



Fava World Franchising, LLC
A Wisconsin limited liability company
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FRANCHISE DISCLOSURE DOCUMENT

The franchisee will operate a retail store specializing in the sale of high quality loose leaf and bagged teas, teaware and related products under the trademark "Fava Tea".

The total investment necessary to begin operation of a Fava Tea store is from \$126,825 to \$349,150. This includes the \$35,000 to \$45,000 initial fees that must be paid to the franchisor or its affiliates.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Bryan Stafford or Mellisa Stafford, Fava World Franchising, LLC, at 706 North Casaloma Drive, Appleton, Wisconsin 54913, 920-997-9920.

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

Buying a franchise is a complex investment. The information in this disclosure document 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 disclosure document, 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.

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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 FRANCHISOR OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in [Exhibit G](#) 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 REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION IN WISCONSIN. OUT OF STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO LITIGATE WITH US IN WISCONSIN THAN IN YOUR HOME STATE.
2. THE FRANCHISE AGREEMENT STATES THAT WISCONSIN LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. THE FRANCHISE OWNERS AND THEIR SPOUSES MUST EACH SIGN PERSONAL GUARANTIES MAKING EACH SPOUSE JOINTLY AND SEVERALLY LIABLE FOR ALL OBLIGATIONS OF THE FRANCHISE. THESE GUARANTIES PLACE EACH FRANCHISE OWNER'S AND EACH SPOUSE'S PERSONAL ASSETS AT RISK.
4. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

**FAVA WORLD FRANCHISING, LLC
FRANCHISE DISCLOSURE DOCUMENT**

TABLE OF CONTENTS

ITEM 1	The Franchisor and any Parents, Predecessors, and Affiliates	1
ITEM 2	Business Experience	2
ITEM 3	Litigation	2
ITEM 4	Bankruptcy	3
ITEM 5	Initial Fees	3
ITEM 6	Other Fees	3
ITEM 7	Estimated Initial Investment	7
ITEM 8	Restrictions on Sources of Products and Services	10
ITEM 9	Franchisee's Obligations	11
ITEM 10	Financing	12
ITEM 11	Franchisor's Assistance, Advertising, Computer Systems, and Training	12
ITEM 12	Territory	19
ITEM 13	Trademarks	21
ITEM 14	Patents, Copyrights, and Proprietary Information	22
ITEM 15	Obligation to Participate in the Actual Operation of your Business	23
ITEM 16	Restrictions on what the Franchisee may Sell	23
ITEM 17	Renewal, Termination, Transfer and Dispute Resolution	24
ITEM 18	Public Figures	26
ITEM 19	Financial Performance Representations	26
ITEM 20	Outlets and Franchisee Information	26
ITEM 21	Financial Statements	28
ITEM 22	Contracts	28
ITEM 23	Receipt	28
EXHIBIT A	Franchise Agreement	
EXHIBIT B	Table of Contents of Manual	
EXHIBIT C	State Law Addendum	
EXHIBIT D	List of Franchisees	
EXHIBIT E	Audited Financial Statements	
EXHIBIT F	Unaudited Financial Statements	
EXHIBIT G	List of State Agencies/Agents for Service of Process	

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