

For franchisors and area developers. Complete with CWCO-SUP-CORE, CWCO-SUP-DO, CWCO-SUP-EPLI, and CWCO-SUP-CYBER. Individual franchisees use the form for their own business type. Attach the current Franchise Disclosure Document.

1 APPLICANT / BUSINESS INFORMATION

LEGAL BUSINESS NAME	DBA	FEIN	YEARS IN BUSINESS
BUSINESS ADDRESS	CITY / STATE / ZIP	WEBSITE	
Entity type:			
☐ Sole proprietor ☐ Partnership ☐ LLC ☐ Corporation			
PRIMARY CONTACT / TITLE	PHONE	EMAIL	
INDUSTRY / CONCEPT	FRANCHISED UNITS / COMPANY-OWNED UNITS	STATES WHERE FRANCHISES ARE SOLD	

2 SYSTEM PROFILE

UNITS OPENED PAST 12 MONTHS	UNITS CLOSED OR TERMINATED PAST 12 MONTHS	ROYALTY & FEE REVENUE (\$)	TOTAL REVENUE (\$)

2-1 Does the Franchise Disclosure Document include financial performance representations (Item 19)? ☐ Yes ☐ No
IF YES, EXPLAIN

2-2 Does the franchisor require franchisees to buy from the franchisor or designated suppliers? ☐ Yes ☐ No
IF YES, EXPLAIN

2-3 Does the franchisor provide the point-of-sale, software, or data systems franchisees use? ☐ Yes ☐ No
IF YES, EXPLAIN

2-4 Does the franchisor use area developers or franchise brokers to sell franchises? ☐ Yes ☐ No
IF YES, EXPLAIN

3 EXPOSURE & RISK QUESTIONS — DISCLOSURE, FEES & CONTROL

In 2024 the FTC warned that franchisors may not charge fees missing from the Franchise Disclosure Document and franchise agreement, and that contract clauses cannot stop franchisees from reporting to the government. Franchisors also face claims tied to earnings representations and to how much control they exert over franchisees' day-to-day operations.

3-1 Is every fee franchisees pay disclosed in the FDD and provided for in the franchise agreement? ☐ Yes ☐ No
IF NO, EXPLAIN

3-2 Is the FDD reviewed and updated annually by franchise counsel? ☐ Yes ☐ No
IF NO, EXPLAIN

3-3 If yes to 2-1, are financial performance representations supported by documented data? ☐ Yes ☐ No
IF NO, EXPLAIN

3-4 Are sales staff and brokers barred from making earnings claims outside the FDD? ☐ Yes ☐ No
IF NO, EXPLAIN

3-5 Do franchise agreements allow franchisees to report concerns to government agencies? ☐ Yes ☐ No
IF NO, EXPLAIN

3-6 Are brand standards limited to outcomes, leaving hiring, scheduling, and pay to franchisees? ☐ Yes ☐ No
IF NO, EXPLAIN

3-7 Must franchisees carry specified insurance naming the franchisor as additional insured? ☐ Yes ☐ No
IF NO, EXPLAIN

3-8 Are franchisee certificates of insurance tracked to renewal? ☐ Yes ☐ No
IF NO, EXPLAIN

3-9 If yes to 2-3, are franchisee systems protected with MFA, segmentation, and payment-card security? ☐ Yes ☐ No
IF NO, EXPLAIN

3-10 Are terminations and non-renewals reviewed by counsel before notice is sent? ☐ Yes ☐ No
IF NO, EXPLAIN

4 FRANCHISEE RELATIONS

4-1 Is there a franchisee advisory council or formal dispute-resolution process? ☐ Yes ☐ No
IF NO, EXPLAIN

4-2 Are any franchisee disputes, arbitrations, or class actions pending? ☐ Yes ☐ No
IF YES, EXPLAIN

4-3 Has any state regulator or the FTC inquired about the franchise system? ☐ Yes ☐ No
IF YES, EXPLAIN

5 COVERAGE & LOSS HISTORY

Attach currently valued loss runs for the last 5 years.

FRANCHISOR E&O LIMIT (\$)	D&O LIMIT (\$)	EPLI LIMIT (\$)	CURRENT CARRIER / PREMIUM

5-1 Has the franchisor been named in a lawsuit over a franchisee's operations (injury, employment, data)? ☐ Yes ☐ No
IF YES, EXPLAIN

5-2 Has a franchisee sued over the sale of the franchise or its disclosures? ☐ Yes ☐ No
IF YES, EXPLAIN

5-3 Has coverage been declined, cancelled, or non-renewed in the past 3 years? ☐ Yes ☐ No
IF YES, EXPLAIN

6 SIGNATURE & FRAUD WARNING

The undersigned declares that the statements and answers given in this supplemental are true, complete and correct to the best of their knowledge, and that no material fact has been withheld or misstated. The applicant agrees that this supplemental, together with all ACORD applications and attachments, forms the basis of any submission to insurers and may be relied upon by them. Signing this supplemental does not bind coverage. This supplemental is an intake document prepared by Cory Washington & Co. LLC to support carrier submission; it does not itself provide coverage.

FRAUD NOTICE: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, may be committing a fraudulent insurance act, which is a crime and may subject such person to criminal and civil penalties. State-specific fraud warnings appear on the insurer's application.

APPLICANT / AUTHORIZED SIGNATURE (TYPE FULL NAME)	TITLE	DATE
PRODUCER — CORY WASHINGTON & CO. LLC	PRODUCER SIGNATURE (TYPE FULL NAME)	DATE