



**MOUNTAIN
MUDD**®

ESPRESSO

A BRAND OF **CHS**

WHAT WE'RE ABOUT,
AND WHY YOU'LL
BE ABOUT IT, TOO!



OUR STORY...

The Mountain Mudd® Espresso drive-thru specialty coffee brand was started in March 1994 in a garage in Billings, Montana. From the beginning, Mountain Mudd's espresso — modeled after intense, delicious espresso served in Naples, Italy — has been consistently roasted, full flavored and fresh. It is served at fun and approachable drive-thru kiosks that fit perfectly with consumers' desire for ultra-convenient, premium coffee to-go.

Over the years the brand has grown in popularity, attracting loyal customers and progressive entrepreneurs. In 2006, CHS (a Fortune 200 company with resources in energy, grains and foods) joined forces with Mountain Mudd management to form Partnered Beverages LLC and expand the brand globally. Today Mountain Mudd is the premiere franchise brand in its category with registration in all 50 states; there are Mountain Mudd locations in three countries and contracts for development in many more.



OUR COFFEE

You must have a passion for coffee to create unmistakable taste. With a selection of 200 different products, Mountain Mudd offers franchisees — and their customers — the world's finest specialty coffees, flavors and supplies.

Product consistency is the real challenge of any serious brand, and specialty coffee roasting is an art. We seek the best and defy the odds by being both consistent and distinguished.

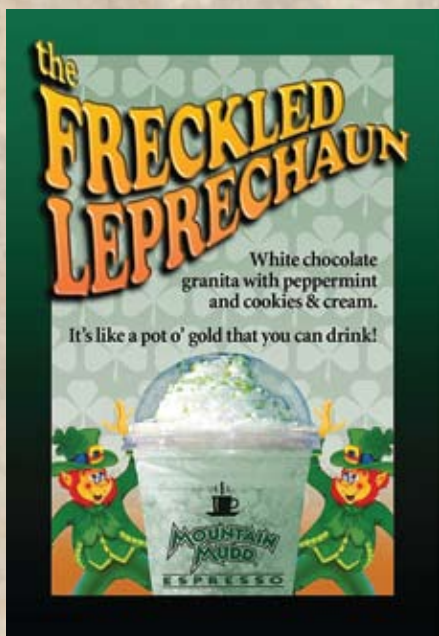
Coffee is an agricultural product which changes from crop to crop. The raw coffee will also change throughout the year, trading intensity and aroma for smoothness and body. Our roaster maintains consistency by meticulously selecting the beans and then cupping them routinely after roasting.

For over fifteen years, Mountain Mudd has earned a reputation for serving the finest coffees. Using techniques from the old school, each of our nine beans bean is roasted with patience over natural oak wood fire. Only after the roasting is complete are they blended together.

The intense flavor of the Mountain Mudd blend is balanced by a rich body (without a trace of harsh acidity) and smooth, long lasting finish. Discriminating consumers also appreciate great crema, beautiful deep amber color, and sweet aroma. Its predominant flavor characteristic is dark chocolate but it also has notes of roasted hazelnut, slight smokiness, and sweetness of caramel. Mountain Mudd espresso tastes delicious on it's own but it's unique flavor also comes through in today's very popular espresso and milk layered drinks.

SAMPLE MARKETING

Planning for success is vital. Since 1994, we've thought of everything. Trust us and we'll share it all with you. Since we own and operate our own stores, we run the same promotions and sell the same products you do. We keep things fresh and fun with all the taste with none of the attitude. Great promotions. Great Coffee. Great People.



GLOBAL COMMUNITY



Mountain Mudd Espresso is the premier drive thru specialty coffee franchise in America. This is a fact. It's unquestionable. It's undeniable. It's the cold, hard truth.

It's been our ability to exceed our goals and customer expectations that has kept us in business since 1994. That's 16 years and still going strong! By 2014, Mountain Mudd Espresso plans for 500 stores in operation across the globe.

You may find these stores in the rural towns of America, the urban and suburban cities lining the North American coasts, the foothill towns of the Canadian Rockies, the streets of Dubai, gas station parking lots in Lebanon, serving the tourists of Costa Rica, and flourishing all over Europe. No matter where you find us, we'll be setting new standards for high quality, gourmet coffee in any of 195 countries across the globe.

Mountain Mudd Espresso proudly offers franchises in all 50 United States. Additionally, we launched our international program in 2008 in response to overwhelming global demand for our clever, reasonably priced, durably manufactured kiosk. The sky is the limit for Mountain Mudd's domestic and international franchise opportunities.

Mountain Mudd Espresso remains a proud United States manufacturing center based in Billings, Montana. We have become well-known for presenting new, fresh, global programs customizable to your needs. Please contact us so we can discuss your situation. Like the Mountain Mudd franchise, you are unique, and your needs are individual. Allow us to listen and respond. We look forward to the opportunity.

GLOBAL RESPONSIBILITY

Mountain Mudd's premium coffee beans have always paid homage to the roots of the bean. We support the workers and eco-systems that make our coffee possible from the field to the cup. Our roaster harbors personal relationships with farmers that go back several decades, and had been fair with them long before Fair Trade was in vogue.

Additionally, 97% of our coffee product line is 85% Rainforest Alliance certified. For years, we have been ahead of our industry peers with certifications and alliances.

We wouldn't have it any other way.



KIOSK FRANCHISE

Not only is the Mountain Mudd Franchise unlike any other, the proprietary Mountain Mudd kiosks are uniquely built. Our state of the art manufacturing facility and seasoned factory employees ensure that any and all building codes are met for each franchisee's local area. In addition to the industrial kiosk, each franchisee receives equipment, products and services that make our franchise rare and unique.

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STANDARD KIOSK FRANCHISE (MODEL 88)

INITIAL FRANCHISE FEE – \$10,000.00

FRANCHISE SYSTEM – \$95,000.00

MOBILE KIOSK FRANCHISE (MODEL 88H)

INITIAL FRANCHISE FEE – \$10,000.00

FRANCHISE SYSTEM – \$100,000.00

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STANDARD KIOSK:

- Size 8'x8'
- Custom built to comply with all building codes
- Steel frame construction
- Mobile package has retractable hydraulic axle
- "Stucco embossed" aluminum exterior (rivetless)
- Powdercoated automotive exterior paint
- Insulated, washable interior siding
- Self-contained water system:
 - 38 gallon grey water polyethylene tank
 - 32 gallon fresh water polyethylene tank
 - Exterior locking water fill door
 - Fully automatic water pump & filtration system
 - Instantaneous hot water heater
 - Enclosed insulated water pipe
 - Re-circulation valve for freeze protection
- 110/220 volt 125 amp service
- Prewired for telephone and internet
- Overhead fluorescent lighting
- Exterior removable formica serving shelves
- Roof mounted 15,000 BTU AC/heating unit
- 2-Roof access panels
- Awning light
- Mannington Commercial BioSpec sheet flooring
- 3-Compartment sink with faucets
- Hand-washing sink with faucet
- Energy efficient windows with 2 sliding service windows
- Insulated, self-closing & locking door
- 14"x36" menu boards (2)
- Ice chests (2)
- Custom cabinets in white plastic laminate
- Locking under-counter drop box
- Mountain neon open sign

FRANCHISE INCLUSIONS:

- Industrial Kiosk custom built to suit your local codes
- Applicable equipment package as noted within
- All franchise services and training as listed within
- Marketing program and Cuppy costume
- Start-up supply package





KIOSK FRANCHISE

CAFÉ FRANCHISE

MOUNTAIN MUDD CAFÉ PACKAGE

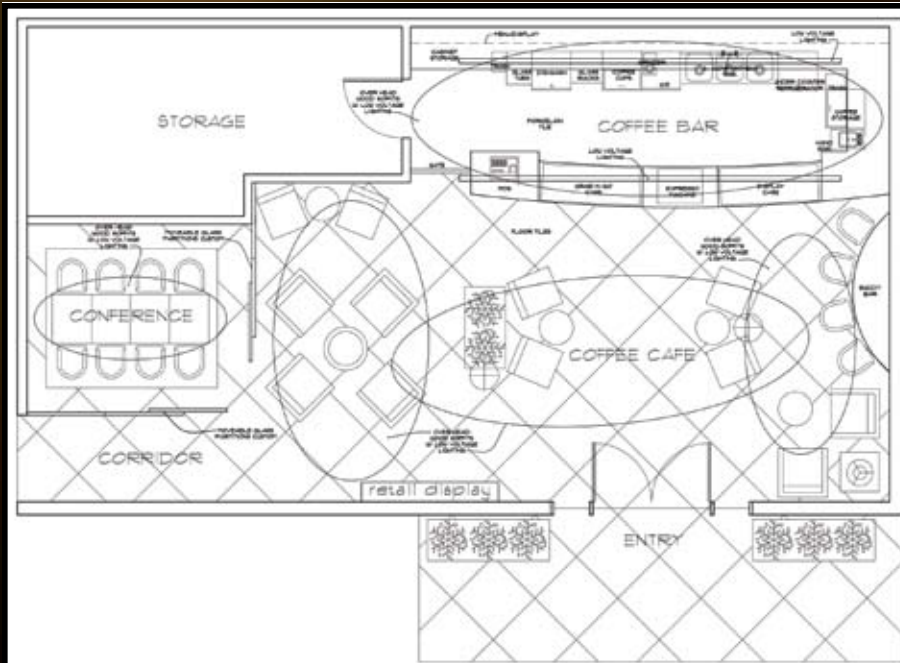
\$10,000 INITIAL FRANCHISE FEE

\$40,000 FRANCHISE SYSTEM

All standard services and equipment as listed within are included.

Aside from kiosks for people on the go, the café is available to people that want to sit for a while and enjoy the moment. Check their email, have a business meeting, or just have a drink and a snack while reading the newspaper. The café also offers a great opportunity to build loyalty within a customer base. By spending more time with each customer, you'll have enhanced opportunities to educate them on your brand and the art of coffee. They'll be impressed.

Whatever model you choose, it's imperative that you remember consistency, quality, personality are paramount.



For the café package, Mountain Mudd gladly provides all of your equipment requirements as mentioned within. In addition to site selection and lease negotiation, we also assist with architectural and elemental design features, regulatory procedures, and training. In fact, all services shown in this catalogue are yours for the taking.

MODULAR FRANCHISE

VERSATILE. AFFORDABLE. MOBILE.

STANDARD CART (MODEL CC4)

Size 4'x 30" expandable to 8' Cost – \$7,500.00

- Franchise Fee \$5,000.00
- Full Drink Menu offered or can offer a “limited” drink menu – negotiable
- University of Mudd is offered with purchase of cart/modular unit
- Financing available

DELUXE CART (MODEL CC6)

Size 6'x 30" expandable to 10' Cost – \$9,000.00

SOME APPLICABLE VENUES:

- Convenience stores/Travel Plaza • Food Courts •
- Airports • Shopping Malls • Universities • Hospitals •
- Office buildings • Event centers • Ski Resorts •
- Limitless others



STANDARD CART:

- Avonite Acrylic Counter-top surface
- Built to comply with all building codes
- Powder-coated Steel frame construction
- Pre-laminated Aluma-Corr panels
- 110/220 volt 125 amp service
- In-Counter Cup Dispenser
- Stainless Steel Knock-Box

OPTIONAL FEATURES:

- Automatic Pod Espresso Machine
- Self-contained water system
- Fully automatic water pump & filtration system
- Ice chests (2)
- 2 Retail Display Shelves to fit under shelves
- 2 Hinged drop down shelves
- Instantaneous hot water heater
- Hand-washing sink with faucet
- Stainless Steel Utility Sink
- Locking under-counter drop box
- Mountain neon open sign
- Refrigerator
- Stainless Steel Insulated Ice-Bin
- Corner Display Case



MODULAR PROGRAM

	COST	NEEDED	TOTAL
Franchise Fee	\$5,000.00		\$-
4' Cart w/ 2' wings*	\$7,500.00		\$-
6' Cart*	\$8,000.00		\$-
6' Cart w/ 2' wings*	\$9,000.00		\$-
2-Group Espresso Machine*	\$4,875.00		\$-
3- Group Espresso Machine*	\$5,785.00		\$-
Espresso Grinder/Doser*	\$625.00		\$-
Airpot Coffee Brewer w/ Airpot*	\$675.00		\$-
2-Bowl Granita Machine*	\$2,200.00		\$-
Total			\$-

*Refer to Equipment and Services tab for equipment details.

PRICED UPON REQUEST:

Stainless Steel 3-compartment Sink w/ hand washing sink

Instantaneous Hot Water Heater

Refrigerator

Mountain Mudd Trademarked Open Sign

Pastry/Display Case

Ice Maker

Menu Boards



ENTREPRENEURS ON THE GO

The Mountain Mudd Espresso franchise allows entrepreneurs to capitalize on selling the most popular drink in America in a non-traditional fashion. The Modular Franchise is an extremely affordable, ultra-low overhead program that affords existing and new franchisees the versatility to populate assorted foot-trafficked venues with a time tested brand in a hot, new way. Because the footprint is highly customizable, we work together to create a configuration that fits your desired venue and clientele.





MULTI UNIT

Since you can run a Mountain Mudd kiosk operation with only a few employees, and only 1 or 2 per shift, you can open multiple stores for a similar payroll of operating one restaurant or larger retail operation. With a 64 square foot footprint, utilities are reasonable and there are probably many possible locations in your trade area.

The serious entrepreneur will invest in at least 3 stores upfront and be eligible for multiple unit discounts immediately. If it is more fitting for your plan, you may also build up to a multiple unit operation and be eligible when you have a collective 3 stores. All franchise programs (Kiosks, Cafes, and Modulars) are counted toward operational goal and discount eligibility. Initial Franchise Fees and Royalty are discounted based on the programs in operation.

Whether it's your goal to build your brand overnight or over time, multiple Mountain Mudd stores are recommended to most franchisees. It just makes good sense.

HIGHLIGHTS:

When three stores are signed for:

- \$7,500 Initial Franchise Fee for Kiosks and Cafes

When three stores are in operation:

- 1% rebate on all royalty fees collected from your stores

AREA REPRESENTATIVE

Do you see what we see? Is your market wide open for growth opportunity? The low-overhead approach to big business is appealing not only to those who want to open stores and operate franchises, it's attractive to well-networked investors who wish to protect their interests in this constantly expanding business.

The ideal Mountain Mudd Area Representative will have business ownership experience and capital available to reserve their desired trade area. Trade area could be geographic such as Miami, Florida or it could be specific to another affiliation such as Big Ten University campuses. Reservation fees are negotiated with your Mountain Mudd franchise consultant and are based on the number of units in the first 5 year development schedule.

As Area Representative, you're entitled to earn income from contracted franchises. Specifically, you'll earn:

- **50% of all Initial Franchise Fees collected in your trade area**
- **A \$2,500 bonus for each store that opens inside of your development schedule**
- **Up to 50% of all royalties collected in your trade area**

It is required that you own at least one franchise, which you'll receive your benefits on. It's a great deal and an even better opportunity!



SERVICES

Mountain Mudd Espresso strives to constantly improve the support we provide to our franchise family. Highly specialized teams partner resources with functional expertise in business consulting, marketing, operations and training, to support our franchisees. Our primary focus is to evaluate local marketing data, people development, financial opportunities, and training information with franchisees to create tactics and business strategies to constantly improve efficiency, effectiveness and results. From your initial deposit to your store opening and beyond, we're here for you. Your success is our success!

LOCATION, LOCATION, LOCATION

Our franchise staff offers aid and guidance with the ever-important site selection process. Customized procedures and proprietary formulas are used for determining the ideal site for each Mountain Mudd retail outlet. We work directly with franchisees to review area demographics and suitability.

PERMITTING ASSISTANCE

Once the proper site has been selected and approved, we help guide franchisees through regulatory process and applicable site preparation requirements. Personal communication is key during this phase. A dedicated staff member is available for you during this time.

UNMATCHED CORPORATE TRAINING

Well trained staff and world class coffee are the two of the most important Mountain Mudd ingredients. To ensure your comfort with all franchise operational aspects, we double up on training. Round one happens over the course of a few days at the University of Mudd in Billings, MT. Round two happens at your very own Mountain Mudd retail store. Total training time can be as much as 10 days.

BUSINESS AND MARKETING PLANNING AND DEVELOPMENT

Planning for success is vital. Since 1994, we've thought of everything. Trust us and we'll share it all with you. Since we own and operate our own stores, we run the same promotions and sell the same products you do. We keep things fresh and fun with all the taste with none of the attitude. Great promotions. Great Coffee. Great People.

DELIVERY AND SET-UP

Delivery and installation of kiosks and equipment is included for kiosks installed in the continental United States.

PRODUCT DISTRIBUTION:

Mountain Mudd Distribution Center is a one-stop shop for virtually all of the ingredients and supplies used in Mountain Mudd stores. Our beans, syrups, and drink mixes are delivered along with other optional products such as paper items and small wares directly from our warehouse to yours. We are committed to providing superior service and the finest quality ingredients at the best prices.

ANCILLARY BUSINESS CENTERS

Hospitality programs for hotels, catering, and limited retail product distribution are allowed and encouraged inside of your trade area. These business outlines are provided to you at no charge.

ONGOING QUALITY MANAGEMENT

The quality management process is comprised of three functional areas and teams: Research and Development (R&D), Quality Assurance (QA), and Quality Control (QC). R&D focuses on developing quality products worldwide. This includes making existing products better, developing new suppliers to meet our growth and strategically adding new products. The QA team is responsible for system wide product quality. This includes supplier audits and monthly compliance evaluations at our corporate facility. QC performs random, on-site inspections to ensure standards are met prior to shipping products from the distribution center. In addition, this team monitors the quality and consistency of finished drinks being served at the kiosks through secret shopping and in person kiosk assessments.

EQUIPMENT

Each piece of equipment is industrial grade, high quality, NSF standard specific, and often described as work horses of the trade.

(C, K, M) HIGH CAPACITY 3-GROUP ESPRESSO MACHINE:

You will be provided with the top of the line espresso technology. The 3-group machine is designed to handle even the most demanding customer load. A reliable, solid state, electronic computer has reduced the number of parts. The trim design and easy access to all machine parts makes these machines easier to clean and service. This machine is semi-automatic, with four precise measures for portion control. Machines come equipped with large boiler tanks with heat exchangers for each group. Capacity is sufficient for non-stop continuous performance.

(C, K, M) ESPRESSO GRINDER/DOSER:

The ultimate in coffee grinders. Added convenience of portion control and speed of operation is achieved with this heavy-duty grinder by using a special long lasting and durable grinding burrs and a larger motor. This grinder/doser also features a jumbo hopper made of smoked plastic to protect the delicate espresso beans.

(C, M) MULTI-HOPPER GRINDER:

The Multi-Hopper grinder uses the Smart Hopper and Smart Funnel to manage coffee grinding and brewing from start to finish. Each front-loading Smart Hopper holds six pounds each of regular, decaf or specialty beans. Using a micro-chip, the Smart Hopper tells the grinder what coffee is inside, adjusting the grind for each batch. Two hoppers are included.

(K, M) DUAL-VOLTAGE AIRPOT COFFEE BREWER:

Brews 4.5 to 7.5 gallons of perfect coffee per hour that brews directly into convenient airpot to keep coffee hot and fresh for hours. Brewing technology incorporates simplified programming with a LCD display that ensures coffee brew quality with cold brew lock out capability.

(C, M) COMMERCIAL GRADE DUAL THERMAL COFFEE BREWER:

The BrewWise System allows coffee perfection through simplified, consistent brewing. Using ThermoFresh brewers, the system offers contemporary styling using unheated, insulated servers. Brew coffee directly into the server then easily transport it to any remote location. Two insulated servers are provided for serving a variety of coffees.

(C, K, M) 2-BOWL GRANITA MACHINE:

This high quality granita machine is featured with two bowls allowing you to expand your menu from iced coffee/cappuccino to fruit sluches. The machine is compact and showy. All parts in contact with the product can be easily cleaned thus ensuring perfect consistency and clean hygiene.

(C, K) STAINLESS STEEL REFRIGERATOR:

A 6.5 cubic foot under-counter forced air refrigerator for quick storage of milk products.

(K) 4-GABLE BILLBOARD AWNING*:

Forest Green 4-gable awning with the use of the "Mountain Mudd" tradename that is backlit for additional lighting and visibility for your kiosk roof.

(C) T-SERIES, 3 BOARD INDOOR MAGNETIC MENU SYSTEM:

Professional looking designer series with dark wood trim, customized to suit your application using magnetic boards to easily change products and prices. Each panel is 74.5" x 33". Additional panels are easy to install.

(C, K, M) POS†:

The state of the art point of sale system is specifically formulated to use with the Mountain Mudd platform and helps you maintain your business. It is capable of everything needed to handle sales efficiently including: loyalty card usage, barcode compatibility, fully integrated credit card processing, cash drawer, multi-location use and much more.

(M) COMMERCIAL GRADE VITA-MIX BLENDING STATION:

Advanced performance Blending for ultimate flexibility and consistency.

**The 4-gable awning is proprietary to Partnered Beverages LLC and Beverage Franchise and shall be returned if contract has expired or is terminated by either party.*

†POS is proprietary to Partnered Beverage LLC and Beverage Franchise and shall be returned if contract has expired by either party.

C = CAFE • K = KIOSK • M = MODULAR

YOUR MENU

ESPRESSO (HOT & COLD)

CAFE LATTE

Our most popular drink. Espresso married to steamed milk, topped with a thin layer of foam.

MOCHA MUDD

A cafe latte blended with thick choco-holic chocolate topped with fresh whipped cream and dusted with chocolate.

CARAMEL MUDD MACCHIATO

A cafe latte blended with a thick stream of Caramel Mudd, smothered with whipped cream and yummy caramel drizzled on top.

CAPPUCCINO

Espresso, steamed milk with mountains and mountains of thick dense foam. A stronger coffee flavor than a latte.

ESPRESSO

Our thick, rich, intensely flavored espresso is second to none. We set the standard with the best crema known to mankind or womankind.

ESPRESSO CON PANNA

What is con panna? Well, this tasty espresso unites with real whipped cream and tastes like a smooth java cloud.

ESPRESSO MACCHIATO

Our premium award winning espresso gets gently marked with steamed milk.

AMERICANO

Our handcrafted oak wood roasted signature coffee with hot water. A stronger, made-by-the-cup coffee.

COFFEE AMERICANO

Mudd takes our beloved espresso and our signature coffee and gives you an eye opening, 5 am alarmclock wake-up call.

BREWED COFFEE

Genuine oakwood roasted. Handcrafted to perfection.

10 CUP TRAVEL BOX

coffee • hot chocolate • latte • chai latte

CHAI

A sweet and spicy favorite concoction of black tea, honey, vanilla bean and spices (aniseed, cardamon, cinnamon, clove and ginger).

CHAI LATTE

Our sweet, spicy tea. Made extra smooth, silky, and sensational by the addition of milk.

BREWED TEA

Our long leaf premium tea selection will refine your tea experience.

(Ginger Peach* • Earl Grey* • Japanese Green • Chamomile • Lemon • Peppermint Ginseng)

*available in decaf

COFFEE

TEA

JAVA MUDDSLIDE

Our frozen coffee granita, sweetened and mixed with milk. Add any flavor or combination of flavors for an extra special chilly coffee.

JAVA ORANGE STIXX

Do you remember a box of orange stix? Here it is with a hint of coffee.

MOCCO COCCO NUTT

Choco-holic chocolate and dreamy creamy coconut, whipped cream, and toasted coconut sprinkles. A trip to the tropics.

MOCHA ROCHA

This rocha will even top your mom's homemade. She only makes it once a year.

WHITE CHOCOLATE

You will never want a milkshake again. This frozen white chocolate is made from the sweetest chocolate confections of cocoa butter, milk, and a hint of vanilla.

COOKIES & CREAM

Oreo™ cookie chunks mixed with our white chocolate granita, a dollop of whipped cream and drizzled with thick chocolate.

STRAWBERRIES & CREAM

Yes. These are real strawberry buds scooped in with our white chocolate. Make sure you treat yourself and top it off with real whipped cream.

STEAMER

Great as an alternative. Milk frothed and coaxed to intensify the Muddslide gourmet flavor of your choice. Don't forget the whip.

HOT CHOCOLATE

This chocolate is made from our Mocha Mudd sauce. No powdered milk. This is the Real McCoy. Just choco-holic chocolate, milk, whipped cream and sprinkles.

ITALIAN CREAM SODA

A gourmet Muddslide flavor hand-stirred with club soda. Add a layer of fresh cream and never skimp on the whipped cream and sprinkles on top.

MUDDSTER (kids 12 & under)

CARAMEL APPLE CIDER

Imagine crisp apples smothered in caramel and just a touch of spice to delight the kid in everyone.

Our premium decaf utilizes only the Swiss Water process.

With over 34 flavors to choose from, your barista prowess is nearly limitless!

FROZEN DRINKS

CLASSICS

STEPS TO BECOMING A FRANCHISEE

It takes a special individual to own and operate a Mountain Mudd franchise and we are very careful about who we select to become a franchisee. If you apply on-line today, here are the milestones that must be achieved before a franchise can be awarded:



CHECKLIST

1

APPLY FOR YOUR MOUNTAIN MUDD FRANCHISE

Complete Request For Consideration form downloadable online at www.mountainmudd.com or email info@mountainmudd.com to request a copy. Fill it out and return via email or fax to 406-256-6070.

2

EVALUATION OF YOUR REQUEST

Your Mountain Mudd franchise consultant will evaluate your application for experience, work history, and net worth requirements.

3

TELEPHONE INTERVIEW

Following review of your application, the franchise consultant will call discuss your candidacy and personal objectives and goals. If we're a match for you and you're a match for us, we'll schedule another telephone or web meeting to discuss your formal business objectives.

4

DISCLOSURE

If you have not already downloaded or received a Franchise Disclosure Document (FDD), one will be provided for you and we ask that you promptly return the receipt.

5

PRESENTATION

All qualified candidates are invited to attend a Discovery Day in Billings, MT and are entitled to a discount for doing so. The presentation includes a tour of our corporate facility, distribution and manufacturing centers and also an in-depth look at our local operational stores. Check the FDD for discount details. If you are unable to attend a discovery day, a presentation will be made via the internet or telephone.

6

FRANCHISE AWARD NOTIFICATION

Within 10 days of the presentation meeting we will notify you of our decision to award you a franchise.

7

EXECUTE CONTRACTS

If you are awarded a franchise, your Franchise Agreement is sent via registered mail. The agreement must be executed within 30 days. To execute the contracts you will need to return the signed Agreement(s) with the required initial deposit.

8

MUDDTASTIC WELCOME

Upon receipt of contracts, you will be a Mountain Mudd franchisee and will receive your welcome kit and getting started package! At this point, you are entitled to all applicable franchise services and proprietary information.

Prices are subject to change without notice. This is not an offer of a franchise. Please refer to the Franchise Disclosure Document and your sales representative for terms. Void where prohibited by law. In any registration state in which the franchise has not been registered for sale, no franchises will be sold in those states until registration has been achieved. New York Addenda: This advertisement is not an offering. An offering can only be made by a prospectus filed first with the Department of Law of the State of New York. Such filing does not constitute approval by the Department of Law. Minnesota registration F-5798.

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A BRAND OF CHS