

TYPE OF FEE (Note 1)	AMOUNT	DUE DATE	REMARKS
Additional Training: Management	Our then current fee. Currently our fee is \$1,500 per person per week plus expenses incurred	On demand	Applies to additional training for new managers, replacement managers and supplemental training programs. If you register for anyone to attend any additional or supplemental training program and they fail to attend, you will be subject to a fee of \$250 per person that fails to attend the additional or supplemental training program. <u>We will not increase this fee more than 25% annually.</u>
Additional Training: Field Consultant	Our then current fee. Currently our fee is \$1,500 per person per week plus expenses incurred	On demand	Applies to additional training for new managers, replacement managers and supplemental training programs. If you register for anyone to attend any additional or supplemental training program and they fail to attend, you will be subject to a fee of \$250 per person that fails to attend the additional or supplemental training program. <u>We will not increase this fee more than 25% annually.</u>
Renewal	\$25,000	On demand	If we approve renewal of your Area Representative Agreement, at the time of renewal, you will be required to sign our then current Area Representative Agreement and pay the renewal fee.
Interest Charges	The lesser of 18% per annum or the maximum legal rate allowable by the State in which your Franchised Business is located	On demand	Applies to past due payments of all fees, charges, interest and payments due to us from you. Interest begins to accrue on the date that any payment is due from you to us.
Review and Audit	Actual costs	On receipt of invoice	You must pay to us the costs that we incur in reviewing and auditing your records if the review and/or audit performed by us results in a finding that you failed to comply with the terms of your Area Representative Agreement. These fees include the actual costs that we incur including, fees for accountants, attorneys, administrative staff, travel, meals and lodging expenses.

Provision	Sections in Area Representative Agreement	Summary
		agree to our restrictive covenants and obligations; and the assignee must own and operate a Business within the Area Representative Territory under a Franchise Agreement with us.
n. Franchisor's right of first refusal to acquire Area Representative's business	Sections 1 and 10.6	We have a 30 day right of first refusal. We have the right to match any bona fide, arms-length offer for your Area Representative Business.
o. Franchisor's option to purchase Area Representative's business	Not applicable.	Not applicable.
p. Death or disability of Area Representative	Sections 1 and 10.4	Area Representative Business and/or replacement Managing Owner must be transferred and/or designated within not more than 120 days following the death or disability.
q. Non-competition covenants during the term of the Franchise	Sections 1, 7.2, 7.3, 7.4 and 7.6	You and your Owners cannot own, operate and/or engage in any business that is competitive to the Area Representative Business and/or a Business. <u>Subject to applicable state law.</u>
r. Non-competition covenants after the Franchise is terminated or expires	Sections 1, 7.2, 7.3, 7.5, 7.6	For the two year period following the expiration or termination of the Area Representative Business, as to your Area Representative Territory and a 25 mile radius surrounding your Area Representative Territory, you and your Owners and your Owner's Spouses cannot own, operate and/or engage in any business that is competitive to the Area Representative Business. <u>Subject to applicable state law.</u>
s. Modification of the Agreement	Sections 1, 14.1, 14.2, and 14.13	No modifications to Area Representative Agreement unless agreed to in writing, but the operations manual is subject to change.
t. Integration/merger clause	Sections 1 and 14.13	Only the terms of the Area Representative Agreement and other related agreements are binding (subject to state law). Any representations or promises outside of the

Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

3. No statement, questionnaire or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

4. The Minnesota Department of Commerce requires that the franchisor defer the collection of all initial fees from Minnesota franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

New York Disclosure
NEW YORK ADDENDUM TO
Toro Taxes Franchise, LLC Franchise Disclosure Document

ADDITIONAL RISK FACTORS

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CAN NOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

With the exception of what is stated above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

15. The Minnesota Department of Commerce requires that the franchisor defer the collection of all initial fees from Minnesota franchisees until the franchisor has completed all its pre-opening obligations and franchisee is open for business.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Minnesota State amendment to the Toro Taxes Franchise, LLC Area Representative Agreement on the same date as the Area Representative Agreement was executed.

Franchisor:

Toro Taxes Franchise, LLC

Area Representative:

By: _____
Signature

Name and Title

Dated _____

Signature

Name (please print)

Dated _____