

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 Louisiana. 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 Louisiana than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement, even if your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets (perhaps including your house) at risk if your franchise fails.
3. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you may also experience delays in opening your own outlet.

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.

art institutions, retail stores and dealers, individual ceramic and craft makers, other businesses and schools offering ceramic and crafts training, and, to some extent, businesses offering other forms of family entertainment. You will compete with other national franchises and independent businesses that offer similar products and/or services. The general market for offering paint-your-own pottery events similar to that offered by Color Me Mine businesses is an emerging market. ~~It may be affected by general economic conditions.~~

Government Regulation

Local, state, and federal laws and regulations will apply to the operations of your franchised business. You must comply with all local, state, and federal laws that apply to your franchised business including health, sanitation, non-smoking, EEOC, OSHA, discrimination, employment and sexual harassment laws. The Americans with Disabilities Act of 1990 requires readily accessible accommodations for disabled people and, therefore, may affect your building construction, entrance ramps, doors, seating, bathrooms and parking. You must obtain building permits, other licenses, and operational permits and certifications.

Because you collect information from customers, it may contain personal information of individuals which is protected by law. You are also responsible for complying with all applicable current and future federal, state and local laws, regulations and requirements, including the California Consumer Privacy Act (as applicable), pertaining to the collection, protection, use, sale, disposal and maintenance of such personal information. Personal information includes information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, potential consumer, individual or household, as such term may be further defined or amended by applicable federal, state and local laws, regulations and requirements. You may also be required to comply with opt-in requirements on your website.

We strongly suggest that you consult with an attorney, consultant and/or financial advisor regarding such regulations prior to purchasing a franchise from us. Applicable laws and regulations are subject to change.

ITEM 2. BUSINESS EXPERIENCE

Director: Catherine L. Deano, CFE

Catherine Deano has served as one of our directors and a director of Twist Brands since November 2020. From February 2009 to November 2020, she served as Managing Member of Painting with a Twist and from February 2009 to July 2018, she also served as COO of Painting with a Twist.

Director and CEO: Teresa Johnson

Teresa Johnson has served as one of our directors and our CEO since August 2021. She has also served as a director of Twist Brands since August 2021; Owner of a Painting with a Twist franchise location in Murfreesboro, Tennessee since 2010; and Owner of a Painting with a Twist franchise location in Nashville, Tennessee since 2015. She has also served as Manager of

entity who assists, sponsors, or supports terrorists or acts of terrorism; or (d) owned or controlled by terrorists or sponsors of terrorism. The undersigned and the Franchisee further covenant that neither they nor any of their employees, agents, or representatives, nor any other person or entity associated with them, will during the Franchisee Agreement term become a person or entity described above or otherwise become a target of any Anti-Terrorism Measure.

***Insert initials into the following blank to confirm this statement: ____**

For Maryland Applicants: All representations requiring prospective franchisee to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of liability incurred under the Maryland Franchise Registration and Disclosure Law.

I/we understand and agree to all of the foregoing and represent and warrant that all of the above statements are true, correct and complete to the best of my knowledge.

Signature

Printed Name: _____

Date: _____

~~****This Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.**~~

Washington franchisees should not sign this document.

WASHINGTON

~~The following is added to the State Cover Pages, **Special Risks to Consider About This Franchise**~~

- ~~1. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.~~

~~The franchisor will defer collection of the initial franchise fee under the Franchise Agreement until the franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchisee is open for business.~~

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result,

any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

RCW 19.100.180(2)(j) provides that the purchase of supplies and equipment from the franchisee upon termination must be at a cost that is no less than fair market value. As a result any provisions contained in the franchise agreement providing for the purchase of supplies and equipment upon termination of the franchises at the lesser of cost or fair market value are amended to provide for the purchase at no less than fair market value.

~~Attachment 3 to the Franchise Agreement (“Compliance Certification”) is hereby amended to state that the Certification does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.~~

The franchisor may use the services of franchise brokers to assist it in selling franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. Carefully evaluate the information provided by a franchise broker about a franchise. Do your own investigation by contacting the franchisor’s current and former franchisees to ask them about their experience with the franchisor.

The following Sections are removed from the Franchise Agreement and Exhibit E of the FDD (General Release):

1. Sections 10.9 and 10.10 of the Franchise Agreement.
2. Section 5.a. of Exhibit E of the FDD (General Release).

No statement, questionnaire, or acknowledgment 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 by any franchisor, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The undersigned does hereby acknowledge receipt of this addendum.

Dated this _____ day of _____, 20____.

FRANCHISOR

FRANCHISEE

RECEIPT (YOUR COPY)

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 Color Me Mine LLC (“we” or “us”) offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment, to us or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the 1st personal meeting, or 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

Iowa requires that we give you this disclosure document at the 1st personal meeting. Michigan requires that we give you this disclosure document 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document to you on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington D.C. 20580 and the Administrator for this state listed in Exhibit A.

Franchise Sellers:

Sean Goodwin 1852 N. Causeway Blvd, Mandeville, LA 70471 (818) 291-5900

Christina Taylor 1852 N. Causeway Blvd, Mandeville, LA 70471 (818) 291-5900

Except within Washington: Jenny Muller 1852 N. Causeway Blvd, Mandeville, LA 70471 (818) 291-5900

Except within Washington: Kelley Rieves-Copelin 1852 N. Causeway Blvd, Mandeville, LA 70471 (818) 291-5900

Kelsey Greco 1852 N. Causeway Blvd, Mandeville, LA 70471 (818) 291-5900.

Issuance Date: December 23, 2024

See Exhibit A for our registered agents authorized to receive service of process.

I have received a disclosure document dated December 23, 2024 that includes the following exhibits:

- A:** List of State Administrators and Agents for Service of Process
- B:** Financial Statements
- C:** Franchise Agreement and Attachments
- D:** Operations Manual Table of Contents
- E:** General Release
- F:** Confidentiality Agreement
- G:** Roster of Franchisees
- H:** State Specific Addenda
- I:** State Effective Dates & Receipts

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Date: _____ Prospective Franchisee: _____