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**STATE OF CALIFORNIA
BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY
DEPARTMENT OF BUSINESS OVERSIGHT**

TO: All The Perks Coffee Ventures LLC
Peter A. Lambros
2187 Riverside Drive
Lakewood, Ohio 44107

**DESIST AND REFRAIN ORDER
(For violations of section 31110 of the California Corporations Code)**

The Commissioner of Business Oversight finds that:

1. At all relevant times, All The Perks Coffee Ventures LLC (hereafter “All The Perks”) was an Ohio corporation formed in February 2009 with a principal place of business located at 2187 Riverside Drive, Lakewood, Ohio, 44107.

2. At all relevant times, Peter A. Lambros (“Lambros”) was the owner and general manager of All The Perks.

3. At all relevant times, All The Perks maintained a website at www.alltheperkscoffee.com. The website states that more than 35 All The Perks Espresso Café locations have been opened domestically and internationally, including three cafes in California. The website also identified Lambros as the founder of Franchise Discovery Group LLC, which was formed to assist entrepreneurs in “finding the right business fit for their desired investment level and lifestyle.”

4. Beginning in or about May 2010, All The Perks and Lambros offered and/or sold franchises to California residents pursuant to “Consulting & License Agreements.” The agreements grant the “buyer” the right to operate a coffee business in an exclusive geographic territory under the “All The Perks Espresso Café” trademarked name and distinctive logo.

1 5. Under the “Consulting & License Agreement,” the California buyers agreed to pay
2 \$29,500 to All The Perks for a 10-year term, along with a monthly “license royalty and brand
3 management fee” of \$275. In addition to the right to use All The Perks’ trademark in an exclusive
4 territory, the agreement provides buyers a comprehensive training package, preopening services, and
5 ongoing marketing support. Pursuant to other provisions and addenda to the agreement, buyers must
6 purchase All The Perks branded supplies and consent to various quality controls and equipment
7 restrictions, including store design approval.
8

9 6. The consulting and license agreements offered and sold by All The Perks and Lambros
10 constitute franchises within the meaning of California Corporations Code section 31005.
11

12 7. The offer and sale of All The Perks Espresso Cafe franchises in California has not been
13 registered under the Franchise Investment Law and is not exempted under Chapter 1, beginning with
14 California Corporations Code section 31100, of that law.
15

16 8. California Corporations Code section 31402 provides in relevant part:

17 If, in the opinion of the commissioner, the offer of any franchise is
18 subject to registration under this law and it is being, or it has been,
19 offered for sale without the offer first being registered, the commissioner
20 may order the franchisor or offeror of that franchise to desist and refrain
21 from the further offer or sale of that franchise unless and until the offer
22 has been duly registered under this law. If, after the order has been made,
23 a request for a hearing is filed in writing within 60 days from the date of
24 service of the order by the person on to whom the order was directed, a
25 hearing shall be held in accordance with Chapter 5 (commencing with
26 Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code

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28 If that person fails to file a written request for hearing within 60 days of
the date of service of the order, the order shall be deemed a final order of
the commissioner and shall not be subject to review by any court or
agency, notwithstanding Section 31501.

Based on the foregoing findings, the Commissioner of Business Oversight is of the opinion
that All The Perks Coffee Ventures LLC and Peter A. Lambros have engaged in the offer and sale of

1 franchises in this state that are subject to registration under the California Franchise Investment Law
2 without the offers first being registered, in violation of California Corporations Code section 31110.
3 Pursuant to California Corporations Code section 31402, All The Perks Coffee Ventures LLC and
4 Peter A. Lambros are hereby ordered to desist and refrain from the further offer or sale of franchises
5 unless and until the offers have been duly registered under the California Franchise Investment Law
6 or unless exempt.
7

8 This Order is necessary, in the public interest, for the protection of investors and consistent
9 with the purposes, policies and provisions of the California Franchise Investment Law.
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11 Dated: September 18, 2014

JAN LYNN OWEN
Commissioner of Business Oversight

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13 By _____
14 Mary Ann Smith
15 Deputy Commissioner
16 Enforcement Division
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