



FRANCHISE DISCLOSURE DOCUMENT

Citadel Panda Express, Inc.,
a California corporation
1683 Walnut Grove Avenue
Rosemead, California 91770
626-799-9898
www.pandaexpress.com

Citadel Panda Express, Inc. offers licenses to qualified applicants to develop and operate a Panda Express restaurant featuring on-premises dining and carry-out of gourmet Chinese and other Asian food items, beverages and other related menu items.

The total investment necessary to begin operation of a Panda Express® restaurant franchise ranges from \$360,700 to \$1,539,600. This includes an initial franchise fee of \$25,000 that must be paid to Citadel Panda Express, Inc. or its affiliate.

This Franchise Disclosure Document (“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.**

The terms of your contract will govern your franchise relationship. Don’t rely on the Disclosure Document alone to understand your contract and accompanying agreements. Read all of your contract and accompanying agreements carefully. Show your contract, accompanying agreements 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.

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STATE COVER PAGE

Your state may have franchise laws that require 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 E for information about the franchisor, or about franchising in your state.

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 you buy this franchise:

THE LICENSE AGREEMENT PROVIDES THAT ARBITRATION OR LITIGATION WILL TAKE PLACE IN THE COUNTY IN WHICH OUR THEN-CURRENT HEADQUARTERS IS LOCATED (CURRENTLY, LOS ANGELES, CALIFORNIA). OUT OF STATE OR AREA ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH US IN THE LOCATION WE SELECT THAN IN YOUR HOME STATE.

THE LICENSE AGREEMENT STATES THAT CALIFORNIA LAW GOVERNS THESE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS TO YOU AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.

WE MAKE OUR DECISION WHETHER TO GRANT YOU A LICENSE BEFORE YOU SIGN THE LICENSE AGREEMENT AND PAY THE LICENSE FEE. IF YOU DO NOT COMPLETE TRAINING TO OUR SATISFACTION, OR IF YOU DO NOT PASS ANY REQUIRED TESTING, WE MAY CANCEL THE LICENSE AGREEMENT AT OUR SOLE DISCRETION. THERE IS NO REFUND IF WE CANCEL YOUR LICENSE AGREEMENT FOR THESE REASONS. THERE MAY BE OTHER RISKS CONCERNING THIS LICENSE.

The effective dates for this Disclosure Document for the franchise registration states appear on the next page.

STATE	EFFECTIVE DATE
California	Not Registered (Exempt)
Hawaii	Not Registered
Illinois	Not Registered (Exempt)
Indiana	Not Registered (Exempt)
Maryland	Renewal Pending (separate "Maryland" version FDD)
Minnesota	Renewal Pending
New York	Not Registered (Exempt)
North Dakota	Renewal Pending
Rhode Island	Not Registered
South Dakota	Renewal Pending
Virginia	Renewal Pending
Washington	Not Registered (Exempt)
Wisconsin	Renewal Pending

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