

DRNK COFFEE + TEA FRANCHISING, LLC

A California Limited Liability Company
350 S. Grand Ave., Suite 3070
Los Angeles, CA 90071
Tel: (323) 825-5373
Email: franchising@drnkqwench.com
www.drnkcoffee.com
www.qwenchjuice.com



The franchisee will operate a DRNK coffee + tea (DRNK) franchise, a QWENCH juice bar (QWENCH) franchise or a co-branded franchise. DRNK coffee + tea offers a diverse menu of espressos, hot and cold coffees, teas and freshly made sandwiches and other food items, beverages, and merchandise compatible with our concept. QWENCH juice bar features freshly prepared juices and smoothies, fruit bowls, and other related food items.

The total investment necessary to begin operation of a DRNK coffee + tea franchise ranges from \$253,150 to \$434,000. The total investment necessary to begin operation of a QWENCH juice bar franchise is \$278,150 to \$521,400. The total investment necessary to begin operation of a co-branded franchise is \$407,250 to \$637,600. These total investments include a franchisee fee of \$40,000 that must be paid to us or an affiliate and \$900 to \$1,200 for required coffee inventory from our affiliate DRNK Coffee + Tea, LLC.

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 convenient for you. To discuss the availability of disclosures in different formats, contact Amir Atighehchi, 350 S. Grand Ave. Suite 3070, Los Angeles, CA 90071 and (323) 825-5373 or franchising@drnkqwench.com.

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.

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

Date of Issuance: April 22, 2019.

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in Franchisee's state. If you learn that anything in this disclosure document is untrue, contact the Federal Trade Commission and the state administrators listed on Exhibit A.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before Franchisee buy this franchise:

1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION ONLY IN CALIFORNIA. OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT THE LAWS OF THE STATE OF CALIFORNIA LAW GOVERN THE AGREEMENT, AND THAT LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source is our agent and represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of this franchise.

Effective Date: See the next page for state effective dates.

FRANCHISE DISCLOSURE DOCUMENT EFFECTIVE DATES

The following states require 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 franchise disclosure document is registered, on file, or exempt from registration, or otherwise effective in the following states having franchise registration and disclosure (or business opportunity*) laws, as of the dates listed:

State	Effective Date
California	May 15, 2018
Illinois	August 24, 2018
Indiana	Pending
Maryland	August 20, 2018
Michigan	April 20, 2018
New York	October 26, 2018
Virginia	May 10, 2018

In all states not requiring registration, the effective date of this franchise disclosure document is the issuance date of April 22, 2019.

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