

**FRANCHISE DISCLOSURE DOCUMENT  
INDIVIDUAL CRESTCOM BUSINESS FRANCHISE AGREEMENT**

**FOR USE IN THE STATE OF MINNESOTA ONLY**



CRESTCOM INTERNATIONAL, LLC  
(a Delaware limited liability company)  
6900 East Belleview Avenue, Suite 100  
Greenwood Village, Colorado 80111  
Telephone: (303) 267-8200  
www.crestcom.com

Crestcom International, LLC, a Delaware limited liability company, is offering a franchise program for the operation of a business which offers management, sales and personnel development training programs and materials.

The total investment necessary to begin operation of a Crestcom franchised business is \$91,850 to \$104,919. This includes \$75,000 that must be paid to the franchisor or an affiliate.

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 our Franchising Department at 6900 East Belleview Avenue, Suite 100, Greenwood Village, Colorado 80111 and (303) 267-8200.

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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

**Issuance Date: March 31, 2026**

~~For use in: AL, AK, AZ, AR, CO, CT, DE, DC, GA, FL, HI, ID, IN, IA, KS, KY, LA, ME, MA, MI, MN, MS, MO, MT, NE, NV, NH, NJ, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, WI, WV, WY, and U.S. TERRITORIES (see following pages for varying effective dates in certain states.)~~

~~NOT FOR USE IN CA, IL, MD, NY, VA, OR WA.~~

## INFORMATION FOR PROSPECTIVE FRANCHISEES IN MICHIGAN

~~The State of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.~~

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (A) ~~A prohibition on the right of a franchisee to join an association of franchisees.~~
- (B) ~~A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.~~
- (C) ~~A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of franchisee to comply with any lawful provisions of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.~~
- (D) ~~A provision that permits a franchisor to refuse to renew a franchise without fairly compensating franchisee by repurchase or other means for the fair market value at the time of expiration, of franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five years; and (ii) franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.~~
- (E) ~~A provision that permits franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.~~
- (F) ~~A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state. (The above language has been included in this Disclosure Document as a condition for registration. We and you do not agree that the parties are restricted from choosing to conduct arbitration outside of Michigan and believe that each of the provisions of the Franchise Agreement, including each of the arbitration provisions, is fully enforceable. We and you intend to rely on the federal pre-emption under the Federal Arbitration Act.)~~
- (G) ~~A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:~~
- ~~(i) The failure of the proposed franchisee to meet franchisor's then current reasonable qualifications or standards.~~

~~\_\_\_\_\_ (ii) \_\_\_\_\_ The fact that the proposed transferee is a competitor of franchisor or subfranchisor.~~

~~\_\_\_\_\_ (iii) \_\_\_\_\_ The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.~~

~~\_\_\_\_\_ (iv) \_\_\_\_\_ The failure of franchisee or proposed transferee to pay any sums owing to franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.~~

~~(H) \_\_\_\_\_ A provision that requires franchisee to resell to franchisor items that are not uniquely identified with franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (C).~~

~~(I) \_\_\_\_\_ A provision which permits franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to franchisee unless provision has been made for providing the required contractual services.~~

**~~The fact that there is a notice of this offering on file with the Attorney General does not constitute approval, recommendation, or endorsement by the Attorney General.~~**

~~If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by franchisee or subfranchisor until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.~~

~~Any questions regarding the notice should be directed to:~~

~~State of Michigan  
Department of Attorney General  
Franchise Section – Consumer Protection Division  
G. Mennen Williams Building, 1<sup>st</sup> Floor  
525 W. Ottawa Street  
Lansing, Michigan 48933  
Telephone Number: (517) 373-7117~~

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**ITEM 6  
OTHER FEES**

<b>Column 1 Type of Fee</b>	<b>Column 2 Amount</b>	<b>Column 3 Due Date</b>	<b>Column 4 Remarks</b>
Royalty Fee <sup>1</sup>	19.75% -of Gross Revenues	Monday of each week for funds received in the preceding week <sup>5</sup>	Gross Revenues include all revenues generated through your CRESTCOM Business or otherwise from the sale or other transfer or use of the Materials and Live Instruction and any other products and services, except for certain products or services we periodically designate as excluded. See Footnote 4. Beginning with the fourth full calendar quarter after the execution of your Franchise Agreement, you must meet certain minimum sales obligations. See Item 12 for a more detailed discussion of your minimum sales requirements.
Distribution Fee <sup>1,2</sup>	\$875 per month	Payable monthly by no later than the 5 <sup>th</sup> day of every month <sup>5</sup>	Beginning with the first full calendar month after you sign the Franchise Agreement, you pay the Distribution Fee.
Materials Costs <sup>1</sup>	Will vary, based on our or our approved supplier's published price list	Prior to shipment or as agreed <sup>5</sup>	We and our approved suppliers charge you for Materials you purchase or otherwise acquire.
New Materials Surcharge <sup>1,3</sup>	Currently \$500 per media unit or module, but may be changed <u>up to a maximum of \$600 per media unit or module</u>	On the earlier of the first order of the New Materials or 30 days from the date the New Materials become available, or per the terms of a promissory note <sup>5</sup>	You must acquire the access and rights to, and introduce, New Materials within 30 days of availability. See Footnote 3 below.
Crestcom Supervisor Program Surcharge <sup>1,4</sup>	Currently none. However, we may in the future charge a surcharge <u>of up to \$1,000</u> if you elect to market the Crestcom Supervisor Program.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom Supervisor Program <sup>5</sup>	If you qualify, you have the option to market the Crestcom Supervisor Program. See Footnote 4 below.
Crestcom Next Generation Sales Academy Program Surcharge <sup>1,4</sup>	Currently \$3,500 (less 3% if paid in full at the time you elect to market the Crestcom Next Generation Sales Academy Program), but may be changed <u>up to a maximum of \$4,000</u>	At the time you acquire the rights to market the Crestcom Next Generation Sales Academy Program, or per the terms of a promissory note <sup>4</sup>	If you qualify, you have the option to market the Crestcom Next Generation Sales Academy Program. You must pay this surcharge for the rights to market that training program. See Footnote 4 below.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Crestcom LEADER+ Surcharge <sup>1,4</sup>	Currently none. However, we may in the future charge a surcharge <u>of up to \$1,000</u> if you elect to market the Crestcom LEADER+ Program.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom LEADER+ Program <sup>5</sup>	If you qualify, you have the option to market the Crestcom LEADER+ Program. See Footnote 4 below.
Crestcom LEADER Catalogue Surcharge <sup>1,4</sup>	Currently none. However, we may in the future charge a surcharge <u>of up to \$2,000</u> if you elect to the market the Crestcom LEADER Catalogue.	If collected, payable on a basis that we establish at the time you acquire the rights to market the Crestcom LEADER Catalogue. <sup>5</sup>	If you qualify, you have the option to market the Crestcom LEADER Catalogue. See Footnote 4 below.
360 Assessment <sup>4</sup>	Currently \$50 per assessment and corresponding report	When incurred, based on terms of third party supplier	These fees are payable to the supplier of the 360 Assessment that you may market to your clients, at your option. The supplier may increase its rates for these services.
Client Access Fee <sup>1</sup>	Currently none. However, we may charge a fee upon 30 days' notice to you	If collected, payable on a basis that we establish <sup>5</sup>	For permitting your clients to view and utilize the Materials at the client's offices or elsewhere through an online streaming system that we may establish. The amount of this fee, once we begin collecting it, is subject to change on 30 days' notice, <u>up to a maximum of \$50 per month.</u>
PRO Facilitation Certification <sup>1</sup>	Currently none for you and up to two other Facilitators. However, we may in the future establish fees <del>for</del> <u>of up to \$450 per participant in the PRO Facilitation Certification.</u>	If collected, will be payable as incurred <sup>5</sup>	You are responsible for having at least one Facilitator complete the four-part PRO Facilitation Certification training within 180 days of commencement of your CRESTCOM Business.
PERFORM Facilitation Training <sup>1</sup>	Currently none. However, we may in the future establish fees <del>for</del> <u>of up to \$100 per participant in the PERFORM Facilitation Training.</u>	If collected, will be payable as incurred <sup>5</sup>	We reserve the right to charge this fee for an optional ongoing training program that we may make available to your Facilitators.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Customer Relationship Management Software <sup>1</sup>	We currently pay for this software, under our account, on behalf of incoming Franchisees for 12 months. After the first 12 months, you will be required to pay us the monthly fee imposed by the third party supplier for this software, which we will then pay to the supplier. The supplier's rate is currently in the range of \$45 to \$48 per month.	When incurred, based on terms of third party supplier	These fees, when applicable, are imposed by the supplier of the customer relationship management software. We collect these fees from Franchisees and pay them to the supplier. The supplier may increase its rates for this software. We currently pay for one license for you for a period of 12 months following the execution of the Franchise Agreement. <u>-This fee will be up to the amounts of the actual costs imposed by the third party supplier and any other underlying costs we incur for the Customer Relationship Management Software.</u>
Crestcom Learning Portal ("CLP") Software <sup>1</sup>	Currently none. However, we may in the future charge a fee for ongoing license fees per user starting upon 30 days' notice to you.	If collected, payable on a basis that we establish <sup>5</sup>	We will provide you with access credentials for all of your enrolled participants. Access to the CLP is currently provided without an additional charge, but we may charge fees in the future for each of your participants on a monthly basis. The fees that we collect from Franchisees for the CLP software will be paid to the supplier. The supplier may increase its rates for this software. <u>This fee will be up to the amounts of the actual costs imposed by the third party supplier and any other underlying costs we incur for the CLP Software.</u>
Mandatory Computer System and Program Fee <sup>1</sup>	Currently none, other than the customer relationship management software license fee described above and (if collected) the CLP software fee described above. However, if we establish any other Mandatory Computer Systems and Programs, defined in Item 11, we may charge a fee related to the Mandatory Computer Systems and Programs	If collected, payable on a basis that we establish <sup>5</sup>	We may require you to obtain additional Mandatory Computer Systems and Programs in the future and pay fees related to those Mandatory Computer Systems and Programs. <u>This fee will be up to the amounts of the actual costs imposed by the third party suppliers and any other underlying costs we incur for the Mandatory Computer Systems and Programs.</u>

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
E-mail Account / Website Fee <sup>1</sup>	Currently none. However, we may in the future charge a fee for providing the e-mail account, our website or both	If collected, payable on a regular basis with the Royalty Fee or the Distribution Fee, or as otherwise agreed <sup>5</sup>	We will provide you with an e-mail account with the domain name "crestcom.com." This account is currently provided without an additional charge, but we may charge a fee in the future for providing the e-mail account, our website or both, and can modify or discontinue providing the e-mail account, our website or both. <u>This fee will be up to the amounts of the actual costs imposed by the third party suppliers, and any other underlying costs we incur for the e-mail system and website.</u>
Digital/E-mail Marketing Service	You must pay the rate charged by the third party supplier, which currently ranges from \$0 to \$299 per month. Most Crestcom Franchisees use the free account.	When incurred, based on terms of third party supplier	These fees, when applicable, are payable to the supplier of the digital/e-mail marketing service. The supplier may increase its rates for these services.
Special Needs Access to Materials or Live Instruction	Will vary	As incurred	You are responsible for all costs and expenses incurred for special equipment or to modify the format of the Materials, or the manner of conducting Live Instruction for, individuals who are blind, hearing impaired, or who have similar physical disabilities.
Shipping Costs and Taxes <sup>1</sup>	Will vary	Prior to shipment or as agreed <sup>5</sup>	You are responsible for all taxes and shipping costs incurred by us in selling and shipping Materials to you. Most client-facing Materials are provided and delivered virtually through Crestcom's proprietary learning management system.

Column 1 Type of Fee	Column 2 Amount	Column 3 Due Date	Column 4 Remarks
Transfer Fee <sup>1</sup>	\$16,500	Prior to consummation of transfer <sup>5</sup>	This fee is payable if you transfer the Franchise Agreement, or other interest in your franchise. This fee will be refunded if we do not approve the transferee or if we determine that the transferee has failed to successfully complete our Initial Training Program. If you are executing the Franchise Agreement for a successor franchise term, we will apply the transfer fee in your original franchise agreement.
Transferee Training Fee <sup>1</sup>	\$3,500	Prior to consummation of transfer <sup>5</sup>	If you transfer your Franchise Agreement or other interest in your franchise, the transferee must attend Franchisee training and pay a Franchisee training fee before assuming your franchise. This fee will be refunded to the transferee if we determine that the transferee does not meet our qualification requirements or fails to successfully complete our Initial Training Program. If you are executing the Franchise Agreement for a successor franchise term, we will apply the transferee training fee in your original franchise agreement.
Transfer Assistance Payment	\$12,500, or \$10,000 if the transferee is first identified by you rather than the Area Representative	Prior to consummation of transfer	Optional. This amount is payable to the Area Representative for your Assigned Area if you are seeking to transfer your Franchise Agreement or other interest in your franchise and you request this assistance.
Successor Franchise Fee <sup>1</sup>	\$3,500	At time of exercise of the successor franchise rights <sup>5</sup>	Unless waived by us, you will sign our then current Franchise Agreement. If you are executing the Franchise Agreement for a successor franchise term, the successor franchise fee in your original franchise agreement will carry forward for future renewals.
Live Instruction Costs <sup>1</sup>	Will vary	As services are performed <sup>5</sup>	If you are unable or fail to perform any Live Instruction and we perform it for you, you must pay us the amount received from your client, plus our expenses associated with the Live Instruction, and a fee for our time based on our then current published rates: <a href="#">up to a maximum of \$1,500 per day.</a>

<b>Column 1 Type of Fee</b>	<b>Column 2 Amount</b>	<b>Column 3 Due Date</b>	<b>Column 4 Remarks</b>
New Material and Supplier Approval <sup>1</sup>	Actual expenses of approval	As incurred <sup>5</sup>	If you request our approval of new materials or services, or a new supplier, we may require you or the supplier to reimburse us for any expenses we incur in determining if the material, service or supplier meets our specifications and standards.
Interest <sup>1</sup>	Lesser of 18% per annum or highest rate of interest allowed by law	As incurred <sup>5</sup>	Begins to accrue 7 days after payments are due.
Administrative Fee <sup>1</sup>	\$10 per late fee or payment	As incurred <sup>5</sup>	We may charge an administrative fee of \$10 if any report, fees, or other amounts are not delivered or paid when due.
Late Charge <sup>1</sup>	3% of the amount due.	As incurred <sup>5</sup>	We may assess this fee if any report, fees, or other amounts are not delivered or paid when due.
Unreported or Inaccurately Reported Sales or Underpayments <sup>1</sup>	Will vary under circumstances	Upon discovery of an Act of Deception (as defined in Section 14.5 of the Franchise Agreement) <sup>5</sup>	If you fail to report sales, provide false or inaccurate reports, fail to submit copies of contracts with clients, or underpay amounts owed, you must pay 100% of the gross amount derived from the applicable sales of Materials or services if you do not correct the matter within 25 days of notice.
Missed Training Fee <sup>1</sup>	\$200	As incurred	If you miss any appointment for any training that we provide, other than the Initial Training Program, without notifying us at least 48 hours in advance, you must pay us this fee.
Additional and Refresher Training <sup>1</sup>	The then current rate, which is \$500/day as of the date of this Disclosure Document <u>and may be increased up to a maximum of \$750/day</u>	As incurred, prior to training <sup>5</sup>	See Items 7 and 11. We provide the Initial Training Program for up to three individuals as part of the initial franchise fee and at no additional charge. We provide follow-up LaunchPad to Success training for up to two individuals, and follow-up PRO Facilitation Certification training for up to three individuals, for free.
Costs and Attorneys' Fees	Will vary under circumstances	As incurred	Payable upon your failure to comply with the Franchise Agreement, or if you fail to prevail in litigation or arbitration against us related to the Franchise Agreement.

**ATTACHMENT K**

**STATE ADDENDA TO DISCLOSURE DOCUMENT**

**STATE LAW ADDENDA TO THE  
CRESTCOM INTERNATIONAL, LLC  
DISCLOSURE DOCUMENT**

The following modifications are made to the Crestcom International, LLC (“Crestcom”) Franchise Disclosure Document for the states noted below.

**HAWAII**

~~THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING. IF YOU LEARN THAT ANYTHING IN THIS DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE STATE AUTHORITY LISTED IN ATTACHMENT J.~~

~~THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.~~

~~THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY OF ONLY CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH FRANCHISOR AND FRANCHISEE.~~

\_\_\_\_ Registered agent in the state authorized to receive service of process:

Commissioner of Securities  
Department of Commerce & Consumer Affairs  
Business Registration Division  
Securities Compliance Branch  
335 Merchant Street, Room 203  
Honolulu, Hawaii 96813  
(303) 586-2722

1. \_\_\_\_ The following paragraph is added to Item 17:

\_\_\_\_ Section 482E-6(3) of the Hawaii Revised Statutes provides that upon termination or refusal to renew the Franchise, we are obligated to compensate you for the fair market value, at the time of the termination or expiration of the Franchise, of your inventory, supplies, equipment and furnishings purchased from us or a supplier designated by us; provided that personalized materials which have no value to us need not be compensated for. If we refuse to renew a Franchise for the purpose of converting your business to one

owned and operated by us, we, in addition to the remedies provided above, shall compensate you for the loss of goodwill. We may deduct from such compensation reasonable costs incurred in removing, transporting and disposing of your inventory, supplies, equipment and furnishings pursuant to this requirement, and may offset from such compensation any monies due us.

2. ~~The following list reflects the status of our franchise registration in the states which require registration:~~

~~— A. — The states in which this proposed registration is effective: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.~~

~~— B. — The states in which this proposed registration is or will be shortly on file: None.~~

~~— C. — The states, if any, which have refused, by order or otherwise, to register these franchises: None.~~

~~— D. — The states, if any, which have revoked or suspended the right to offer these franchises: None.~~

~~— E. — The states, if any, in which the proposed registration of these franchises has been withdrawn by us: None.~~

3. ~~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 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 in connection with the franchise.~~

## **INDIANA**

~~The following modifications are made to the Disclosure Document only to the extent required by the Indiana Franchises Act, IND. CODE § 23-2-2.5, and the Indiana Deceptive Franchise Practices Act, IND. CODE § 23-2-2.7:~~

1. ~~The following statement is added to Item 12:~~

~~Indiana law prohibits us from establishing a Crestcom-owned outlet engaged in a substantially identical business within your exclusive territory, or if no exclusive territory is designated, that competes unfairly with you within a reasonable area.~~

2. ~~The Summary columns of Items 17.r and 17.w are deleted and replaced by the following:~~

~~17.r: Prohibited for 30 months from owning or operating a competing business located or operating within your CRESTCOM Business Assigned Area.~~

~~17.w: Except to the extent governed by federal law, disputes related to a violation of the Indiana Franchises Act or the Indiana Deceptive Franchise Practices Act shall be governed by those laws, and all other matters regarding the Franchise Agreement shall be governed by Federal and Colorado Laws. The Colorado Consumer Protection Act does not apply.~~

~~The amended language has been included in Item 17.w of this Disclosure Document as a condition to registration. We and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, are fully enforceable. We and you intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by us, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal preemption under the Federal Arbitration Act.~~

## MINNESOTA

1. Special Risks to Consider About This Franchise:

**MINNESOTA STATUTES §80C.21 AND MINNESOTA RULES 2860.4400(J) PROHIBIT US 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 DISCLOSURE DOCUMENT OR AGREEMENT CAN ABROGATE OR REDUCE (1) ANY OF YOUR RIGHTS AS PROVIDED FOR IN MINNESOTA STATUTES, CHAPTER 80C, OR (2) YOUR RIGHTS TO ANY PROCEDURE, FORUM, OR REMEDIES PROVIDED FOR BY THE LAWS OF THE JURISDICTION.**

2. The following statements are added to the Cover Page:

**THIS FRANCHISE HAS BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

3. The following statement is added at the end of Item 13:

We will protect your right to use our Marks to the extent required under Minnesota law. The Minnesota Department of Commerce requires franchisors to indemnify franchisees against liability to third parties resulting from claims by third parties that the franchisee's use of the franchisor's marks infringes upon the trademark rights of the third party.

4. The following statements are added at the end of Item 17:

Minnesota Rules 2860.4400(D) prohibits us from requiring you to assent to a general release from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided, it does not bar the voluntary settlement of disputes.

We will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5, which require (except in certain specified cases) (1) that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

Minn. Stat. §80C.17, subd. 5 provides that any claims and actions based on a violation of Chapter 80C of the Minnesota statutes or any rule or order thereunder shall be commenced within three years from the occurrence of the facts giving rise to such claim or action.

Minnesota Statute §80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring 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 agreement can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or (2) your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. The above language has been included in this Disclosure Document as a condition to registration. We and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. We and you intend to fully enforce all of the provisions of the Franchise Agreement, and all other documents signed by us, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

You cannot consent to us obtaining injunctive relief. We may seek injunctive relief. See Minnesota Rule 2860.4400(J). Also, a court will determine if a bond is required.

Minnesota Statute §181.991 prohibits a franchisor from restricting, restraining, or prohibiting in any way a franchisee from soliciting or hiring an employee of the franchisor or an employee of a franchisee of the same franchisor. Any such restrictions in the Franchise Agreement are deemed deleted.

5. 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 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 in connection with the franchise.

## NORTH DAKOTA

1. ~~The North Dakota Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees:~~

A. ~~Restrictive Covenants: Franchise Disclosure Documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.~~

B. ~~Situs of Arbitration Proceedings: Franchise agreements providing that the parties must agree to the arbitration of disputes at a location that is remote from the site of the franchisee's business.~~

C. ~~Restrictions on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.~~

D. ~~Liquidated Damages and Termination Penalties: Requiring North Dakota franchisees to consent to liquidated damages or termination penalties.~~

E. ~~Applicable Laws: Franchise agreements which specify that they are to be governed by the laws of a state other than North Dakota.~~

F. ~~Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.~~

G. ~~Waiver of Exemplary & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.~~

H. ~~General Release: Franchise agreements that require the franchisee to sign a general release upon renewal of the franchise agreement.~~

I. ~~Limitation of Claims: Franchise agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.~~

2. ~~The State of North Dakota has determined that parties agreeing to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment law. The site of arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee's place of business.~~

3. ~~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 in connection with the franchise.~~

## RHODE ISLAND

1. The following paragraph is added at the end of Item 17:

~~Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The preceding language has been included in this Disclosure Document as a condition to registration. We and you do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all choice of law provisions, are fully enforceable. We and you intend to fully enforce all of the provisions of the Franchise Agreement, and all other documents signed by us, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.~~

## WISCONSIN

**1. REGISTRATION OF THIS FRANCHISE IN THE STATE OF WISCONSIN DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.**

2. ~~The conditions under which the Franchise Agreement can be terminated or not renewed may be affected by the Wisconsin Fair Dealership Law, Wisconsin Statutes 1981-82, Title XIV A, Chapter 135.~~

### 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:

<b>State</b>	<b>Effective Date</b>
California	<del>NOT FOR USE IN</del>
Hawaii	April 1, 2026
Illinois	<del>NOT FOR USE IN</del>
Indiana	PENDING
Maryland	<del>NOT FOR USE IN</del>
Michigan	March 31, 2026
Minnesota	PENDING
New York	<del>NOT FOR USE IN</del>
North Dakota	PENDING
Rhode Island	PENDING
South Dakota	March 31, 2026
Virginia	<del>NOT FOR USE IN</del>
Washington	<del>NOT FOR USE IN</del>
Wisconsin	March 31, 2026

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.