

FRANCHISE DISCLOSURE DOCUMENT



Tea Station Group, Inc
a California corporation
154 W Valley Boulevard
San Gabriel, CA 91776
(626) 288-1663
www.teastationusa.com

The franchises described in this offering circular are for the operation of a TEA STATION® Outlet (“Outlet”) serving gourmet Asian tea, other beverages and related food items. The initial license fee is \$50,000 plus a training fee of \$7,500. The estimated initial investment required ranges from \$300,000 to \$450,000.

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.**

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.

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 1-977-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.

EFFECTIVE DATE _____, 2014

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 FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in **Exhibit F** 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 WE HAVE BEEN IN EXISTENCE FOR A SHORT PERIOD OF TIME THEREFORE, THERE IS ONLY A BRIEF OPERATING HISTORY TO ASSIST YOU IN DECIDING WHETHER OR NOT TO MAKE THIS DECISION THE SUCCESS OF YOUR FRANCHISE WILL DEPEND AMONG OTHER FACTORS ON THE QUALITY OF YOUR WORK FORCE AND THEIR DEPENDABILITY**
- 2 THERE ARE CERTAIN STATE AND LOCAL FOOD HEALTH REGULATIONS REGARDING RESTAURANT OPERATION THAT YOU MUST FOLLOW**
- 3 THE FRANCHISE AGREEMENT REQUIRES THAT MOST DISAGREEMENTS BE SETTLED BY ARBITRATION IN THE HOME COUNTY (SAN GABRIEL, CALIFORNIA) OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN CALIFORNIA THAN IN YOUR HOME STATE**
- 4 THE AGREEMENTS EACH STATES THAT THE LAW OF THE STATE WHERE THE FRANCHISOR'S PRINCIPAL PLACE OF BUSINESS IS LOCATED (WHICH IS CURRENTLY IN CALIFORNIA) GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW YOU MAY WANT TO COMPARE THESE LAWS LOCAL LAW MAY SUPERSEDE THIS REQUIREMENT IN YOUR STATE PLEASE REFER TO THE STATE-SPECIFIC ADDENDA THAT ARE ATTACHED TO THIS DISCLOSURE DOCUMENT AS EXHIBIT H FOR FURTHER DETAILS**

5 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

6 EACH FRANCHISEE MUST PROVIDE THE FRANCHISOR A PERSONAL GUARANTEE FOR ALL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT

7 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE

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 FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in **EXHIBIT F** for information about the franchisor, or about franchising in your state

THE EFFECTIVE DATES OF THIS DISCLOSURE DOCUMENT IN THE STATES WITH FRANCHISE REGISTRATION LAWS ARE LISTED ON THE NEXT PAGE

4

,

,

This is a document preview downloaded from FranchisePanda.com. The full document is available for free by visiting: <https://franchisepanda.com/franchises/tea-station>