

FRANCHISE DISCLOSURE DOCUMENT



CML Storefront, LLC
a Maine limited liability company
125 John Roberts Road, Unit #2
South Portland, ME 04106
Telephone: 855-855-4265
franchise@cousinsmainelobster.com
www.cousinsmainelobster.com

As a franchisee, you will operate a restaurant serving lobster, seafood, and other items under the name “Cousins Maine Lobster®” from a storefront location.

The total investment necessary to begin operation of a Cousins Maine Lobster® restaurant is between ~~\$267,000~~266,600 and ~~\$969,300~~965,800. This includes between ~~\$91,000~~90,500 and ~~\$147,000~~143,500 that must be paid to the franchisor and its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Sabin Lomac at 125 John Roberts Road, Unit #2, South Portland, ME 04106 and 855-855-4265.

The terms of your contract will govern your franchise relationship. Don’t rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as “*A Consumer’s Guide to Buying a Franchise*,” which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC’s home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

ISSUANCE DATE: April 29, 2025, amended May 13, 2025

Jim is an Owner and Manager of us, CMLF, CML, and CSD and has been since January 2014, October 2017, November 2011, and September 2019, respectively.

Sabin Lomac -- Owner

Sabin is an Owner and Manager of us, CMLF, CML, and CSD and has been since January 2014, October 2017, November 2011, and September 2019, respectively.

Barbara Corcoran -- Owner

Barbara is an Owner and Manager of us, CMLF, and CML, and has been since January 2014, October 2017, and August 2012, respectively. Barbara is also an owner of CSD and has been since June 2023. Since 2008, Barbara has been the principal of Barbara Corcoran Inc, a New York corporation operating in New York, New York. She is a business consultant, real estate investor, author, public speaker, and TV personality on ABC's hit TV Show 'Shark Tank.'

Shaun Higgins --President

Shaun is our President and holds the same position with CMLF since September 2023. Shaun joined us in August 2014 (and CMLF in October 2017). Between August 2014 (and October 2017 for us) and September 2023, Shaun was Vice President of Franchise Operations.

Nick Loukes -- General Counsel; Corporate and Franchise Manager

Nick is our General Counsel, Corporate and Franchise Manager, and holds the same position with CMLF. Nick joined us (and CMLF) in January 2021. From April 2019 to December 2020, Nick was an attorney with Lanman Rayne, PLLC in Portland, Maine.

Angela Coppler -- Head of Development

~~Angela is our Head of Development, leading Franchise Development, Franchise Recruiting, Real Estate and Strategic Development, and holds the same position with CMLF. Angela joined us (and CMLF) in May 2023. From April 2021 to March 2023, Angela Coppler was the Senior Director of Global Non Traditional Development & Strategic Partnerships for The Wendy's Company in Dublin, Ohio. From July 2018 to April 2021, Angela was the Senior Director of Global Franchise Recruiting & Development for The Wendy's Company in Dublin, Ohio.~~

Steve Tselikis -- Chief Financial Officer

Steve is the Chief Financial Officer of us and CMLF and has been since May 2023. Between February 2016 and May 2023, Steve was our and CMLF's Finance Manager.

Mike Carmody -- Vice President of Operations

Mike is our Vice President of Operations and holds the same position with CMLF since August 2022. Between October 2017 and August 2022, Mike was our and CMLF's Director of Operations.

Lindsay Herberger -- Director of Franchise Development

Lindsay is our Director of Franchise Development since April 2024 and holds the same position for CMLF. From January 2023 to April 2024 Lindsay was the Manager, Development & Franchise Recruiting for The Wendy's Company in Dublin, Ohio. From April 2021 to January 2023 she was the Sr.

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BANKRUPTCY

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

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INITIAL FEES

Application Fee

You must pay us an application fee of \$500 for each individual who will hold any ownership interest in your franchise at the time you apply to become a franchisee, but only after at least 14 days have passed since you received this Franchise Disclosure Document. We will use the application fee to conduct a credit and criminal background check, in accordance with applicable law, and to evaluate you as a franchisee candidate. The application fee is not refundable under any circumstances.

Initial Franchise Fee

You must pay us an initial franchise fee of \$40,000 in a lump sum via wire transfer when you sign the Franchise Agreement. Your initial franchise fee is not refundable under any circumstances.

Initial Inventory Startup Package

You must purchase from our affiliate (currently CSD) an initial order of food inventory for your Storefront in an amount ranging between \$30,000 and \$80,000, depending on the size and location of your franchise, time of the season, suppliers, and other related factors. Payment for this package is due within 18 days of ordering, unless specified otherwise in your invoice.

Deposit Account

You must pay us \$20,000 in a lump sum via wire transfer when you sign the Franchise Agreement for your Deposit Account. We will hold this amount and use it only if you do not pay us or CSD for inventory you order or for franchise fees you incur, and you will be required to replenish the funds in the account so that \$20,000 remains on deposit with us. If you elect not to obtain a successor franchise (renew) with us, we will at your option either refund this amount (without interest) to you at the expiration of your franchise, or apply it to your inventory purchases during the last three months of your franchise term. It is not refundable under any other circumstances.

Delayed Opening Fee

If you fail to open your Storefront within ten (10) months after we sign the Franchise Agreement, we have the right to either terminate your Franchise Agreement or charge you a delayed opening fee of \$10,000 per month for up to three months, which is payable in a lump sum. The delayed opening fee is not refundable under any circumstances.

In our 2024 fiscal year, we charged initial franchise fees of \$40,000. We sometimes have discounted or waived the initial franchise fee and deposit account requirements or agreed to a refund of part of initial franchise fees, for existing franchisees purchasing additional franchises from us (although we are not obligated to do so). Otherwise, these initial fees are uniform to all franchisees under this offering, and none of the fees are refundable under any circumstances.

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OTHER FEES¹

Type of Fee	Amount	Due Date	Remarks
Royalty	The greater of 6% of your Gross Sales or \$3,500 per month. (Note 2).	5 th day of each month.	Based on your Gross Sales during the previous month.
Advertising Fund Contribution	Up to 2% of your Gross Sales.	5 th day of each month.	Based on your Gross Sales during the previous month.
Regional Advertising Cooperative Contribution	An amount we designate, up to \$400 per month. (Note 3)	Payable on the day of the week, month (or other period) designated by us or the Cooperative.	Each member will vote on the Cooperative's actions at the rate of one Storefront, one vote. Neither we nor our affiliates have controlling voting rights in any Cooperative.
Deposit Account	Amount needed to restore account to \$20,000	Upon notice that we have applied funds to amounts you owe us or our Affiliates.	We have the right to apply the funds in the deposit account to past-due amounts you owe us or our Affiliates. If we do so, you must restore the balance to \$20,000.
Advertising Materials	Our costs of producing advertising and promotional materials.	Upon ordering or shipment of materials.	We may create certain advertising and promotional materials for use by Storefronts. We have the right to require you to reimburse us for our costs of creating them.
Late, Dishonored Payment, or Insufficient Funds Fee	\$50 for each day your payment is late. (Note 3)	As incurred.	Payable if you do not pay your bills on time, if any check, electronic payment or other payment you tender to us is not honored for any reason.
Default Fee	\$300 (Note 3)	As incurred.	We will charge you this fee for any default you commit under the Franchise Agreement.
Interest	Daily equivalent of 1.5% per month simple interest of the delinquent amount or the highest rate permitted by law, whichever is less.	Payable when any payment is overdue.	Payable if you do not pay your bills on time. Interest begins from the date the payment was due.
Insurance	Our cost of premiums, plus an administrative fee equal to 20% of the cost of the premiums.	Upon demand.	Payable if you fail to maintain required insurance coverage and we elect to obtain coverage for you.

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Grand Opening Advertising	\$1,000 to \$2,500	As incurred	Before opening and during the first 3 months of operation	Vendors
Additional Funds – three months ⁶	\$50,000 to \$75,000	As incurred	As Necessary	Us, Vendors, Lessor, Etc.
TOTAL ⁷	\$267,000 <u>\$266,000</u> to \$969,300 <u>\$65,800</u>			

(Please see Notes below, which are an integral part of this Item)

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Storefront. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing from third parties depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you request a loan.

All fees paid to us are non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may or may not be refundable depending on the vendors and suppliers. The fees listed in this Item 7 are not uniformly imposed by us as to all franchisees. All fees or money that you owe to us or our affiliates must be paid by electronic transfer no later than on the date they are due. In compiling this chart, we relied on our experience as a franchisor (since 2017) of Cousins Maine Lobster® Storefronts that are similar to the franchise being offered to you.

1. Application Fee. You must pay us an application fee of ~~\$1,000~~ \$500 for each individual who will own an interest in you. For the high estimate, we assume up to seven individuals will own an interest in you.

2. Leasehold Improvements. The site for your Storefront will typically be between 1,200 and 1,600 square feet, but may be in a larger or smaller space depending on site requirements. These amounts include the expected expenses for building out your Storefront. These amounts are our best estimate of the range of costs of leasehold improvements, and will likely vary substantially based on local conditions, including the availability and prices of labor and materials (estimate is based upon non-union labor); the site’s condition, configuration, location, and size; the demand for the site among prospective lessees; the site’s previous use; county or city building application and inspection fees; county, city, or state codes; the cost to access existing plumbing; and any construction or other allowances the landlord grants. They do not include capitalized costs of rent or other occupancy costs, over either the life of the lease or the life of your investment. These estimates assume that the landlord will provide a “vanilla shell” space that, at a minimum, includes concrete floors, demised exterior walls, HVAC, roof, and utilities stubbed to the premises sufficient for a Storefront. The lower figure assumes that you remodel an existing restaurant space. These amounts do not reflect costs for the construction of a free-standing Storefront, which also would result in a significantly greater initial investment.

You must use our designated supplier (currently F.C. Dadson) for construction management services (for a fee of \$31,900) and for front of house décor and finishes for a cost ranging between \$35,000 and \$65,000 based on the needs of your site. If you do not begin operating your Storefront within 10 months of signing the Franchise Agreement, we have the right to charge you a Delayed Opening Fee of \$10,000 per month for up to three (3) months. The amounts above do not include any charges for the Delayed Opening Fee.

Right of First Refusal

You will not have the right of first refusal to acquire additional franchises within your Territory. We do not customarily grant to franchise owners options, rights of first refusal or similar rights to acquire additional franchises outside of their respective territories.

Other Franchise Systems

As stated above, our affiliate CMLF franchises the right to operate food truck restaurants at Non-Traditional Locations under the Marks. We and our affiliates have the right to operate other restaurant concepts, but as of the date of this Franchise Disclosure Document, neither we nor our affiliates have operated or franchised other businesses selling or leasing similar products or services under different trademarks.

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TRADEMARKS

Under the Franchise Agreement, we grant you the nonexclusive right to use our Marks in connection with the operation of your Storefront. You may also use our other current or future trademarks to operate the Storefront. We have registered the following marks on the Principal Register of the U.S. Patent and Trademark Office (“USPTO”):

Trademark	Registration Number Registration Date	International Class of Goods
COUSINS MAINE LOBSTER (Word Mark)	4365726 July 9, 2013	29, 31
COUSINS MAINE LOBSTER (Word Mark)	5495260 June 19, 2018	43

We have filed all required affidavits relating to the registered Marks shown above.

All Marks are owned by our affiliate, CML, which has granted to us, under license (the “Intellectual Property License”), the right to use and franchise the Marks and associated trade names, trademarks, service marks, logotypes and other commercial symbols and copyrights and proprietary materials in the United States by and to operators of Storefronts. The Intellectual Property License does not contain any significant limitations on our right to use or license the Marks to you, and will continue until terminated, which can only occur upon our dissolution. Upon such event, you may lose your right to use the Marks. Except as described above, no currently effective agreements significantly limit our rights to use or license the use of the Marks.

No currently effective agreements significantly limit our rights to use or license the use of the Marks. There are presently no effective determinations by the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, the Trademark Administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or material litigation involving the Marks. We are unaware of any infringing uses that could materially affect your use of our Marks.

You will have the right to use all our Marks in the operation of your Storefront. However, you must use the Marks only for the operation of your Storefront and in the manner authorized by us. You cannot use the names or Marks as part of a corporate name or with modifying words, designs or symbols except for those which we license to you. You may not use our Marks in connection with the sale of unauthorized goods or services, or in a manner not authorized in writing by us.

You must notify us immediately in writing of any apparent infringement or challenge to your use of our trademarks. We have the sole discretion to take such action as we deem appropriate. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving our Marks. We will have sole control over any litigation or proceeding.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in any litigation or other proceeding, including any arbitration proceeding, in which you

RECEIPT

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 CML Storefront, LLC 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. Under Iowa or New York law, if applicable, CML Storefront, LLC must provide this disclosure document to you at your 1st personal meeting, or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires CML Storefront, LLC to give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If CML Storefront, LLC 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 the appropriate state agency identified on Exhibit A.

The name, principal business address and telephone number of each franchise seller offering the franchise: Jim Tselikis, Sabin Lomac, Barbara Corcoran, Shaun Higgins, ~~Angela Coppler~~, Jameson Lyons, Allison Pillar, Mike Carmody, Esther Judah, Jane Olivia Paik, Jacob Conley, Lindsay Herberger, Rachel Solomon, and Nicholas Loukes at CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106, phone (855) 855-4265. We have inserted the name and address of any other franchise seller below (we attach additional pages if necessary):

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See Exhibit A for CML Storefront, LLC’s registered agents authorized to receive service of process.

I have received a disclosure document dated April 2917, 2025, amended May 13, 2025 that included the following Exhibits:

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| A. State Administrators / Agents for Service of Process | E. State-Specific Addendum |
| B. Franchise Agreement | F. Compliance Questionnaire |
| C. Financial Statements | G. Sample Contracts for Use with Cousins Maine Lobster® business |
| D. Operations Manual Table of Contents | H. List of Franchisees |
| | I. State Effective Dates; Receipts |

_____	_____	_____
Date	Signature	Printed Name

_____	_____	_____
Date	Signature	Printed Name

Please sign and date both copies of the receipt. Please retain one copy for your records, and return the other copy to CML Storefront, LLC, 125 John Roberts Road, Unit #2, South Portland, ME 04106.

