



FRANCHISE DISCLOSURE DOCUMENT

South Bay Soup Corporation
a California corporation
Attention: JAZEN TEA®
1420 Fulton Avenue, Building B
Sacramento, CA 95825
Telephone: (916) 779-8800
www.jazentea.com

Franchise Business: We offer “Stand-Alone Jazen Tea® Shop Franchises” for the right to sell a variety of flavorful fruit and tea drinks made from brewed high quality tealeaves and fresh fruit, smoothies and snacks in an attractive retail environment identified by the distinctive branding elements of the “Jazen Tea® System.” We also offer “Co-Branding Franchises” to qualified “Phở Hòa® Restaurant Franchisees” granting the right to sell, in addition to “Phở Hòa® Menu Items,” a selection of “Core Jazen Tea® Menu Items” and to incorporate the distinctive branding elements of the Jazen Tea® System as part of your Phở Hòa® Restaurant operations.

Initial Fees:

Stand-Alone Jazen Tea® Shop Franchises: The total investment necessary to begin operation of a Stand-Alone Jazen Tea® Shop ranges from \$181,600 and \$334,730. This includes between \$25,720 and \$33,220 that you must pay to us or our affiliates before you open your Stand-Alone Jazen Tea® Shop if this is your first Jazen Tea® franchise.

Co-Branded Phở Hòa® Restaurant Franchises: The total initial investment to begin operation of a Co-Branded Phở Hòa® Restaurant ranges from \$73,000 and \$112,000. This includes between \$16,120 and \$23,620 that you must pay to us or our affiliates for Co-Branding Franchise rights. The range of \$16,120 and \$23,620 excludes the separate \$20,000 Initial Franchise Fee payable to acquire Phở Hòa® Restaurant franchise rights. It also excludes the Term Extension Fee that is payable only if you need to extend the term of an existing Phở Hòa® Franchise Agreement so that it expires at the same time as the Co-Branding Addendum, i.e., 5 years after you first begin selling Core Jazen Tea® Menu Items and operating as a Co-Branded Phở Hòa® Restaurant. The initial investment range covers only the incremental expenses over and above the estimated initial investment to begin operation of a Phở Hòa® Restaurant, which we disclose in a separate Disclosure Document for the Phở Hòa® Restaurant franchise opportunity.

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 (or such date as required by applicable state law - see State Addenda) 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 the disclosure document in another format, contact Quoc

Jazen Tea®
Franchise Disclosure Document (FDD)

Phan, President, Chief Executive Officer, Chief Financial Officer and Director, South Bay Soup Corporation, Attention: JAZEN TEA®, 1420 Fulton Avenue, Building B, Sacramento, CA 95825
Telephone: (916) 779-8800; franchising@jazentea.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, N.W., 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.

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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit M .
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit L includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Jazen Tea® in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Jazen Tea® franchisee?	Item 20 or Exhibit M lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this Disclosure Document to better understand this franchise opportunity. See the table of contents.

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/jazen-tea>