of any amounts due the FRANCHISOR.

(E) The rights of the FRANCHISOR and FRANCHISEE hereunder are cumulative and no exercise or enforcement by the FRANCHISOR or FRANCHISEE of any right or remedy hereunder shall preclude the exercise or enforcement by the FRANCHISOR or FRANCHISEE of any other right or remedy hereunder or which the FRANCHISOR or FRANCHISEE is entitled by law to enforce.

(F) Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.), this FRANCHISE AGREEMENT and the franchise relationship shall be governed by the laws of the state in which the LICENSED LOCATION is located.

(G) This FRANCHISE AGREEMENT is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

(H) This Agreement and all exhibits to this FRANCHISE AGREEMENT constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you.

The preambles are part of this FRANCHISE AGREEMENT. The headings of the ARTICLES are for convenience only and do not define, limit, or construe the contents of the ARTICLES. The term "FRANCHISEE" as used herein is applicable to one or more persons, a corporation or a partnership, as the case may be. If the FRANCHISEE consists of more than one individual, then all individuals shall be bound jointly and severally by the terms and conditions of this FRANCHISE AGREEMENT.

You acknowledge that you are entering into this FRANCHISE AGREEMENT as a result of your own independent investigation of our franchised business and not as a result of the representations about us made by our shareholders, officers, directors, employees, agents, representatives, independent contractors or franchisees that are contrary to the terms set forth in this FRANCHISE AGREEMENT, or in any disclosure documents, prospectus, or other similar document required or permitted to be given to you pursuant to applicable law.

ARTICLE 19 - NOTICES

All notices to the FRANCHISOR shall be in writing and shall be made by personal service or sent by prepaid registered or certified United States mail addressed to the FRANCHISOR at its principal place of business, 9825 -35 W 74th St Eden Prairie, MN 55344, or at such other address as the FRANCHISOR may designate in writing. All notices to the FRANCHISEE shall be prepaid by personal service or sent by registered or certified United States mail addressed to the FRANCHISEE at the LICENSED LOCATION, or such other address as the FRANCHISEE may designate in writing.

ARTICLE 20 - DEFINITIONS

For purposes of this FRANCHISE AGREEMENT, the following words shall have the following definitions:

A "Abandon" as used in ARTICLE 9(A)(10) shall mean that the conduct of the FRANCHISEE, including acts of omission as well as commission, indicating a willingness, desire or intent to discontinue operating the licensed business in accordance with the quality standards, uniform requirements and Business System set forth in this FRANCHISE AGREEMENT.

B. "Gross sales" shall mean the gross total dollar income collected of the FRANCHISEE's COLOR GLO business from all cash and credit sales of every kind and nature derived from the FRANCHISEE's business. Gross sales include, but are not limited to, all of FRANCHISEE's revenues arising out of services performed in color restoration of leathers, vinyls, velour, fabrics, carpet and wood grain panels and all other work billed to customers under a COLOR GLO invoice. "Gross sales" shall not include sales taxes.

ARTICLE 21 - ACKNOWLEDGMENTS

(A) The FRANCHISEE acknowledges that it has conducted an independent investigation of the business licensed hereunder, and recognizes that the business venture contemplated by this FRANCHISE AGREEMENT involves business risks and that its success will be largely dependent upon the ability of the FRANCHISEE as an independent business person. The FRANCHISOR expressly disclaims the making of, and the FRANCHISEE acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this FRANCHISE AGREEMENT.

(B) The FRANCHISEE acknowledges that it has received, read and understood this FRANCHISE AGREEMENT and that the FRANCHISOR has fully and adequately explained the provisions of it to the FRANCHISEE's satisfaction and that the FRANCHISOR has accorded the FRANCHISEE time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this FRANCHISE AGREEMENT.

(C) The FRANCHISEE acknowledges that he received a copy of this FRANCHISE AGREEMENT at least five (5) business days prior to the date on which this FRANCHISE AGREEMENT was executed. The FRANCHISEE further acknowledges that he has received a Franchise Disclosure Document at least ten (14) business days prior to the date on which this FRANCHISE AGREEMENT was executed.

IN WITNESS WHEREOF, the FRANCHISOR and FRANCHISEE have respectively signed and sealed this FRANCHISE AGREEMENT as of the day and year first above written.

"FRANCHISOR"

COLOR GLO INTERNATIONAL,
A Division of CGI Franchising, Corp

In the presence of:

By _____

[James Miller](#)

Its _____ CEO _____

NOTE: This is a legal document which grants specific rights to and imposes certain obligations upon the FRANCHISOR and FRANCHISEE. Consult legal counsel to be sure that you understand your rights and duties. Please insert the name and address of your attorney below.

Attorney's Name _____

Address _____

"FRANCHISEE"

In the presence of:

FRANCHISOR'S REPRESENTATION

THE FRANCHISOR REPRESENTS THAT THIS REGISTERED PROSPECTUS DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY FALSE STATEMENT REGARDING A MATERIAL FACT.

COLOR GLO® Franchise Social Media Policy



Social media platforms, used properly, provide us with a great opportunity to learn more—about our consumers, our industry, our world and about each other. These are the official guidelines for the use of social media as a COLOR GLO® Franchisee. These guidelines apply to all COLOR GLO® franchisees creating and/or contributing to blogs, wikis, social networks, virtual worlds, or any other kind of social media both internally on www.colorglo.com and externally.

We have dedicated a number of webinars specifically to train and educate you on the various types of social media, and we expect all Franchisees who engage in social media in connection with the operation of their COLOR GLO® Franchise to attend our training and to understand and comply with this policy. Failure to comply with this policy will be considered a default of your obligations under the terms of your COLOR GLO® International Franchise Agreement. Please remember, as a COLOR GLO® franchisee, you determine whether your employees can use social media platforms in connection with their employment with you. If you encourage your employees to use social media platforms, you are solely responsible for monitoring your employees' use of social media platforms to ensure your employees' permitted use of social media platforms complies with this policy.

The social media sphere is constantly evolving, so please be aware that this policy is subject to change along with new technologies and social networking tools. This policy is intended to establish general expectations and is not intended to cover every possible situation that may arise in this new and dynamic arena. COLOR GLO® may modify, amend or delete this policy at any time, without notice, and may deviate from this policy as it determines appropriate.

A Word about Personal Participation

The choice to participate in social media is yours. We understand that you may choose not to engage in any form of social media, or that you may choose to participate in social media strictly for personal reasons and not for business purposes. Your decision to not participate in any form of social media for the benefit of COLOR GLO® or your COLOR GLO® Franchise will not negatively impact your franchise relationship with COLOR GLO® or your rights under your Franchise Agreement. If, however, you choose to participate in any form of social media for the benefit of your COLOR GLO® FRANCHISE, you must first notify us of your intention to use social media in connection with the advertising or marketing of your COLOR GLO®

Franchise and identify the social media platforms you intend to use.

You must keep in mind, however, that even if you engage in social media strictly for personal reasons, your actions may reflect negatively on COLOR GLO® or your COLOR GLO® FRANCHISE. Accordingly, the following rules apply regardless of whether you are posting to an internal social media platform sponsored by COLOR GLO® or engaging in external social media for personal or professional purposes:

- **Do not disclose private, confidential or proprietary information of COLOR GLO® or its franchisees, employees, business partners or suppliers without first receiving written authorization from COLOR GLO®.** You must comply with COLOR GLO®'s confidentiality and privacy policies as outlined in your Franchise Agreement and the Franchise Operations Manual.
- **Do not disclose private, confidential client information.**
- **Do not purport to speak or make commitments on behalf of COLOR GLO® without authorization.** Only authorized COLOR GLO® staff members may make official company statements or conduct transactions on behalf of COLOR GLO®.
- **Your use of any COLOR GLO® trademarks, branding or logos must comply with the terms and conditions outlined in your Franchise Agreement.**
- **Do not violate COLOR GLO® policies.** This policy is incorporated into your Franchise Operations Manual. You and your employees must comply with this social media policy at all times. Any failure by you or your employees to comply with this social media policy will constitute a default of your obligations under the terms of your Franchise Agreement and may result in termination of the Franchise Agreement.
- **Do not breach any agreement between you and COLOR GLO®.** You must comply with the obligations set forth in your Franchise Agreement at all times, even when you engage in social media. Violation of the obligations outlined in your Franchise Agreement could lead to termination of your Franchise Agreement.
- **Do not violate applicable laws or terms of use.** Even when you participate in social media for personal reasons, COLOR GLO® expects you to comply with applicable law, including laws regarding copyright, fair use, privacy and financial disclosure, and to comply with the terms of use and privacy policies applicable to any site you access. Failure to do so may harm COLOR GLO®'s trademarks or reflect poorly on your COLOR GLO® Franchise and the COLOR GLO® System. In addition, keep in mind that you may be held legally responsible for your own postings or other content on social media sites.

How to Use / Not Use Social Media Tools

In addition to the rules set forth above, if you choose to use social media tools for the benefit of your COLOR GLO® Franchise, whether on internal or external platforms, COLOR GLO® expects you to adhere to the following guidelines. Please read them carefully. Social media is a new phenomenon and as such, is a world where there are tremendous positives, and the corresponding negatives. When you write anything that gets posted to the Web, it can reach over a billion people, and cannot be unsaid. Below we have provided a lot of sage advice on how to leverage social media for the positives it can provide for you and for your COLOR GLO® Franchise. Any failure by you or your employees to comply with this social media policy will constitute a default of your obligations under the terms of your Franchise Agreement and may result in termination of the Franchise Agreement.

Identify yourself. If you are blogging about your COLOR GLO® Franchise, identify that you own a COLOR GLO® Franchise, and be clear about your role. Be careful not to create the impression that you are speaking on behalf of COLOR GLO®, but rather on behalf of your independently owned and operated business. If you publish to a website outside COLOR GLO®, please use a disclaimer such as: "The postings on this site are my own and do not necessarily represent COLOR GLO®'s positions, strategies or opinions."

Publishing content externally. We do moderate the content published on external social media platforms on behalf of the COLOR GLO® organization. This means we may edit or revise your posts to the Company blog prior to publishing them

externally on social media platforms on behalf of COLOR GLO®. This also means that we may decide to not post your comments to the Company blog.

Publishing content internally. Similar to moderating the content published externally to our Company blog, we likewise may edit posts made to COLOR GLO®'s internal social media platform. If the content you submit to COLOR GLO®'s internal social media platform is positive or negative and in context to the conversation, then we normally approve the content, regardless of whether it's favorable or unfavorable to the organization. However if the content is ugly, offensive, denigrating and completely out of context, then we reserve the right to reject the content.

If it gives you pause, pause. If you are about to publish something that makes you even the slightest bit uncomfortable, don't shrug it off and hit "send." Take a minute to review these guidelines and try to figure out what's bothering you, and then fix it. Ultimately, what you publish is yours—as is the responsibility. So be sure.

Protect our clients, business partners and suppliers. Client privacy is of the utmost importance, and clients should never be identified or referenced on any internal or external social media platform. COLOR GLO®'s partners and suppliers should not be cited or referenced without their approval. Externally, never identify a partner or supplier by name without permission and never discuss confidential details of a client, partner or supplier, or an engagement relating to a client, partner or supplier.

Internal social media platforms permit suppliers and business partners to participate therefore be sensitive to who will see your content. It is acceptable to discuss general details about kinds of projects and to use non-identifying pseudonyms for a client (e.g., Client 123) so long as the information provided does not make it easy for someone to identify the client or violate any non-disclosure or COLOR GLO® intellectual property agreements that may be in place with the client. Furthermore, your blog or online social network is not the place to conduct business with a client or other confidential COLOR GLO® business.

Please respect people's privacy. We love to learn about new and interesting individuals, but most people will not be happy to have their names, phone numbers or e-mail addresses published. Do not share another's contact information through COLOR GLO®'s discussion threads or social networking features.

Be respectful. Avoid language that others may perceive to be harmful, offensive or inflammatory.

Be honest. Your honesty—or dishonesty—will be quickly noticed in the social media environment. Did you make a mistake or misspeak? Point it out and do all you can to correct the wrongdoing. Did you get some great information from a different source? Be honest, provide attribution, and cite the source appropriately and do not remove or obscure any copyright or other legal notices. Never use a false identity when you participate in social media for the benefit of your COLOR GLO® Franchise. Being honest and transparent are social media best practices.

Be cautious and comply with COLOR GLO® policies and the law. Make sure your efforts to be transparent do not violate your privacy and confidentiality obligations. Ask permission before publishing or reporting on conversations that are meant to be private or internal to COLOR GLO®. All statements must be true and not misleading and all claims must be substantiated and approved. Also be smart about protecting yourself, your privacy and COLOR GLO® confidential information. Respect brand, trademark, copyright, fair use, privacy, confidentiality and financial disclosure laws. COLOR GLO® may ask you not to post (or may remove or ask you to remove) comments on certain subjects; for example, if it believes that doing so will help ensure compliance with applicable laws, including securities regulations. COLOR GLO® may also post (or ask you to post) particular notices or disclaimers on social media outlets. Remember, you are personally responsible for your content. What you publish will be around for a long time, so consider the content carefully and be judicious.

Add value. There are millions of words out there. The best way to get yours read is to write stuff people will value. Social communication from you should be helpful, insightful and genuine. At COLOR GLO®, making more possible should seep through every facet of our company and, if your comments help people improve knowledge or skills, build their businesses, do their jobs, or understand COLOR GLO® better, then you are making more possible.

Be engaging. When you engage people through social media, be conversational, be authentic, be yourself. Consider engaging

people through content that's open-ended and invites response; encourage comments. You can also broaden the conversation by citing others who are blogging about the same topic and allowing your content to be shared or syndicated.

Be an example. Understand that social media discussions, like face-to-face conversations, can get heated. Resist any urges you may have to engage in inflammatory conversations, even when invited to contribute or “called out.” Refrain from making negative comments about our competitors. Our mantra is to add value, add value, and add value. Be an example, a “social media role model,” and keep in mind that whatever you post to the Internet will be out there for a long time, so think twice. Rule of thumb: How would your actions reflect on COLOR GLO® and your COLOR GLO® Franchise?

Create some excitement. One of the key benefits of social media is to create a higher level of excitement for the COLOR GLO® name and system. Social media can be an inexpensive way to share the services offered by your COLOR GLO® Franchise.

WhatsApp Business Usage:

- **Acceptable (The "Dos"):**
 - **Obtain Explicit Consent:** Always secure a clear opt-in before messaging; "Hi" from a customer does not count as marketing consent.
 - **Use Approved Templates:** All business-initiated messages outside a 24-hour window must use Meta-approved templates.
 - **Provide Clear Opt-Outs:** Every business conversation should offer a simple way for users to stop receiving messages (e.g., typing "STOP").
 - **Prioritize Human Escalation:** Automation is allowed, but you must provide a clear path for users to reach a human agent.
- **Prohibited (The "Don'ts"):**
 - **No Spam or Bulk Blasts:** Mass, generic marketing messages are highly penalized and lead to account suspension.
 - **No High-Risk Regulated Items:** You cannot sell or promote firearms, adult products, animals, gambling, or prescription drugs.
 - **No Sensitive Data Requests:** Never ask customers to share full payment card numbers or personal IDs over the app.
 - **No General-Purpose AI:** As of January 15, 2026, chatbots designed for open-ended conversation rather than specific business tasks are banned.

To sum up

If you choose to participate in social media and WhatsApp for the benefit of your COLOR GLO® Franchise, keep in mind that what you say reflects not only on your COLOR GLO® Franchise but on COLOR GLO®'s trademarks, trade names and system. This is your opportunity to promote your business and, as such, we request that you follow these guiding principles:

- Provide unique, individual perspectives on the services offered by your COLOR GLO® Franchise and in the home health and staffing industry.
- Post meaningful, respectful comments - in other words, no spam and no remarks that are off-topic or offensive.
- Reply to comments quickly when a response is appropriate.
- Respect proprietary information, confidentiality and the privacy of others.
- When disagreeing with others' opinions please remain respectful and treat others the way you yourself would like to be treated.
- Comply with your obligations under the Franchise Agreement at all times.

To sum up

If you choose to participate in social media for the benefit of your COLOR GLO® Franchise, keep in mind that what you say reflects not only on your COLOR GLO® Franchise but on COLOR GLO®'s trademarks, trade names and system. This is your opportunity to promote your business and, as such, we request that you follow these guiding principles:

- Provide unique, individual perspectives on the services offered by your COLOR GLO® Franchise and in the home health and staffing industry.
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- Reply to comments quickly when a response is appropriate.
- Respect proprietary information, confidentiality and the privacy of others.
- When disagreeing with others' opinions please remain respectful and treat others the way you yourself would like to be treated.
- Comply with your obligations under the Franchise Agreement at all times.

Franchisee Signature:

Date:

Print Franchisee Name

Date:

James Miller (Signature)
CGI Franchising, Corp, CEO

EXHIBIT B: List of State Administrators; Agent for Service of Process

LIST OF STATE ADMINISTRATORS, AGENT FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
<u>CALIFORNIA</u>	Department of Business Oversight Securities Regulation/Legal Division 320 W. 4 th Street, Suite 750 Los Angeles, CA 90013 213-576-7589	Corporations Commissioner 320 W. 4 th Street, Suite 750 Los Angeles, CA 90013
<u>ILLINOIS</u>	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 217-782-4465	Illinois Attorney General 500 South Second Street Springfield, IL 62706
<u>INDIANA</u>	Securities Commissioner Indiana Securities Division Room E 111 302 West Washington Street Indianapolis, IN 46204 317-232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
<u>MARYLAND</u>	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 410-576-7044	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2021

<u>MICHIGAN</u>	Michigan Department of Attorney General Consumer Protection Division Attention: Franchise Section G. Mennen Williams Building, First Floor 525 West Ottawa Street Lansing, MI 48933 517-373-7117	Michigan Department of Commerce Corporations and Securities Bureau G. Mennen Williams Building, First Floor 525 West Ottawa Street Lansing, MI 48933
<u>MINNESOTA</u>	Minnesota Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101 651-539-1600	Minnesota Commissioner of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101
<u>NEW YORK</u>	Office of the New York State Attorney General Bureau of Investor Protection and Securities New York State Department of Law 120 Broadway, 23 rd Floor New York, NY 10271 212-416-8222	New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6th Floor Albany, NY 12231-0001
STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
<u>NORTH DAKOTA</u>	North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Dept 414 Bismarck, ND 58505-0510 701-328-4712	North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor Dept 414 Bismarck, ND 58505-0510 701-328-4712
<u>RHODE ISLAND</u>	Division of Securities Department of Business Registration 1511 Pontiac Avenue John O. Pastore Center, Building 69-1 Cranston, RI 02920	Director of Department of Business Registration 1511 Pontiac Avenue John O. Pastore Center, Building 69-1 Cranston, RI 02920
<u>SOUTH DAKOTA</u>	Department of Labor and Regulation Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501 605-773-4823	Director of South Dakota Division of Securities 124 South Euclid, Suite 104 Pierre, SD 57501-3185
<u>VIRGINIA</u>	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, First Floor Richmond, VA 23219 804-371-9051	Clerk of the State Corporation Commission 1300 E. Main Street, First Floor Richmond, VA 23219

<u>WASHINGTON</u>	Department of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501 360-902-8700	Director, Dept. of Financial Institutions Securities Division 150 Israel Rd S.W. Tumwater, WA 98501
<u>WISCONSIN</u>	Department of Financial Institutions Division of Securities 201 W. Washington Avenue, Suite 300 Madison, WI 53703 608-266-1365	Wisconsin Commissioner of Securities 201 W. Washington Avenue, Suite 300 Madison, WI 53703

EXHIBIT C: Table of Contents to the Operations Manual

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EXHIBIT D: List of Franchisor Supplied Equipment and Supplies

PART #	QTY. TO SHIP	DESCRIPTION
COMPRESSOR AND RELATED SUPPLIES		
101-SIL	1	COLOR GLO COMPRESSOR - WHEELS
102	1	AIR HOSE (50')
103	1	COMPRESSOR CONNECTION KIT
104	1	MALE + FEMALE ADAPTOR
105	1	MALE + MALE ADAPTER
106	1	QUICK RELEASE CONNECTOR (FEMALE)
107	1	QUICK RELEASE CONNECTOR (MALE)
108	1	AIR BLOW GUN
110	1	MICRO GLUE TIP EXTENDERS (20 PACK)
149	1	EXTENSION CORD (100' 12 GAGE-3 OUTLET)
151	1	EXTENSION CORD (25' 14 GAGE SINGLE OUTLET)
152	1	CORD REEL
153	1	RYOBI SANDER
HEAT GUN & SPRAY GUN & SUPPLIES		
132	1	REDUCTION NOZZLE (20MM)
136	1	REDUCTION NOZZLE (9MM)
137	1	STEINEL HEAT GUN
138	1	WIRE PROTECTION TUBE
150	1	POWER CORD CENTER
178	1	SAKAR MINI SPRAY GUN
179	1	SPRAY GUN MAINTENANCE KIT
180	1	SATA SPRAY GUN
185	1	AIR MICRO METER
HEATING IRON & SUPPLIES		
140	1	HEATING IRON (BLACK BARON)
142	1	TEFLON MAT (12" X 12")
154	1	STEAM IRON
SMALL HAND TOOLS		
143	1	COOLING PLATE
144	1	PALLET KNIFE (3" OFFSET)
146	1	1" MINI PALLET KNIFE, OFFSET
147	1	DIP SPRAYER/MOUTH ATOMIZER
164	1	12" CUT OFF BLADE FOR PAPER TAPER
165	1	DELUXE PAPER TAPER (NO BLADE)
167	1	6" BLADE
168	1	TRU COLOR LIGHT
169	1	REPLACEMENT BULB FOR TRU COLOR LIGHT
170	1	OPTIVISOR
173	1	UNDER HOOD LIGHT
210	1	COOLING PAD (SET OF 2)
ULTRA TORCH KIT & SUPPLIES		
190	1	SELF IGNITING ULTRA TORCH W/ IRON SHOE
DASH & VELOUR REPAIR KITS & SUPPLIES		
209	1	VELOUR SUB-PATCH
206	1	SPRAY TEXTURE, 13.5 OZ
222	2	S.B.V. ADHESIVE

222G	1	S.B.V. ADHESIVE - GLASS BOTTLE, 2 OZ.
226	1	BASE PROMOTER, AEROSOL, 9.5 OZ.
224	1	VELOUR FABRIC ADHESIVE
228	1	VELOUR PENS 36/PK
233	2	VELOUR SPRAY ADHESIVE, AEROSOL, 4.5OZ
235-K	1	VELOUR WICKING SEALANT KIT (WITH CLEANER)
236	1	VELOUR MATTE SPRAY, 2 OZ.
920	1	VELOUR TOOL KIT W/GLASS PUFFER
4100	1	VELOUR KIT, INCLUDES ALL VELOURS
299	1	SDRP, 8 OZ

VEHICLE BASES, PRIMERS. PROTECTANTS, & CLEANERS

301-Q	1	CARPET BASE
302-Q	1	DELUXE BASE
305-Q	1	VINYL LEATHER BASE
306-Q	1	FURNITURE BASE
307-Q	1	FABRIC BASE
311	1	CROSSLINKER, 4 OZ., WITH 6 PIPETTES
312-P	1	NU REZ, 16 OZ.
314-Q	1	"S" REDUCER
320-Q	1	NU-LEATHER
321-Q	1	VY-NU
322-Q	1	NU-LEATHER 2, QT.
326	1	FEEL MODIFIER, QT
328	2	"NO-GLOSS" FLAT ADDITIVE, 8 OZ.
329	1	FLAT TOP COAT, QT.
330	1	GLOSS COAT, 16OZ.
372-Q	2	COLOR CLEAN
382-Q	1	ALL PURPOSE SOLVENT
383-Q	1	LO SOLVENT CLEANER
387-Q	1	WAX & SILICONE REMOVER
388	1	GUM REMOVER, 2OZ.
390-Q	1	UNIVERSAL CLEANER
392	1	RED STAIN REMOVER, 2 PART KIT
393	1	RED WINE STAIN REMOVER
394	1	STAIN GUARD, 1 QT.
395	12	TOP SLIP, 10 OZ. AEROSOL

STANDARD COLORANTS - 4 OZ.

401	2	BLACK
402	2	WHITE
404	2	DARK BROWN
407	1	LIGHT BROWN
412	1	ROYAL BLUE
413	1	RUST RED
414	1	YELLOW GOLD
415	1	X-BLACK

SPECIAL BLEND COLORANTS - 4 OZ.

405	1	FIRE RED
406	1	KELLY GREEN
410	1	PURPLE
417	1	STONE
418	1	OPAQUE RED
420	1	CADET BLUE

422	1	CHARCOAL
423	1	DOVE GRAY
426	1	GRAY
427	1	BISQUE
428	1	LIGHT GREEN
433	1	SADDLE
434	1	ANTELOPE
435	1	KHAKI

BLEND COLORANTS - 4 OZ

403	1	CANARY YELLOW
409	1	YELLOW ORANGE
411	1	REGAL RED
416	1	X-BROWN
419	1	CRANBERRY
421	1	BLACK CHERRY
424	1	SADDLE GOLD
425	1	WINE RED
429	1	ORANGE

METALLICS - 4 OZ.

430	1	DARK GOLD METALLIC
431	1	LIGHT GOLD METALLIC
432	1	SILVER METALLIC

COLORESCENTS

440	1	SILVER WHITE
441	1	WHITE
443	1	SILVER GREEN
444	1	SILVER RED
445	1	SILVER BLUE

ADHESIVES, ACTIVATORS, & SUPPLIES

503	1	SUPER VINYL ADHESIVE, 1 OZ.
511	2	QUICK STICK, 1 OZ.
511C	1	CAP FOR QUICK STICK BOTTLE & LIQUID BONDING GEL
515	2	QUICK STICK ACTIVATOR (6 OZ. AEROSOL)
517	4	BONDING GEL, 3 GR
518	1	LIQUID BONDING GEL, 1 OZ.
519	2	C.A.B., 1 OZ.
202	2	DASH COMPOUND, 4 OZ
204	2	D.C.A., 1 OZ.
520	1	DEBONDER, 1 OZ.
522	1	QUICK CURE EPOXY 2 PART SET WITH CATALYST, 2.25 OZ. EACH
523	1	EPOXY PLASTIFIZER

REPAIR SUPPLIES

598	1	BLEMISH FILLER, 1QT.
599	1	LEATHER FLEX, 1 OZ. BLACK
600	1	LEATHER FLEX, 1 OZ. GRAY
601	1	LEATHER FLEX, 1 OZ. WHITE
602	1	HOT CURE, WHITE, 4 OZ.
603	1	HOT CURE, GRAY, 4 OZ.
604	1	HOT CURE, BLACK, 4 OZ.

608	1	HOT CURE, NATURAL, 4 OZ.
609	1	LOW TEMP HOT CURE, 4 OZ.
610	1	GRAY LOW TEMP HOT CURE, 4 OZ.
615	1	CRACK FILLER 2, 1 OZ.
641	1	BACKING FABRIC, (4" X 36")
642	1	REPAIR GAUZE (STANDARD)
643	1	REPAIR GAUZE (HEAVY DUTY)
644	1	HARD PLASTIC BACKER
645	1	WOVEN GRAPHITE
651	1	GRAINING PAPER (1 OF EACH GRAIN) 15PK
673	1	GRAIN COPIER KIT
0002	1	DEGREASER, AEROSOL, 6 3/4OZ.
0003	1	INK-AWAY REMOVER KIT, 1OZ.
0005	4	MICRO FIBER CLOTH
205	1	HOT STAPLE GUN
175	1	TECH KIT, COMPLETE

MINI HEEL PADS

701	1	BLACK
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SMALL HEEL PADS

713	1	BLACK
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MEDIUM HEEL PADS

743	1	BLACK
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LARGE HEEL PADS

773	1	BLACK
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MISCELLANEOUS MATERIALS & SUPPLIES

6111	10	APPLICATION SPONGES (WHITE)
6116	10	APPLICATION SPONGES (ORANGE)
6201	1	PACK/ABSORBENT CLOTH TOWELS (12)
800	1	MASKING PAPER, 12"
801	1	MASKING PAPER, 9"
802	2	MASKING PAPER, 3"
803	2	MASKING PAPER, 6"
811	1	SANDPAPER, PACK
813	1	3/4" MASKING TAPE
814	1	1" MASKING TAPE
815	1	1 1/2" MASKING TAPE
821-20	1	SCUFF PAD, WHITE, 20/COUNT
822-20	1	SCUFF PAD, GREY, 20/COUNT
831	1	PAPER/POLY TARP (9' X 12')
832	1	MIXING STICKS, 100/PACK
833	1	RAZOR BLADES, 100/BOX
833-P	1	PLASTIC RAZOR BLADES, 100/BOX
834	2	MIXING BRUSH, 5 COUNT
835	1	WIPE-ITS, BUNDLE OF 76
837	4	MIXING CUPS, 4 OZ., PACK OF 25
838	2	MIXING CUPS, 8 OZ, PACK OF 25
839	2	MIXING CUPS, 1 OZ. (10 COUNT)
841	1	SMALL HAND MIXER
842	1	CHEMICAL RESISTENT GLOVES
843L	1	NEO PRO DISPOSABLE GLOVES (L) 100/BOX

844L	1	DIAMOND GRIP DISPOSABLE GLOVES (L) 100/BOX
850	1	FILTER, MESH/PAPER

MISCELLANEOUS MATERIALS & SUPPLIES CONTINUED

874	1	INJECTOR NEEDLE, (10 COUNT)
879	1	SYRINGE, 1 CC, (10 COUNT)
345	1	THERMAL FOGGER
7025	1	SAFETY GOGGLES
7032-8	1	EYE WASH 4OZ
7300	1	RESPIRATOR, HALF FACE
RP7301	1	3M 60926 CARTRIDGES
952	1	PIPETTES (50/PACK)

DEODORIZERS & NEUTRALIZERS

347	1	BUBBLEGUM, 1 GAL
343	1	LEATHER SCENT KIT
340	1	EXCEL DEODORIZER, GAL.
341	12	SMOKE ODOR BE-GONE, 5 OZ. AEROSOL
351	1	MUST-GO DEODORIZER, GAL.

BOTTLES & CAPS

1305	1	1 GAL. METAL CAN, OBLONG
1107	6	16 OZ. BOTTLE
1109	6	32 OZ. BOTTLE
3301	12	POP TOP, 28MM
1407	1	5 GALLON JUG
514	5	2 OZ. SPRAY PUMP
3403	34	YORKER SPOUT, 28MM
4502	1	1 QT. COMPRESSED AIR SPRAYER
4501	6	TRIGGER SPRAYER, 28MM

PRODUCT LABELS

LBL301	4	CARPET BASE LABEL
LBL302	4	DELUXE BASE LABEL
LBL306	4	FURNITURE BASE LABEL
LBL305	4	VINYL LEATHER BASE LABEL
LBL307	4	FABRIC BASE LABEL
LBL314	4	"S" REDUCER LABEL
LBL320	4	NU-LEATHER LABEL
LBL321	4	VY-NU LABEL
LBL372	4	COLOR CLEAN LABEL
LBL382	4	ALL PURPOSE SOLVENT LABEL
LBL383	4	LO SOLVENT LABEL
LBL387	4	WAX & SILICONE REMOVER LABEL
LBL390	4	UNIVERSAL CLEANER LABEL
LBL340	4	EXCEL DEODORIZER LABEL
LBL351	4	MUST-GO DEODORIZER LABEL

BROCHURES

G08	1	ROLLS ROYCE, PACK OF 250
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BUSINESS SUPPLIES

K01	1	OPERATIONS MANUAL
F02	250	TRI-FOLD BUSINESS CARDS
F10	250	ENVELOPES
F05	250	INVOICES

F09	250	LETTERHEAD
F11	250	BLUE BUSINESS CARDS
UNIFORM		
U01	1	COLOR GLO CAP
U03	1	COLOR GLO APRON
U02	1	COLOR GLO SHIRT
SIGNS		
DVP	1	DECALS VEHICLE PACKAGE
CD ROM		
D03	1	COLOR GLO LOGO'S ON USB STICK
D04	1	COLOR GLO SDS ON USB STICK
PRICE BOOK/REORDER CATALOG		
F12	1	MONTHLY SALES REPORTS (PACK OF 12)
F13	1	REORDER PRICE BOOK
ANILINE DYES, QT.		
470	1	DARK BROWN ANILINE DYE, 32 OZ.
471	1	GOLDEN BROWN ANILINE DYE, 32 OZ.
472	1	LIGHT BROWN ANILINE DYE, 32 OZ.
473	1	GREEN ANILINE DYE, 32 OZ.
474	1	BLACK ANILINE DYE, 32 OZ.
475	1	YELLOW ANILINE DYE, 32 OZ.
476	1	BLUE ANILINE DYE, 32 OZ.
477	1	BORDEAUX ANILINE DYE, 32 OZ.
478	1	RED ANILINE DYE, 32 OZ.
479	1	NEUTRAL ANILINE DYE, 32 OZ.
BIOESQUE		
B80011	2	BIOESQUE DISINFECTANT, QUART
HEADLIGHT RESTORATION		
H13	1	HEADLIGHT KIT
SEWING TOOLS		
929	1	SEWING PALM - RIGHT HAND
930	1	SEWING KIT COMPLETE
931	1	UPHOLSTERY THREAD - 3/PK
CRAFTSMAN'S CHOICE PRODUCTS		
CC105	5	INK REMOVER PEN
CC108	1	TOUCH SCREEN CLEANER
CC109	2	DEODORANT POWDER, VEHICLE USE
CC109 XL	2	DEODORANT POWDER, ROOM USE
CC110	1	AUTO KIT
CC111	1	HOME KIT
CC112	1	MINI KIT
CC113	1	DEALER KIT
CC115-Q	1	AGE STOP, QUART

EXHIBIT E: List of Craftsman's Choice Products & CGI Boutique Services

Craftsman's Choice Products & CGI Boutique Services

CRAFTSMAN'S CHOICE PRODUCTS		
CC104	5	CLEANING PEN
CC105	5	INK REMOVER PEN
CC108	1	TOUCH SCREEN CLEANER
CC109	2	DEODORANT POWDER, VEHICLE USE
CC109 XL	2	DEODORANT POWDER, ROOM USE
CC110	1	AUTO KIT
CC111	1	HOME KIT
CC112	1	MINI KIT
CC113	1	DEALER KIT
CC115-Q	1	AGE STOP, QUART
CC117-Q	1	AGE STOP FLAT, QUART

EXHIBIT F: CGI Franchising, Corp Financial Statements

**CGI Franchising, Corp
Balance Sheet**

(unaudited)

February, 2026

ASSETS

CURRENT ASSETS

Cash	\$ 10,000
Accounts Receivable	0
Inventories	<u>0</u>
Total Current Assets	<u>10,000</u>

PROPERTY AND EQUIPMENT

Office Equipment	0
Furniture and Fixtures	0
Accumulated Depreciation	<u>0</u>
Total Property and Equipment	0
Total Assets	<u>10,000</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Current Maturities of Long-Term Debt	\$ 0
Accounts Payable	0
Notes Payable	0
Accrued expenses	0

LONG-TERM DEBT, Less Current Maturities	<u>0</u>
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Total Liabilities

STOCKHOLDERS' EQUITY

Common Stock, \$1.00 par value, 10,000,000 Shares Authorized	
10,000 Shares issued and Outstanding	10,000
Additional paid in Capital	0
Retained Earnings	<u>0</u>
	<u>0</u>
Total Liabilities and Net Assets	\$0

CGI Franchising, Corp

STATEMENTS OF INCOME AND RETAINED EARNINGS

SALES AND FRANCHISE FEES	\$ 0
COST OF SALES	<u>0</u>
GROSS PROFIT	0
OPERATING EXPENSES	<u>0</u>
OPERATING INCOME	0
OPERATING INCOME (EXPENSE)	<u>0</u>
Interest Expense	0
INCOME BEFORE INCOME TAXES	<u>0</u>
INCOME TAXES	0
NET INCOME	<u>0</u>
RETAINED EARNINGS	
At beginning of year	
At end of year	<u>\$0</u>

EXHIBIT G: Minnesota State Addendum

Minnesota Addendum

[Minnesota Statute 80C.21](#) and [Minnesota Rule 2860.4400\(J\)](#) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in [Minnesota Statute 80C](#) or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

☐ With respect to franchises governed by Minnesota law, the franchiser will comply with [Minnesota Statute 80C.14 Subd. 3-5](#), which require (except in certain 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 the transfer of the franchise will not be unreasonably withheld.

☐ Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to [Minnesota Statute 80C.12 Subd. 1\(G\)](#). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

☐ [Minnesota Rules 2860.4400\(D\)](#) prohibits a franchisor from requiring a franchisee to assent to a general release

☐ The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See [Minnesota Rule 2860.4400\(J\)](#) also, a court will determine if a bond is required.

☐ The Limitations of Claims section must comply with [Minnesota Statute 80C.17 Subd. 5](#).

☐ No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

EXHIBIT H: STATE EFFECTIVE DATES

The following states have franchise laws that 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 document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

California	Pending
Florida	Pending
Illinois	Pending
Indiana	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT I: Receipts

This Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all Agreements carefully.

If CGI Franchising, Corp offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the Franchisor or an affiliate in connection with the proposed franchise sale.

If CGI Franchising, Corp does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and your state agency listed in Exhibit B.

You must also receive a Franchise Agreement containing all material terms at least ten (10) business days before you sign any Franchise Agreement.

The Franchisor is CGI Franchising, Corp, located at 9825 West 74th Street, Eden Prairie, MN 55344. (952) 835-1338 / (800) 333-8523.

Issuance Date: March 4, 2026.

The franchise seller for this offering is Chief Executive Officer James Miller, CGI Franchising, Corp, 9825 West 74th Street, Eden Prairie, MN 55344. (952) 835-1338 / (800) 333-8523.

CGI Franchising, Corp authorizes the respective state agencies identified on Exhibit B to receive Service of Process for it in that particular state.

This Disclosure Document included the following Exhibits:

- A. Franchise Agreement
- B. List of State Administrators
- C. Table of Contents to Operations Manual
- D. List of Franchisor Equipment & Supplies
- E. List of Craftsman's Choice & CGI Boutique Products
- F. CGI Franchising, Corp Financial Statements
- G. State-Specific Addenda
- H. Receipts

I have received a Franchise Disclosure Document dated: _____

Date: _____

Receipt

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