

Special Risks to Consider About This Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in the state of Nevada. Out-of-state mediation or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Nevada than in your own state.

2. **Short Operating History.** The franchisor is at an early stage of development and has a limited operating history as a franchisor. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

3. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see item 21) calls into question the Franchisor's financial ability to provide services and support to you.

4. **Supplier Control.** You must purchase all or nearly all the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business

5. Sales Performance Required. You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

Type of Fee ¹	Amount ²	Due Date ³	Remarks
Service charge for Not Sufficient Funds (NSF) or missed report	\$ 250 30 but subject to change depending on bank charges.	Upon receipt of invoice.	You must pay us a service charge for each delinquent report or payment that you owe us. This includes payments that are delinquent due to insufficient funds in your direct debit account.
Audit fee	Amount charged by accounting firm to audit your business, and any other expenses incurred directly as a result of the Audit.	Upon receipt of invoice.	If an audit reveals an understatement of Gross Sales ⁵ by 2% or more, you must pay for the audit and any additional review Franchisor requests by an independent CPA.
Indemnification	All costs and expenses incurred by us in our defense.	Upon receipt of invoice.	You must indemnify us, the Franchisor, for any loss suffered as a result of your operation of your Another Side Tours franchise. This includes any breach by you or your failure to comply with the terms and conditions of the Franchise Agreement.
Liquidated Damages	Lump sum equal to royalties and all marketing fees payable to us for the 36 months immediately preceding termination or for the length of time the franchise has been operating.	As incurred.	Payable to us upon wrongful termination of the Franchise Agreement by your or due to termination by your breach of the Franchise Agreement.
Insurance	All costs paid by us on your behalf plus a fee for expenses	Upon receipt of invoice.	If you fail to maintain the required insurance coverage, we have the right to procure it on your behalf and you will be responsible for the costs and expenses we incur when doing so.
Litigation Reimbursement	All costs and expenses incurred including attorney fees by us if we are the prevailing party	Upon receipt of invoice.	If we bring an action to enforce the terms of your Franchise Agreement and prevail in the proceeding, you will reimburse us all costs associated with the action.

LEAST SEVEN DAYS BEFORE THE EXECUTION BY YOU, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS BEFORE THE PAYMENT OF ANY CONSIDERATION BY YOU, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

FOR THE STATE OF ILLINOIS

Item 17 is supplemented by the following:

Illinois law governs the Franchise Agreement and Store Development Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

FOR THE STATE OF MINNESOTA

Items 5 and 7 of the disclosure document is supplemented by the following:

Based on our current financial condition, as a condition to becoming registered to offer and sell franchises in the state of Minnesota, we have agreed to postpone your obligation to pay the initial franchise fees under the Franchise Agreement until we have met all of our initial pre-opening obligations and you have commenced operation of the Franchised Business.

Item 13 of the disclosure document is supplemented by the following:

The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols ("Marks") or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred that you incur in the defense of your right to use the Marks, so long as you were using the Marks in the manner that we authorized, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

Item 17 of the disclosure document is supplemented by the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that (1) a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

To the extent that any condition, stipulation, or provision contained in the Franchise Agreement (including any choice of law provision) purports to require any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota, to waive compliance with the Minnesota Franchises Law, such condition, stipulation, or provision may be void and unenforceable under the non-waiver provision of the Minnesota Franchises Law.

a high-speed Internet connection and the credit or debit card processing we designate. This includes the computer software package currently in use at Another Side Tours Business as described in the Operations Manual. Additional hardware and software may be required in the future, at your expense, as determined by us in our sole discretion. The estimated initial cost of purchasing your computer hardware and software is \$3,000 to \$5,000, which includes installation and set-up fees. This cost may change from time to time based on our computer hardware and software requirements. There may be costs associated with updates to the computer hardware and software. We reserve the right to require franchisees, at their expense, to install and maintain additional hardware and software, including software that will interface with our computer system over the Internet. We have no obligation to provide ongoing maintenance, repairs, upgrades or updates.

G. **Technology Fee.** You agree to pay to us, in the manner provided below (or as the Manual otherwise prescribes), a nonrefundable and continuing Technology, Software License, and Support Fee (“**Technology Fee**”). The Technology Fee includes access to and use of required application, software, maintenance and support, web development, hosting, data services, e-mail service, reputation management, and other technology services that we determine, in our sole discretion, to provide to you. We will charge you a Technology Fee upon execution of this Agreement and then monthly upon the opening of your Another Side Tours Business. The Technology Fee is currently two hundred dollars (\$200) per month per Another Side Tours Business. We may increase the Technology Fee by up to twenty percent (20%) per year during the term of this Agreement.

H. **Telephone System.** You will be required to have a smart phone that is specifically dedicated to your Another Side Tours Business. It must have texting, calling and an unlimited data plan. Carrier can be chosen based on the best available service in the Authorized Territory. One Tour At A Time, LLC recommends an Apple iPhone brand device, however this is not required.

I. **Uniforms.** You may be required to purchase approved logo-wear when operating your Another Side Tours Business which is purchased through the Franchisor. Estimated cost for each tour host is fifty to seventy-five dollars (\$50 to \$75) and is payable upon receipt of invoice.

J. **Opening Extension Fee.** We may charge a fee of two thousand five hundred dollars (\$2,500) to extend the opening date of your Another Side Tours Business. If the Franchisee has made a good faith effort to launch the business within 45 days but fails, the Franchisor may, at its discretion, grant an extension of thirty (30) days. If an extension is granted, the Franchisee must pay this fee.

K. **Conference Fee.** From time to time, One Tour At A Time may schedule a conference which the Franchisee is required to attend. The fee for the conference will be one thousand dollars (\$1,000.) Franchisee will also be responsible for wages, travel, lodging and related expenses.

L. **Franchise Relocation Fee.** If Franchisee wishes to move the location of their Another Side Tours Business, there is a relocation fee of one thousand dollars (\$1,000) which is payable upon approval of the location change by the Franchisor.

M. **Supplier and Product Testing Fee.** If Franchisee requests that a supplier or product is analysis for approval use, there is a fee of seven hundred and fifty dollars (\$750) or actual costs. If product or service is later approved for use System wide, the fee may be refunded or waived at Franchisor’s discretion.

N. **Service charge for Not Sufficient Funds (NSF) or missed report.** You must pay us a service charge of ~~two hundred fifty~~thirty dollars (~~\$250~~\$30) for each delinquent report or payment that you owe us. This includes payments that are delinquent due to insufficient funds in your direct debit account.

**RIDER TO THE ONE TOUR AT A TIME, LLC
FRANCHISE AGREEMENT FOR USE IN MINNESOTA**

This Rider (the “**Rider**”) is made and entered into as of this _____ day of _____, 20__ (the “**Agreement Date**”), between **ONE TOUR AT A TIME, LLC, a Nevada limited liability company**, with its principal mailing address at 11700 W. Charleston BLVD, #170-001 Las Vegas NV 89135 (“**Franchisor**”), and _____, whose principal business address is _____ (“**Franchisee**”).

1. Background. Franchisor and Franchisee are parties to that certain Franchise Agreement that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the ANOTHER SIDE TOURS franchise that Franchisee will operate under the Franchise Agreement will be located in **Minnesota**; and/or (b) any of the franchise offering or sales activity with respect to the Franchise Agreement occurred in **Minnesota**.

22. Section 7A of the Franchise Agreement is amended by adding the following:

As a condition to becoming registered to offer and sell franchises in the state of Missesota, One Tour At A Time, LLC has agreed to postpone your obligation to pay the Initial Franchise Fee specified in the Summary Pages until One Tour At A Time, LLC has met its initial pre-opening obligations and you have commenced operation of the Franchised Business (the “Fee Deferral Requirement”). Therefore, notwithstanding anything to the contrary in this Section 7A of the Franchise Agreement, payment of the Initial Franchise Fee is due when One Tour At A Time, LLC has met its initial pre-opening obligations to you and you have commenced operation of the Franchised Business.

3. Section 7 of the Franchise Agreement is amended so that Sub-section G is added and will state:

The franchisor will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols (“Marks”) or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred that you incur in the defense of your right to use the Marks, so long as you were using the Marks in the manner that we authorized, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

34. Minnesota Law. The following paragraphs are added to the end of the Franchise Agreement:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that (1) a franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

To the extent that any condition, stipulation, or provision contained in the Franchise Agreement (including any choice of law provision) purports to require any person who, at the time of acquiring a franchise is a resident of Minnesota, or, in the case of a partnership or corporation, organized or incorporated under the laws of Minnesota, or purporting to bind a person acquiring any franchise to be operated in Minnesota, to waive compliance with the Minnesota Franchises Law, such condition, stipulation, or provision may be void and unenforceable under the non-waiver provision of the Minnesota Franchises Law.

Minnesota Statutes, Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.