
FRANCHISE DISCLOSURE DOCUMENT

Paradis California LLC
A California limited liability company
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LA Mailroom

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Department of
Business Oversight



The franchised business is the operation of dine-in and carry-out "Paradis cafes," featuring a modern decor and offering daily delivered, freshly made, high quality Danish-style ice cream, as well as chocolates, milk shakes, yogurt, desserts and other related products.

The total investment necessary to begin operation of a new franchised Paradis cafe ranges from \$160,800 to \$291,500. This includes \$25,000 that must be paid to the franchisor.

We may sell rights to qualified individuals or entities to develop three or more Paradis cafes in a single, exclusive development area. A multi-unit operator pays a development fee equal to the sum of \$25,000 for the first Paradis cafe and \$12,500 for each additional Paradis cafe to be developed under the multi-unit development agreement. The total investment necessary varies based on the number of Paradis cafes to be developed. For example, if you sign a development agreement to develop and open three Paradis cafes, your total investment necessary to begin operation of your first Paradis cafe ranges from \$210,800 to \$341,500. This includes \$50,000 that must be paid to the franchisor.

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 payments 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 Albert Thomas, General Manager, Paradis California LLC, 1701 1st Street, San Fernando, California 90703, Telephone No. (310) 579-2557.

2018-06-12

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, such as 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 may 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 <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: April 19, 2018

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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 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:

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 IF YOUR STATE IS NOT CALIFORNIA. IT MAY ALSO COST YOU MORE TO MEDIATE OR ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR OWN STATE IF YOUR STATE IS NOT CALIFORNIA.
2. WE ARE A NEW FRANCHISE COMPANY. WE STARTED OFFERING AND SELLING FRANCHISES AS OF MARCH 2013.
3. YOUR FAILURE TO OPEN YOUR PARADIS CAFE WITHIN 365 DAYS AFTER YOU SIGN YOUR FRANCHISE AGREEMENT MAY RESULT IN THE TERMINATION OF YOUR FRANCHISE AGREEMENT.
4. YOU DO NOT RECEIVE AN EXCLUSIVE TERRITORY UNDER THE FRANCHISE AGREEMENT.
5. YOUR SPOUSE MUST ALSO SIGN A PERSONAL GUARANTEE MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT (AND THE MULTI-UNIT DEVELOPMENT AGREEMENT, IF APPLICABLE). THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

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