

FRANCHISE DISCLOSURE DOCUMENT



WORLDWIDE REFINISHING SYSTEMS, INC.

a Texas corporation

dba **DreamMaker Bath & Kitchen**

4547 Lake Shore Drive, Suite 202

Waco, Texas 76710

254/523-9575

dreammaker@dreammakerbk.com

www.dreammaker-remodel.com

www.dreammakerfranchise.com

<https://twitter.com/DMBKRemodel>

<https://www.youtube.com/@dreammakerfranchise>

<https://www.facebook.com/DreamMakerRemodel>

<https://www.facebook.com/dreammakerbkfranchise>

<https://www.linkedin.com/company/DreamMaker-Remodel>

<https://www.houzz.com/pro/dreammakerbk1/dreammaker-bath-and-kitchen>

As a franchisee you will perform residential and commercial bathroom and kitchen remodeling, cabinet refacing, safety and mobility modifications and other interior remodeling, and perform related services and sell related products. You will focus primarily on interior remodeling but will also provide exterior remodeling and restoration projects as needed.

The total investment necessary to begin operation of a DREAMMAKER BATH & KITCHEN® franchise ranges from ~~\$220,860~~\$360 to \$464,~~835~~335. This includes \$113,465 to \$159,990, plus \$220 per 1,000 population for additional territory, that must be paid to the franchisor or affiliate. If you choose to also purchase the option to acquire an additional territory, you must also pay to franchisor or affiliate 10% of the initial franchise fee for that territory, equaling \$4,400 to \$7,700, plus \$22 per 1,000 population for additional territory. If you are acquiring an existing franchised business, you must also pay franchisor or affiliate a \$5,000 resale training fee and \$3,750 initial sales education fee.

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 to you. To discuss the availability of disclosures in different formats, contact Carly Kennett, 4547 Lake Shore Drive, Suite 202, Waco, Texas 76710, 254/523-9575.

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, 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.

ITEM 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Made
	Low	High			
Initial Franchise Fee (see Note 2)	\$44,000 plus \$220 per 1,000 additional population over the minimum	\$69,300 plus \$220 per 1,000 additional population over the minimum	Lump sum	When you sign the Franchise Agreement	Us
Software Support Fee (see Note 3)	\$3,995	\$3,995	Lump sum	When you sign the Franchise Agreement	Us
Vehicle (see Note 4)	\$0	\$9,500	As arranged	As incurred	Independent Vendors
Equipment, Supplies & Inventory (see Note 5)	\$30,390	\$34,390	As arranged	As incurred	Independent Vendors and Us
Insurance (see Note 6)	\$7,500	\$10,000	As arranged	As incurred	Independent Carriers
Initial Advertising & Promotional Deposit (see Note 7)	\$36,000	\$48,000	Lump sum	When you sign the Franchise Agreement	Us
Refundable Continuing Education Fee (see Note 8)	\$1,200	\$1,200	Lump sum	When you sign the Franchise Agreement	Us
Training, Travel, Lodging & Food (see Notes 9 and 13)	\$4,000	\$7,500	As arranged	As incurred	Independent Vendors
Deposits, Permits & Licenses (see Note 10)	\$0	\$2,000	As arranged	As incurred	Independent Vendors
Real Estate (see Note 11)	\$62,000	\$159,700	As arranged	As incurred	Third party suppliers
Professional Fees (see Note 12)	\$8,275	\$12,500	As arranged	As incurred	Third party suppliers and Us
Additional Funds – 9 to 12 mo. (includes estimated personal living expenses for 6 to 12 mo.) (see Note 14)	\$18,000	\$101,250	As needed	As incurred	Various Payees
Refundable Design Center Deposit (see Note 15)	\$5,000	\$5,000	Lump sum	When you sign the Franchise Agreement	Us
Totals (see Note 16)	\$ 222,860 <u>220,360</u> to \$ 466,835 <u>464,335</u> plus any additional franchise fee				

Note 1. For all items in the table above other than those that you pay to us at signing of the Franchise Agreement you must arrange up front the required amounts in a bank account or have a dedicated line of credit. We will require evidence to our satisfaction that these arrangements have been made. If you purchase

an existing franchised business, you will not pay an initial franchise fee, but will pay us a \$5,000 Resale Training Fee and a \$3,750 Initial Sales Education Fee.

Note 2. The minimum initial franchise fee to be paid to us is \$44,000 for a Territory containing a population of 200,000, which is the minimum Territory you may purchase for more rural and less densely populated areas; or an initial franchise fee of \$69,300 (which includes the Population Discount) for a Territory containing a population of 350,000, which is the minimum Territory you may purchase for more densely populated and urban areas. You may purchase a Territory of up to a 1,000,000 in population where the Initial Franchise Fee is calculated as \$220 per 1,000 population. You must pay to us an initial franchise fee of \$44,000. However, there are certain situations in which you might qualify for a discount on the initial franchise fee as described in Item 5. You must pay the initial franchise fee in full when you sign the Franchise Agreement. We may agree to finance a portion of the initial franchise fee, depending upon your credit-worthiness, the collateral which you have available to secure the loan and our then-current lending policies, as explained in Item 10. Monthly loan payments depend upon the amount financed. The initial franchise fee is not refundable except as described in Item 5. A territory will generally contain a population ranging from 200,000 to 1,000,000. A larger territory may be allowed under certain exceptional circumstances to be determined at our discretion. See Item 10 for more information about financing.

The numbers in the chart do not reflect the 20% veteran's or first responder's discount. If you qualify for our veteran's or first responder's discount, as described in Item 5, your estimated initial investment ranges from ~~\$214,060 to \$452,975~~ \$211,560 to \$450,475.

Note 3. Upon signing the Franchise Agreement, you must pay us a software license fee of \$3,995. We may increase these fees, and/or modify the services that are provided by us or our designee for these fees, but we will notify you of any changes applicable to you. We may remit a portion of this fee to a service provider and retain a portion of the fee to cover our costs and development.

Note 4. At least one full-size cargo van, truck-enclosed trailer combination or truck-camper-top combination (vehicle) is required. Minimum acceptable enclosed trailer size is 6' x 10' with a minimum height of 6'6". Trailers must meet quality standards comparable to Wells Cargo® brand. A camper top cannot have windows, must be professional in appearance and satisfactory in appearance to us.

Each vehicle must not be more than four years old at the time of acquisition, in excellent condition, white in color (including truck-enclosed trailer combination) and have the required graphics decal/wrap package, including Marks professionally applied before the vehicle is put into service. We do not sell or lease vehicles. An existing vehicle can be converted for use in the franchised business or you may choose to acquire a vehicle; either must meet our specifications. One graphics wrap set featuring our Marks for a standard van is included in your franchise development package. You must purchase a graphics wrap set for each additional vehicle from our preferred vendor. The low figure assumes you currently own a full-size cargo van or truck that meets our qualifications. The high figure assumes that you are purchasing or leasing a cargo van or truck that is four years old or newer, and financing a \$20,000 total purchase price over three years. The high figure represents a 20% down payment, plus taxes, title and registration, and nine months' finance payments of \$600 each. The estimated cost range reflects the cost of acquiring a vehicle only that meets our standards, not including the graphics wrap package. You may customize your vehicle wrap to include additional approved information for an additional charge.

Note 5. If you already own an existing business similar to the franchise, you will own much of the necessary equipment, supplies and inventory, including computer hardware and software, to begin the operation of your franchise. The low estimate shown here assumes that you already own an existing business similar to the franchise with many of these necessary items. However, you must get approval for items such as computer hardware and software because all of these items must meet our specifications. The high estimate shown here assumes you do not own an existing business, and includes office and field equipment, software and printer, etc., including inventory and supplies needed to equip your franchise in accordance with our standards. Both estimates include printed material (i.e., business cards, stationery, brochures, marketing

applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF MINNESOTA

The following supplements Item 6:

Dishonored Check for ACH Draft	\$75, however, currently the State of Minnesota caps this fee at \$30.	Upon demand	If your financial institution returns a check or ACH draft for insufficient funds, you must pay us this fee for each item returned.
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The following sentence supplements Item 13:

Pursuant to Minnesota Stat. §80C.21, Subj. 1(g), we are required to protect any rights which you have to use our proprietary marks.

Item 17 of the Franchise Disclosure Document is supplemented by the following:

With respect to franchises governed by Minnesota law, ~~wethe franchisor~~ will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that (1) a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the ~~Agreementfranchise agreement~~ and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit ~~us~~~~the franchisor~~ 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 ~~Franchise Agreementagreement(s)~~ can abrogate or reduce (1) any of your rights as provided for in Minnesota ~~Statutes 1984, ChapterStatute~~ 80C, or (3) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any release as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

~~Any provision requiring the franchise to consent to the franchisor obtaining injunctive relief is void. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J). Also, a court will determine if a bond is required.~~

~~Any limitation on the time to bring claims contained in the franchise agreement is limited by Minnesota Status 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 franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FOR THE STATE OF NEW YORK

1. The following information is added to the to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT E OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE

**ADDENDUM TO FRANCHISE AGREEMENT
FOR RESIDENTS OF MINNESOTA**

This ADDENDUM TO FRANCHISE AGREEMENT FOR RESIDENTS OF MINNESOTA amends that certain franchise agreement between Worldwide Refinishing Systems, Inc., a Texas corporation doing business as **DREAMMAKER BATH & KITCHEN** with an address of 4547 Lake Shore Drive, Suite 202, Waco, Texas 76710 (“Franchisor”) and _____, a _____ (“Franchisee”).

WHEREAS, Franchisor and Franchisee have contemporaneously herewith entered into a Franchise Agreement (the “Agreement”) and the parties wish to amend the Agreement.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for and in consideration of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agreement is hereby amended as follows:

1. Notwithstanding anything to the contrary in the Agreement, in the event of a conflict between the provisions of the Agreement and the provisions of this Addendum, the provisions of this Addendum shall control. The parties agree that the Agreement remains fully effective in all respects except as specifically modified herein, and all the respective rights and obligations of Franchisee and Franchisor remain as written unless modified herein.
2. Franchisor will undertake the defense of any claim of infringement by third parties involving the mark DREAMMAKER BATH & KITCHEN®, and Franchisee will cooperate with the defense in any reasonable manner required by Franchisor with any direct cost of such cooperation to be borne by Franchisor.
3. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 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 nonrenewal of the franchise agreement.
4. Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota, [requiring a waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes](#). In addition, nothing in the Franchise Disclosure Document or Franchise Agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or (2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.
5. Section 3.O. (Dishonored Checks) is amended to provide that any nonsufficient funds charge shall not exceed \$30 per each dishonored check, draft, order of withdrawal, or similar negotiable or nonnegotiable instrument.
6. Section 14.F. (Limitations Period for Bringing Claims) is amended to provide that any claims arising under the Minnesota Franchise Act must be brought within three years after the date the cause of action occurs.
7. Section 15.Q. (Waiver of Claims, Rights, and Remedies) and Section 15.R. (Waiver of Jury Trial) are hereby deleted.
8. No Section providing for a general release as a condition of renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided, that this part shall not bar the voluntary settlement of disputes.
9. 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