



FRANCHISE PUBLIC OFFERING STATEMENT

Lilian USA LLC
A Delaware Limited Liability Company
One Commerce Center
1201 Orange Street #600
Wilmington, DE 19899
800-246-2677
angus@1992sharetea.com

The franchise offered is to operate a Sharetea food service establishment offering gourmet coffees and teas, coffee or tea-based beverages, bubble tea, compatible food products, coffee and tea makers and related supplies, accessories and gifts. The total investment necessary to begin operation of a Sharetea Tea Shop is US\$260,500.00 ~ US\$363,200.00, depending on the size of the Tea Shop. This includes US\$50,600.00 ~ US\$59,000.00 that must be paid to the franchisor or its affiliate(s), as applicable.

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Sharetea USA
January 1 FDD

This Public Offering Statement summarizes certain provisions of your franchise agreement and other information in plain English. Read this Public Offering Statement and all accompanying agreements carefully. You may wish to receive your Public Offering Statement in another format that is more convenient for you. To discuss the availability of disclosures in different format, contact Po-Yu Lai, Chief Executive Officer, at No.7, Ln. 50, Sec. 3, Nangang Rd., Nangang Dist., Taipei City 115, Taiwan (R.O.C.), 886-2-2654-8585, angus@1992sharetea.com.

The term of your contract will govern your franchise relationship. Don't rely on the Public Offering Statement alone to understand your contract. Read all of your contracts carefully. Show your contract and this Public Offering Statement to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this Public Offering Statement 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 Public Offering Statement, 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.

The Issuance Date: January 01, 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 PUBLIC OFFERING STATEMENT.

Call the state franchise administrators listed in Exhibit C 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 INCLUDES A PROVISION FOR LIQUIDATED DAMAGES IN THE AMOUNT OF US\$10,000. YOU MUST MODIFY OR DISCONTINUE USE OF A SHARETEA TRADEMARK AT YOUR OWN EXPENSE IF SHARETEA MODIFIES THE TRADEMARK OR DISCONTINUES ITS USE.
2. THE FRANCHISE AGREEMENT HAS A TERM OF 3 YEARS. YOU MAY BE ASKED TO SIGN A RENEWAL AGREEMENT WITH MATERIALLY DIFFERENT TERMS AND YOU MUST PAY A US\$10,000 RENEWAL FEE.
3. YOU WILL NOT RECEIVE AN EXCLUSIVE TERRITORY. YOU MAY FACE COMPETITION FROM OTHER FRANCHISEES, FROM OUTLETS THAT WE OWN, OR FROM OTHER CHANNELS OF DISTRIBUTION OR COMPETITIVE BRANDS THAT WE CONTROL.
4. THIS FRANCHISOR HAS BEEN OFFERING FRANCHISES FOR A SHORT PERIOD OF TIME. THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN JUDGING WHETHER OR NOT TO MAKE THIS INVESTMENT.
5. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM US\$260,500.00 TO US\$363,200.00. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2016, WHICH IS \$154,783.
6. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Our own agent for service of process in Minnesota is Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, Minnesota 55101, (651) 296-6328.

LOCAL LAWS MAY SUPERSEDE THESE FRANCHISE AGREEMENT PROVISIONS. CERTAIN STATES REQUIRE THE SUPERSEDING PROVISIONS TO APPEAR IN AN ADDENDUM IN THIS PUBLIC OFFERING STATEMENT.

In accordance with the requirements of the Federal Trade Commission, the effective date of this Public Offering Statement is January 1, 2017. Certain states require franchisors to make

Sharetea USA

January 1 EDD

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