

4. Cooperatives will include all Acai Express and Brazi Cups businesses in a designated geographic area, whether owned by us, our affiliates or our franchisees. Each Acai Express and Brazi Cups business has one vote on all cooperative matters, but no single member or group of commonly controlled members will have more than 25% of the total vote. Company and/or affiliate owned units will not have the deciding vote on fees. No cooperatives have been established as of the date of this Disclosure Document.

5. We may use an independent service to conduct a “mystery shopper” quality control and evaluation program. You must participate in this program, and we may require that you pay the then-current charges imposed by the evaluation service (as we direct, either directly to the evaluation service provider or to us as a reimbursement).

## **ITEM 7**

### **ESTIMATED INITIAL INVESTMENT**

#### **ESTIMATED INITIAL INVESTMENT FOR AN ACAI EXPRESS SHOP**

<b>(1) Type of Expenditure</b>	<b>(2) Amount</b>	<b>(3) Method of Payment</b>	<b>(4) When Due</b>	<b>(5) To Whom Payment is to be Made</b>
Initial Franchise Fee <sup>(1)</sup>	\$25,000	Lump Sum	On signing Franchise Agreement	Us
Architect/Blueprints	\$2,000 to \$10,000	As Arranged	As Arranged	Architect, Designer
Leasehold Improvements <sup>(2)</sup>	\$50,000 to \$200,000	As Arranged	As Arranged	Independent Contractors
Leasehold Improvement for Drive-thru <sup>(3)</sup>	\$0 to \$25,000	As Arranged	As Arranged	Independent Contractors
Lease Payments – 3 Months <sup>(4)</sup>	\$3,000 to \$15,000	As Arranged	As Arranged	Landlord
Security Deposits <sup>(5)</sup>	\$3,400 to \$6,000	As Arranged	As Arranged	Landlord, Utility Companies
Equipment, Furniture and Fixtures <sup>(6)</sup>	\$42,000 to \$80,000	As Arranged	As Arranged	Approved Suppliers
Signage <sup>(7)</sup>	\$2,000 to \$10,000	As Arranged	As Arranged	Approved Suppliers
Initial Inventory <sup>(8)</sup>	\$3,500 to \$10,000	As Arranged	As Incurred	Approved Suppliers
Point-of-Sale System <sup>(9)</sup>	\$2,000 to \$6,500	As Arranged	As Arranged	Approved Suppliers
Office Supplies & Computer System <sup>(9)</sup>	\$2,500	As Arranged	As Arranged	Suppliers & Approved Suppliers

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Travel, Lodging and Meals for Initial Training <sup>(10)</sup>	\$4,000 to 7,000	As Arranged	As Incurred	Airlines, Hotels and Restaurants
Insurance – 3 Months <sup>(11)</sup>	\$1,000 to \$3,000	As Arranged	As Arranged	Insurance Companies
Grand Opening Advertising <sup>(12)</sup>	\$5,000	As Arranged	As Arranged	Suppliers or Us
Licenses and Permits <sup>(13)</sup>	\$1,000 to \$3,500	As Arranged	As Arranged	Government Agencies
Professional Fees <sup>(14)</sup>	\$2,000 to \$5,000	As Arranged	As Arranged	Accountant; Attorney
Additional Funds – 3 Months <sup>(15)</sup>	\$10,000 to \$20,000			
<b>TOTAL</b>	<b>\$158,000 to \$433,500</b>			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

**Notes:**

1. **Initial Franchise Fee.** This fee is discussed in Item 5.
2. **Leasehold Improvements.** The low end of our estimate assumes that you have a leased space that previously operated as a restaurant and that you will convert to an Acai Express Shop. The high end of our estimate assumes that you have leased a “vanilla box” space and that more improvements are required. Our estimate does not include any tenant improvement allowance that you may negotiate. The cost of leasehold improvements will vary depending on numerous factors, including: (a) the size and configuration of the premises; (b) pre-construction costs (including demolition of existing walls and removal of existing improvements and fixtures); and (c) cost of materials and labor, which may vary based on geography and location or whether you must use union labor for the build-out of your Shop. These amounts may vary substantially based on local conditions, including the availability and prices of labor and materials. These costs may also vary depending on whether certain of these costs will be incurred by the landlord or through landlord tenant improvement contributions and the condition of the space before you take possession of the premises.
3. **Leasehold Improvement for Drive-thru.** The low end of our estimate assumes that you did not elect to build a drive-thru for your Shop and the high end includes the additional charges for the leasehold improvements you will be required to make to your Shop to add a drive-thru.
4. **Lease Payments.** Our estimates assume that you will lease space for your Shop. Your Shop may be in a shopping mall, in strip centers or a free-standing location with easy access and ample parking, and you will need approximately 650 to 1,500 square feet. Landlords may vary the base rental rate and charge rent based on a percentage of gross sales. In addition to base rent, your lease may require you to pay common area maintenance charges (“CAM Charges”) for your pro rata share of the real estate taxes and insurance, and your pro rata share of other charges. The actual amount you pay under the lease

will vary depending on the size of the Shop, the types of charges that are allocated to tenants under the lease, your ability to negotiate with landlords and the prevailing rental rates in the geographic region.

If you choose to purchase real property on which to build your Shop, your initial investment will probably be higher than what we estimate above. If you purchase real property, we cannot estimate how this purchase will affect your total initial investment.

5. **Security Deposits.** Our estimate assumes you will need to provide one month of rent as a security deposit to your landlord, and you may need to provide security deposits for your utilities (such as gas, water and/or electric).

6. **Equipment, Furniture and Fixtures.** The equipment you will need includes a walk-in cooler, prep tables, reach-in freezer, ice maker, commercial grade blenders, commercial grade juicers, crock pot, microwave, small wares, and other typical items necessary to outfit and operate a food service business. The furniture you will need for your Shop includes stools, booths, tables, and chairs. The fixtures you will need include décor items and lights.

7. **Signage.** These amounts are estimates and represent your cost for interior and exterior signage. Your landlord or your local ordinances may have different restrictions for interior and exterior signage which may affect your costs.

8. **Initial Inventory.** These amounts represent your initial inventory of food and beverage supplies, paper goods, to-go packaging, menus and uniforms for the initial phase of operating the Shop. You must purchase your initial inventory from approved suppliers, and you must purchase your initial inventory of our proprietary acai blend from our designated supplier.

9. **Point-of-Sale System/Office Supplies & Computer System.** You must use the approved point-of-sale system in the operation of your Shop. The point-of-sale system is described in Item 11. You will be required to use Peachtree or QuickBooks accounting software in the operation of your Shop, and you will be required to purchase a computer system and peripheral equipment that conforms to our specifications. The computer system is described in Item 11. The estimate for office supplies includes general office supplies (paper, pens, etc.) and furniture like a desk and chair.

10. **Travel, Lodging and Meals for Initial Training.** We provide initial training for up to two people at no additional charge. These estimates include only your out-of-pocket costs associated with attending our initial training program including travel, lodging, meals and applicable wages. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities, mode of transportation and travel distance. Our initial training program lasts for approximately three weeks, and at least one week of training will be conducted on-site at the Franchised Business.

11. **Insurance.** These figures are estimates of the cost of the quarterly premiums for the insurance you must obtain and maintain for your Shop as described in Item 8. Insurance premiums may be payable monthly, quarterly, semi-annually or annually based on the insurance company's practices and your creditworthiness.

12. **Grand Opening Advertising.** Within the first sixty days of opening, you will be required to spend \$5,000 to conduct your grand opening advertising campaign in your territory. We must approve your grand opening advertising plan before you may use it. We have the right to create a grand opening advertising campaign for you to conduct, or to collect the \$5,000 and conduct the grand opening advertising campaign on your behalf. If we collect the \$5,000 for the grand opening advertising campaign it is non-refundable.

13. **Licenses and Permits.** These are estimates of the costs for obtaining local business licenses which typically remain in effect for one year. These figures do not include occupancy and construction

permits which are included in the Architect/Blueprints estimate. The cost of these permits and licenses will vary substantially depending on the location of the Franchised Business. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

14. **Professional Fees.** We strongly recommend that you engage an accountant and a franchise attorney to advise you in your evaluation of the franchise we are offering.

15. **Additional Funds.** You will need capital to support ongoing expenses such as payroll, utilities, rent, Royalty Fees, brand development fees and technology and computer-related fees if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

We relied upon our affiliate's experience in operating an Acai Express Shop since 2014 when preparing these figures. Your actual costs may vary greatly and will depend on factors such as the size and condition of the space and cost to convert to a Shop, your management skill, experience and business acumen; local economic conditions; the local market for the Shop's products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service. These are only estimates, and your costs may vary based on actual rental prices in your area, and other site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

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#### ESTIMATED INITIAL INVESTMENT FOR AN ACAI EXPRESS FOOD TRUCK

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee <sup>(1)</sup>	\$25,000	Lump Sum	On signing Franchise Agreement	Us
Food Truck <sup>(2)</sup>	\$75,000 to \$110,000	As Arranged	As Arranged	Supplier
Equipment <sup>(3)</sup>	\$4,350 to \$5,000	As Arranged	As Arranged	Approved Suppliers
Commercial Diesel Power Generator	\$8,500 to \$20,000	As Arranged	As Arranged	Supplier
Initial Inventory <sup>(4)</sup>	\$3,500 to \$10,000	As Arranged	As Incurred	Approved Suppliers
Point-of-Sale System <sup>(5)</sup>	\$2,000 to \$6,500	As Arranged	As Arranged	Approved Suppliers
Office Supplies & Computer System <sup>(5)</sup>	\$2,500	As Arranged	As Arranged	Suppliers & Approved Suppliers
Travel, Lodging and Meals for Initial Training <sup>(6)</sup>	\$4,000 to \$7,000	As Arranged	As Incurred	Airlines, Hotels and Restaurants

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Insurance – 3 Months <sup>(7)</sup>	\$1,000 to \$3,000	As Arranged	As Arranged	Insurance Companies
Grand Opening Advertising <sup>(8)</sup>	\$5,000	As Arranged	As Arranged	Suppliers or Us
Licenses and Permits <sup>(9)</sup>	\$1,000 to \$3,500	As Arranged	As Arranged	Government Agencies
Professional Fees <sup>(10)</sup>	\$2,000 to \$5,000	As Arranged	As Arranged	Accountant; Attorney
Signage <sup>(11)</sup>	\$2,000 to \$2,500	As Arranged	As Arranged	Approved Suppliers
Additional Funds – 3 Months <sup>(12)</sup>	\$10,000 to \$20,000			
<b>TOTAL</b>	<b>\$145,850 to \$225,000</b>			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

**Notes:**

1. **Initial Franchise Fee.** This fee is discussed in Item 5.
2. **Food Truck.** The prices listed above are estimates for a standard 8x24-foot Food Truck including professional custom wrap. The price may vary depending on the size of the truck. The low end of the estimate is for a refurbished used truck sold “as is” and without a warranty. We are not responsible for any malfunction of a refurbished Food Truck. All repairs and maintenance are your responsibility, and you may choose to purchase a warranty for your refurbished Food Truck; if you do, this will increase your cost. The high end of the estimate is for a new Ford F-59 food truck. The estimate for a new truck does not include a warranty. You may choose to purchase a warranty for your new Food Truck, and this will increase your cost.
3. **Equipment.** The equipment you will need includes commercial grade blenders, commercial grade juicers, crock pot, small wares, and other typical items necessary to outfit and operate a Food Truck. The furniture you will need for your Food Truck includes tables and chairs for outside seating. The fixtures you will need include décor items and lights.
4. **Initial Inventory.** These amounts represent your initial inventory of food and beverage supplies, paper goods, to-go packaging, menus and uniforms for the initial phase of operating the Food Truck. You must purchase your initial inventory from approved suppliers, and you must purchase your initial inventory of our proprietary acai blend from our designated supplier.
5. **Point-of-Sale System/Office Supplies & Computer System.** You must use the approved point-of-sale system in the operation of your Food Truck. The point-of-sale system is described in Item 11. You will be required to use Peachtree or QuickBooks accounting software in the operation of your Food Truck, and you will be required to purchase a computer system and peripheral equipment that conforms to our specifications. The computer system is described in Item 11. The estimate for office supplies includes general office supplies (paper, pens, etc.) and furniture like a desk and chair.

6. ***Travel, Lodging and Meals for Initial Training.*** We provide initial training for up to two people at no additional charge. These estimates include only your out-of-pocket costs associated with attending our initial training program including travel, lodging, meals and applicable wages. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities, mode of transportation and travel distance. Our initial training program lasts for approximately three weeks, and at least one week of training will be conducted on-site at the Franchised Business.

7. ***Insurance.*** These figures are estimates of the cost of the quarterly premiums for the insurance you must obtain and maintain for your Food Truck as described in Item 8. Insurance premiums may be payable monthly, quarterly, semi-annually or annually based on the insurance company's practices and your creditworthiness.

8. ***Grand Opening Advertising.*** Within the first sixty days of opening, you will be required to spend \$5,000 to conduct your grand opening advertising campaign in your territory. We must approve your grand opening advertising plan before you may use it. We have the right to create a grand opening advertising campaign for you to conduct, or to collect the \$5,000 and conduct the grand opening advertising campaign on your behalf. If we collect the \$5,000 for the grand opening advertising campaign it is non-refundable.

9. ***Licenses and Permits.*** These are estimates of the costs for obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Franchised Business. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

10. ***Professional Fees.*** We strongly recommend that you engage an accountant and a franchise attorney to advise you in your evaluation of the franchise we are offering.

11. ***Signage.*** These amounts represent your cost for exterior signage for your Food Truck, and signage placed on your Food Truck, including wrapping your Food Truck. Your local ordinances may have different restrictions it places on exterior signage which may affect your costs.

12. ***Additional Funds.*** You will need capital to support ongoing expenses such as payroll, utilities, Royalty Fees, brand development fees and technology and point-of-sale system-related fees if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

We relied upon our affiliate's experience in operating an Acai Express Food Truck since 2013 when preparing these figures. Your actual costs may vary greatly and will depend on factors such as the size and condition of the space, your management skill, experience and business acumen; local economic conditions; the local market for the Food Truck's products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service. These are only estimates, and your costs may vary based on site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

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### ESTIMATED INITIAL INVESTMENT FOR AN ACAI EXPRESS FOOD TRAILER

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee <sup>(1)</sup>	\$25,000	Lump Sum	On signing Franchise Agreement	Us
Trailer with Awning and Speaker System <sup>(2)</sup>	\$75,000 to \$110,000	As Arranged	As Arranged	Supplier
Commercial Diesel Power Generator	\$8,500 to \$20,000	As Arranged	As Arranged	Supplier
Equipment <sup>(3)</sup>	\$4,350 to \$5,000	As Arranged	As Arranged	Approved Suppliers
Initial Inventory <sup>(4)</sup>	\$3,500 to \$10,000	As Arranged	As Incurred	Approved Suppliers
Point-of-Sale System <sup>(5)</sup>	\$2,000 to \$6,500	As Arranged	As Arranged	Approved Suppliers
Office Supplies & Computer System <sup>(5)</sup>	\$2,500	As Arranged	As Arranged	Suppliers & Approved Suppliers
Travel, Lodging and Meals for Initial Training <sup>(6)</sup>	\$4,000 to \$7,000	As Arranged	As Incurred	Airlines, Hotels and Restaurants
Insurance – 3 Months <sup>(7)</sup>	\$1,000 to \$3,000	As Arranged	As Arranged	Insurance Companies
Grand Opening Advertising <sup>(8)</sup>	\$5,000	As Arranged	As Arranged	Suppliers or Us
Licenses and Permits <sup>(9)</sup>	\$1,000 to \$3,500	As Arranged	As Arranged	Government Agencies
Professional Fees <sup>(10)</sup>	\$2,000 to \$5,000	As Arranged	As Arranged	Accountant; Attorney
Signage <sup>(11)</sup>	\$2,000 to \$2,500	As Arranged	As Arranged	Approved Suppliers
Additional Funds – 3 Months <sup>(12)</sup>	\$10,000 to \$20,000			
<b>TOTAL</b>	<b>\$145,850 to \$247,500</b>			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

## Notes:

1. **Initial Franchise Fee.** This fee is discussed in Item 5.
2. **Trailer with Awning and Speaker System.** The low-end estimate is for a smaller sized Food Trailer, typically 8 x 20 square feet, and the high-end estimate reflects the cost for a larger sized Food Trailer, typically 8 x 30 square feet. You may need to arrange for your trailer to be transported to your site and this may incur an additional cost.
3. **Equipment.** The equipment you will need includes a cooler, prep tables, commercial grade blenders, commercial grade juicers, crock pot, small wares, and other typical items necessary to outfit and operate a Food Trailer. The furniture you will need for your Food Trailer includes tables and chairs for outside seating. The fixtures you will need include décor items and lights.
4. **Initial Inventory.** These amounts represent your initial inventory of food and beverage supplies, paper goods, to-go packaging, menus and uniforms for the initial phase of operating the Food Trailer. You must purchase your initial inventory from approved suppliers, and you must purchase your initial inventory of our proprietary acai blend from our designated supplier.
5. **Point-of-Sale System/Office Supplies & Computer System.** You must use the approved point-of-sale system in the operation of your Food Trailer. The point-of-sale system is described in Item 11. You will be required to use Peachtree or QuickBooks accounting software in the operation of your Food Trailer, and you will be required to purchase a computer system and peripheral equipment that conforms to our specifications. The computer system is described in Item 11. The estimate for office supplies includes general office supplies (paper, pens, etc.) and furniture like desk and chair.
6. **Travel, Lodging and Meals for Initial Training.** We provide initial training for up to two people at no additional charge. These estimates include only your out-of-pocket costs associated with attending our initial training program including travel, lodging, meals and applicable wages. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities, mode of transportation and travel distance. Our initial training program lasts for approximately three weeks, and at least one week of training will be conducted on-site at the Franchised Business.
7. **Insurance.** These figures are estimates of the cost of the quarterly premiums for the insurance you must obtain and maintain for your Food Trailer as described in Item 8. Insurance premiums may be payable monthly, quarterly, semi-annually or annually based on the insurance company's practices and your creditworthiness.
8. **Grand Opening Advertising.** Within the first sixty days of opening, you will be required to spend \$5,000 to conduct your grand opening advertising campaign in your territory. We must approve your grand opening advertising plan before you may use it. We have the right to create a grand opening advertising campaign for you to conduct, or to collect the \$5,000 and conduct the grand opening advertising campaign on your behalf. If we collect the \$5,000 for the grand opening advertising campaign it is non-refundable.
9. **Licenses and Permits.** These are estimates of the costs for obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Franchised Business. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.
10. **Professional Fees.** We strongly recommend that you engage an accountant and a franchise attorney to advise you in your evaluation of the franchise we are offering.



11. **Signage.** These amounts represent your cost for exterior signage for your Food Trailer and signage placed on your Food Trailer. Your local ordinances may have different restrictions it places on exterior signage which may affect your costs.

12. **Additional Funds.** You will need capital to support ongoing expenses such as payroll, utilities, Royalty Fees, brand development fees and technology and point-of-sale system-related fees if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

We relied upon our affiliate's experience in operating an Acai Express Food Trailer since 2013 when preparing these figures. Your actual costs may vary greatly and will depend on factors such as the size and condition of the space, your management skill, experience and business acumen; local economic conditions; the local market for the Food Trailer's products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service. These are only estimates, and your costs may vary based on site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

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#### ESTIMATED INITIAL INVESTMENT FOR A BRAZI CUPS KIOSK

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Initial Franchise Fee <sup>(1)</sup>	\$25,000	Lump Sum	On signing Franchise Agreement	Us
Kiosk Build-Out <sup>(2)</sup>	\$15,000 to \$45,000	As Arranged	As Arranged	Supplier
Equipment <sup>(3)</sup>	\$10,000 to \$17,500	As Arranged	As Arranged	Approved Suppliers
Commercial Diesel Power Generator	\$8,500 to \$20,000	As Arranged	As Arranged	Supplier
Initial Inventory <sup>(4)</sup>	\$3,500 to \$10,000	As Arranged	As Incurred	Approved Suppliers
Point-of-Sale System <sup>(5)</sup>	\$2,000 to \$6,500	As Arranged	As Arranged	Approved Suppliers
Office Supplies & Computer System <sup>(5)</sup>	\$2,500	As Arranged	As Arranged	Suppliers & Approved Suppliers
Travel, Lodging and Meals for Initial Training <sup>(6)</sup>	\$4,000 to \$7,000	As Arranged	As Incurred	Airlines, Hotels and Restaurants
Insurance – 3 Months <sup>(7)</sup>	\$1,000 to \$3,000	As Arranged	As Arranged	Insurance Companies

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Grand Opening Advertising <sup>(8)</sup>	\$5,000	As Arranged	As Arranged	Suppliers or Us
Licenses and Permits <sup>(9)</sup>	\$1,000 to \$3,500	As Arranged	As Arranged	Government Agencies
Professional Fees <sup>(10)</sup>	\$2,000 to \$5,000	As Arranged	As Arranged	Accountant; Attorney
Signage <sup>(11)</sup>	\$2,000 to \$2,500	As Arranged	As Arranged	Approved Suppliers
Additional Funds – 3 Months <sup>(12)</sup>	\$10,000 to \$20,000			
<b>TOTAL</b>	<b>\$91,500 to \$172,500</b>			

None of the expenses listed in the above chart are refundable, except any security deposits you must make may be refundable. We do not finance any portion of your initial investment.

**Notes:**

1. **Initial Franchise Fee.** This fee is discussed in Item 5.
2. **Kiosk.** The prices listed above are estimates for a standard 12 x 15 foot kiosk. The price may vary depending on the size of the kiosk.
3. **Equipment.** The equipment you will need includes commercial grade Doft Serve Tyler, commercial Spaceman, small wares, and other typical items necessary to outfit and operate a kiosk. The furniture you will need for your kiosk includes tables and chairs for outside seating. The fixtures you will need include décor items and lights.
4. **Initial Inventory.** These amounts represent your initial inventory of food and beverage supplies, paper goods, to-go packaging, menus and uniforms for the initial phase of operating the kiosk. You must purchase your initial inventory from approved suppliers, and you must purchase your initial inventory of our proprietary acai blend from our designated supplier.
5. **Point-of-Sale System/Office Supplies & Computer System.** You must use the approved point-of-sale system in the operation of your kiosk. The point-of-sale system is described in Item 11. You will be required to use Peachtree or QuickBooks accounting software in the operation of your kiosk, and you will be required to purchase a computer system and peripheral equipment that conforms to our specifications. The computer system is described in Item 11. The estimate for office supplies includes general office supplies (paper, pens, etc.) and furniture like a desk and chair.
6. **Travel, Lodging and Meals for Initial Training.** We provide initial training for up to two people at no additional charge. These estimates include only your out-of-pocket costs associated with attending our initial training program including travel, lodging, meals and applicable wages. These amounts do not include any fees or expenses for training any other personnel. Your costs may vary depending on your selection of lodging and dining facilities, mode of transportation and travel distance. Our initial training program lasts for approximately three weeks, and at least one week of training will be conducted on-site at the Franchised Business.

7. **Insurance.** These figures are estimates of the cost of the quarterly premiums for the insurance you must obtain and maintain for your kiosk as described in Item 8. Insurance premiums may be payable monthly, quarterly, semi-annually or annually based on the insurance company's practices and your creditworthiness.

8. **Grand Opening Advertising.** Within the first sixty days of opening, you will be required to spend \$5,000 to conduct your grand opening advertising campaign in your territory. We must approve your grand opening advertising plan before you may use it. We have the right to create a grand opening advertising campaign for you to conduct, or to collect the \$5,000 and conduct the grand opening advertising campaign on your behalf. If we collect the \$5,000 for the grand opening advertising campaign it is non-refundable.

9. **Licenses and Permits.** These are estimates of the costs for obtaining local business licenses which typically remain in effect for one year. The cost of these permits and licenses will vary substantially depending on the location of the Franchised Business. We strongly recommend that you verify the cost for all licenses and permits required in your jurisdiction before signing the Franchise Agreement.

10. **Professional Fees.** We strongly recommend that you engage an accountant and a franchise attorney to advise you in your evaluation of the franchise we are offering.

11. **Signage.** These amounts represent your cost for exterior signage for your kiosk, and signage placed on your kiosk, including wrapping your kiosk. Your local ordinances may have different restrictions it places on exterior signage which may affect your costs.

12. **Additional Funds.** You will need capital to support ongoing expenses such as payroll, utilities, Royalty Fees, brand development fees and technology and point-of-sale system-related fees if these costs are not covered by sales revenue for your first three months of operation. New businesses often generate a negative cash flow. We estimate that the amount given will be sufficient to cover ongoing expenses for the start-up phase of the business, which we calculate to be three months. This is only an estimate and there is no guarantee that additional working capital will not be necessary during this start-up phase or after.

We relied upon our affiliate's experience in operating an Acai Express since 2013 when preparing these figures. Your actual costs may vary greatly and will depend on factors such as the size and condition of the space, your management skill, experience and business acumen; local economic conditions; the local market for the kiosk products; the prevailing wage rate; competition; and the sales level reached during the start-up phase. These amounts do not include any estimates for debt service. These are only estimates, and your costs may vary based on site-specific requirements or regulations. The costs outlined in this Item 7 are not intended to be a forecast of the actual cost to you or to any particular franchisee.

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### ESTIMATED INITIAL INVESTMENT - MULTI-UNIT DEVELOPMENT AGREEMENT DEVELOPMENT OF THREE ACAI EXPRESS OR BRAZI CUPS BUSINESSES

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Development Fee (1)	\$45,000	As Arranged	On signing Multi-Unit Development Agreement	Us

(1) Type of Expenditure	(2) Amount	(3) Method of Payment	(4) When Due	(5) To Whom Payment is to be Made
Vehicle – 3 Months <sup>(2)</sup>	\$2,000 to \$2,500	As Arranged	As Incurred	Suppliers
Other Expenditures for First Business <sup>(3)</sup>	\$66,500 to \$418,500	See Previous Tables	See Previous Tables	See Previous Tables
<b>Total</b>	<b>\$113,500 to \$453,500</b>			

None of the expenses listed in the above chart are refundable. We do not finance any portion of your initial investment.

**Notes:**

1. **Development Fee.** This fee is discussed in Item 5. Our estimate assumes you will develop the minimum of three Franchised Businesses. If you choose to develop more than three Franchised Businesses, the Development Fee will increase by \$10,000 for each additional unit you commit to develop.

2. **Vehicle.** We anticipate that you will need a vehicle to view potential sites and to oversee the build-out of the Shop or the customization of the Food Trailer, Food Truck or Kiosk. Our estimate includes three months of expenses for gas, maintenance and vehicle payments.

3. **Other Expenditures for First Business.** These are the estimates to establish your first Franchised Business. Because you may commit to any combination of Shops, Food Trucks, Food Trailers, or Kiosks under a Multi-Unit Development Agreement, the low end of this estimate represents the costs associated with establishing a Kiosk as your first unit. The high end of this estimate represents the costs associated with establishing a Shop for your first unit. Costs associated with establishing additional Franchised Businesses are subject to factors that we cannot estimate or control such as inflation, increased labor costs, or increased materials costs.