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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: GOLDEN BRIDGE COFFEE, INC.  
JAINN HWA WANG  
600 West 9<sup>th</sup> Street, Unit #613  
Los Angeles, California 90015

**AMENDED DESIST AND REFRAIN ORDER**  
**(For violations of sections 31110 of the Corporations Code)**

This Order partially amends and supersedes the Order issued on July 5, 2006 by deleting allegations that GBC and Wang violated section 31201 of the Corporations Code by offering and selling franchises by means of written and oral misrepresentations of facts, including but not limited to, GBC and Wang’s representations that they were not required to provide the buyer with an offering circular and a financial statement because they were a small franchisor, and GBC and Wang’s representation that GBC had an option to renew its lease when in fact it had no such option.

The remaining portions of the July 5, 2006 Order remain in effect.

The California Corporations Commissioner finds that:

1. Golden Bridge Coffee, Inc., (“GBC”) is, and was, at all relevant times, a California Corporation with its principal office located at 600 West 9<sup>th</sup> Street, Unit #613, Los Angeles, California 90015. At all relevant times, Jaiinn Hwa Wang (“Wang”) is, and was, president of GBC.
2. Beginning in or about October 2004, GBC and Wang offered and sold GBC franchises to members of the general public through solicitations that included, but were not limited to, the distribution of flyers regarding the franchise opportunities being offered. GBC maintains and operates retail kiosks that sell to the public, specialty coffee beverages, proprietary products and specialized menus that they developed and own.

1           3.       On or about March 14, 2006, GBC and Wang entered into a written agreement  
2 (“Agreement”) to sell an existing GBC coffee kiosk franchise located in a mall to a California  
3 resident in return for a fee of \$100,000. Pursuant to the Agreement, the buyer deposited \$20,000  
4 into escrow with the understanding that the balance of the fee would be paid upon close of escrow.  
5 The Agreement also provided that the buyer would pay the seller a recurring, non-refundable fee of  
6 three percent (3%) of gross sales during the term of the agreement, payable monthly, on the gross  
7 sales of the preceding month.

8           4.       In exchange for the fee, the Agreement gave the buyer the right to maintain and  
9 operate the coffee kiosk for ten years. Under the terms of the Agreement and in accordance with  
10 GBC’s marketing plan or system, the buyer was required to operate the franchise using GBC’s  
11 proprietary marks, trademark, service mark, or trade name logotype.

12           5.       GBC and Wang have not been registered to offer or sell franchises under the  
13 California Franchise Investment Law, and are not exempt from registration under Chapter 1,  
14 beginning with Corporations Code Section 31110, of that law.

15           Based upon the foregoing findings, the California Corporations Commissioner is of the  
16 opinion that Golden Bridge Coffee, Inc., and Jainn Hwa Wang have offered and sold franchises in  
17 California that were subject to registration under the Franchise Investment Law without the offers  
18 first being registered, in violation of Corporations Code Section 31110. Pursuant to Section 31402  
19 of the Corporations Code, Golden Bridge Coffee, Inc., and Jainn Hwa Wang are hereby ordered to  
20 desist and refrain from the further offer or sale of franchises, including but not limited to, franchises  
21 of Golden Bridge Coffee, Inc., unless and until the offers have been duly registered under the  
22 Franchise Investment Law or are exempt.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purpose, policies and provisions of the Franchise Investment Law.

Dated: November 3, 2006  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Lead Corporations Counsel  
Enforcement Division

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**STATE OF CALIFORNIA**  
**BUSINESS, TRANSPORTATION AND HOUSING AGENCY**  
**DEPARTMENT OF CORPORATIONS**

TO: GOLDEN BRIDGE COFFEE, INC.  
JAINN HWA WANG  
600 West 9<sup>th</sup> Street, Unit #613  
Los Angeles, California 90015

**DESIST AND REFRAIN ORDER**  
**(For violations of sections 31110 and 31201 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. Golden Bridge Coffee, Inc., (“GBC”) is, and was, at all relevant times, a California Corporation with its principal office located at 600 West 9<sup>th</sup> Street, Unit #613, Los Angeles, California 90015. At all relevant times, Jainn Hwa Wang (“Wang”) is, and was, president of GBC.

2. Beginning in or about October 2004, GBC and Wang offered and sold GBC franchises to members of the general public through solicitations that included, but were not limited to, the distribution of flyers regarding the franchise opportunities being offered. GBC maintains and operates retail kiosks that sell to the public, specialty coffee beverages, proprietary products and specialized menus that they developed and own.

3. On or about March 14, 2006, GBC and Wang entered into a written agreement (“Agreement”) to sell an existing GBC coffee kiosk franchise located in a mall to a California resident in return for a fee of \$100,000. Pursuant to the Agreement, the buyer deposited \$20,000 into escrow with the understanding that the balance of the fee would be paid upon close of escrow. The Agreement also provided that the buyer would pay the seller a recurring, non-refundable fee of three percent (3%) of gross sales during the term of the agreement, payable monthly, on the gross sales of the preceding month.

1           5.       In exchange for the fee, the Agreement gave the buyer the right to maintain and  
2 operate the coffee kiosk for ten years. Under the terms of the Agreement and in accordance with  
3 GBC's marketing plan or system, the buyer was required to operate the franchise using GBC's  
4 proprietary marks, trademark, service mark, or trade name logotype. Wang represented to the buyer  
5 that GBC had an option to renew its lease with the owners of the mall. Further, following the  
6 buyer's request for GBC's offering circular and its financial statement, Wang told the buyer that  
7 GBC was "only a small franchise" and as such was not required to provide the requested documents.

8           6.       GBC and Wang have not been registered to offer or sell franchises under the  
9 California Franchise Investment Law, and are not exempt from registration under Chapter 1,  
10 beginning with Corporations Code Section 31110, of that law.

11           7.       GBC and Wang offered to sell, and sold franchises in GBC by means of written and  
12 oral communications which included untrue statements of material facts and omitted to state material  
13 facts necessary in order to make the statements made, in the light of the circumstances under which  
14 they were made, not misleading. The misrepresentations and omissions include, but are not limited  
15 to the following:

- 16               1.       GBC and Wang's representations that they were not required to provide the  
17                        buyer with an offering circular and a financial statement because they were a  
18                        small franchisor;
- 19               2.       GBC and Wang's representation that GBC had an option to renew its lease  
20                        when in fact it had no such option.

21           Based upon the foregoing findings, the California Corporations Commissioner is of the  
22 opinion that Golden Bridge Coffee, Inc., and Jainn Hwa Wang have offered and sold franchises in  
23 California that were subject to registration under the Franchise Investment Law without the offers  
24 first being registered, in violation of Corporations Code Section 31110. Pursuant to Section 31402  
25 of the Corporations Code, Golden Bridge Coffee, Inc., and Jainn Hwa Wang are hereby ordered to  
26 desist and refrain from the further offer or sale of franchises, including but not limited to, franchises  
27 of Golden Bridge Coffee, Inc., unless and until the offers have been duly registered under the  
28 Franchise Investment Law or are exempt.

          The California Corporations Commissioner is further of the opinion that Golden Bridge  
Coffee, Inc., and Jainn Hwa Wang have offered and sold franchises in California by means of

1 written and oral communications which included untrue statements of material facts and which  
2 omitted to state material facts necessary in order to make the statements made, in light of the  
3 circumstances under which they were made, not misleading, in violation of Corporations Code  
4 Section 31201. Pursuant to Section 31402 of the Corporations Code, Golden Bridge Coffee, Inc.,  
5 and Jainn Hwa Wang are hereby ordered to desist and refrain from the further offer or sale of  
6 franchises, including but not limited to, franchises of Golden Bridge Coffee, Inc., by means of  
7 written or oral communication which includes an untrue statement of a material fact or omits to state  
8 a material fact necessary in order to make the statements made, in the light of the circumstances  
9 under which they were made, not misleading.

10 This Order is necessary, in the public interest, for the protection of investors and consistent  
11 with the purpose, policies and provisions of the Franchise Investment Law.

12 Dated: July 5, 2006  
13 Los Angeles, California

14 PRESTON DuFAUCHARD  
15 California Corporations Commissioner

16 By \_\_\_\_\_

17 ALAN S. WEINGER  
18 Supervising Attorney  
19 Enforcement Division  
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