



FRANCHISE DISCLOSURE DOCUMENT

TASTING STATION, INC.

An Iowa Subchapter S Corporation
5515 Mills Civic Pkwy, #110
West Des Moines, Iowa 50266
(515) 564-7063
www.winestyles.com
tastingstation@winestyles.net

We grant qualified franchisees the right to operate a retail store offering a variety of products including some or all of the following: wine and beer (both retail sales and wine bar), coffee, tea, chocolate, cheese, gourmet food items, gift baskets and related products, using WineStyles Tasting Station™ procedures and format. The total investment necessary to begin a WineStyles Tasting Station™ retail store is \$229,000 to \$380,500. This includes \$33,500 to \$34,500 which must be paid to us.

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, us or an affiliate in connection with the proposed franchise sale. **Note, however that no government 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 McGinness at the address and phone number listed above.

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read your entire 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, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: September 18, 2015

STATE COVER PAGE

Your state may have a franchise law that requires a franchise 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 D for information about the franchisor, about other franchisors, 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:

THE UNIT FRANCHISE AGREEMENT AND RIGHT OF FIRST REFUSAL AGREEMENT REQUIRE THAT ALL DISPUTES BE SUBMITTED TO ARBITRATION OR LITIGATION IN IOWA. IT MAY COST YOU MORE TO ARBITRATE OR LITIGATE WITH US IN IOWA THAN IN YOUR HOME STATE.

THE UNIT FRANCHISE AGREEMENT AND RIGHT OF FIRST REFUSAL AGREEMENT STATE THAT THE LAW OF YOUR STATE GOVERNS THE AGREEMENTS, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS OF LOCAL LAW. PLEASE REFER TO EXHIBIT K TO THE DISCLOSURE DOCUMENT FOR DETAILS.

THE UNIT FRANCHISE AGREEMENT REQUIRES A SUBSTANTIAL INVESTMENT AND A COMMITMENT OF TIME. ALL INVESTMENTS INVOLVE A DEGREE OF RISK.

AS NOTED IN ITEM 12, UNDER THE UNIT FRANCHISE AGREEMENT WE DO NOT GRANT YOU ANY PROTECTED TERRITORY AND WE AND OTHERS MAY OPERATE COMPETITIVE BUSINESSES NEAR YOUR LOCATION.

EACH FRANCHISEE MUST PAY US MINIMUM WEEKLY ROYALTY AND ADVERTISING FEES OF \$240 AND \$120, RESPECTIVELY, EVEN IF THE FRANCHISE BUSINESS HAS NO REVENUE.

WE REQUIRE YOU TO SIGN A SECURITY AGREEMENT, TO GUARANTEE THE CONTINUED PAYMENT OF ALL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT, GIVING US A PRIORITY INTEREST IN ALL PRESENT AND FUTURE ACCOUNTS, INVENTORY, EQUIPMENT, INTANGIBLES, PROCEEDS AND INTEREST IN YOUR FRANCHISE. THIS SECURITY INTEREST MAY IMPAIR YOUR ABILITY TO OBTAIN FINANCING OF FRANCHISE OPERATIONS.

YOU WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$115,500 TO \$400,000. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF December 31, 2014.

THERE MAY BE OTHER RISKS ASSOCIATED WITH THIS FRANCHISE.

We 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 this franchise.

Effective Date: See following page

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This Franchise Disclosure Document is registered on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Registration States: ILLINOIS _____

 VIRGINIA October 16, 2015

Non-registration States: September 18, 2015

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