

FRANCHISE DISCLOSURE DOCUMENT

AMERICAN SHAMAN FRANCHISE SYSTEM, LLC
A Nevada Limited Liability Company

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AmericanShamanFranchise.com



The franchise offered by AMERICAN SHAMAN FRANCHISE SYSTEM, LLC, is for the establishment and operation of a business that will conduct a retail establishment that offers certain “Industrial Hemp Derived” based products to the public under the name “CBD AMERICAN SHAMAN”.

The total investment necessary to begin operation of your AMERICAN SHAMAN FRANCHISE SYSTEM, LLC, franchised business is from \$39,600.00 to \$131,800.00. This includes \$20,000.00 to \$25,000.00 that must be paid to us or our affiliates. If you sign a Multi-Unit Development Agreement, you will pay us \$10,000 more for each additional (excluding your first SHAMAN store) SHAMAN store that you secure the right to develop; provided, however, for every four SHAMAN stores you commit to develop and open within 12 months of signing your Multi Unit Development Agreement, we grant you the right to open one additional SHAMAN store and we waive the franchise fee for such additional SHAMAN store. We only grant development rights in blocks of five SHAMAN stores so you will be required to pay a multiple franchise fee equal to \$10,000 per SHAMAN store for a minimum of four SHAMAN stores upon signing the Multi Unit Development Agreement. See Items 5 and 7.

This disclosure document summarizes certain provisions of the 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 fourteen (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 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:

Kathi Miley
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kathi@cbdamericanshaman.com

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 an 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," 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 <http://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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How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits M-1 and M-2
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor’s direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only CBD AMERICAN SHAMAN business in my area?	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What’s it like to be a CBD AMERICAN SHAMAN franchisee?	Item 20 or Exhibits M-1 and M-2 lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

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