

FRANCHISE DISCLOSURE DOCUMENT

Department of Business Oversight Los Angeles, California.

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 gwenchiuice com





The franchisee will operate a DRNK coffee + tea (DRNK) franchise, a QWENCH juice bar 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 items

The total investment necessary to begin operation of a DRNK coffee + tea franchise ranges from \$328,200 to \$573,200. The total investment necessary to begin operation of a QWENCH juice bar franchise is \$301,200 to \$556,300. The total investment necessary to begin operation of a co-branded franchise is \$462,600 to \$728,900. These total investments include a franchisee fee of \$40,000, that must be paid to us or an affiliate

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 Mitch Baker, 350 S Grand Ave Suite 3070, Los Angeles, CA 90071 and (323) 825-5373 or franchising@drnkgwench.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 20, 2017



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 <u>Exhibit A</u> 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 IF YOU PURCHASE A CO-BRANDED FRANCHISE, YOU WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$462,600 TO \$728,900 THIS AMOUNT EXCEEDS THE FRANCHISOR'S OWNER'S EQUITY AS OF DECEMBER 31, 2016, WHICH IS \$601,858
- 4 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.



The following chart lists states that require this 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, Texas, Virginia, Washington, and Wisconsin

This disclosure document is registered on file, or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates

| - State | « Effective Date |
|--------------|-------------------|
| California | April 19, 2016 |
| Hawaii | |
| Illinois | December 14, 2016 |
| Indiana | |
| Maryland | Pending |
| Michigan | |
| Minnesota | |
| New York | February 10, 2017 |
| North Dakota | |
| Rhode Island | |
| South Dakota | |
| Texas | December 8, 2015 |
| Virginia | Pending |
| Washington | |
| Wisconsin | |

In all other states, the effective date of this disclosure document is the issuance date of April 20, 2017

| This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: https://franchisepanda.com/franchises/qwench-juice-bar |
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