FRANCHISE DISCLOSURE DOCUMENT

SUNOCO RETAIL LLC
a Pennsylvania Limited Liability Company
8111 Westchester Drive, Suite 600, Dallas, Texas 75225
215.977.3000
www.sunocolp.com
www.sunoco.com

You will operate a franchised business as a part of the APLUS franchise system which consists of full-line retail grocery convenience stores, with or without a gasoline fueling station, that offer fast foods, prepackaged foods, beverages, sundries, and other convenience store goods, identified principally by the service mark and service name "APLUS."

This franchise disclosure document offers three types of APLUS franchise options. A leased premises option, which is an APLUS Store leased from the Franchisor, a non-leased option, which is an APLUS Store that you either own or you lease from a third party, and a captive market option, which is an APLUS Store located in a specific venue such as a turnpike, thruway, or toll road. At your option, you may choose to operate a gasoline fueling station that dispenses Sunoco or other branded gasoline at your APLUS Store, but you are not required to do so.

Information about our area representative franchise program is contained in a separate disclosure document. If you seek an area representative franchise, you must receive a copy of our area representative franchise disclosure for the purpose of enabling you to evaluate that franchise opportunity.

The total investment necessary to begin operation of a leased APLUS Store is $239,850 to $726,700. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a non-leased APLUS Store is $513,350 to $1,973,600. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of a captive market leased APLUS Store is $241,140 to $1,129,400. This includes $25,000 to $51,000 that must be paid to the franchisor or affiliate The total investment necessary to begin operation of a captive market non-leased APLUS Store is $810,640 to $2,270,400. This includes $25,000 to $36,000 that must be paid to the franchisor or affiliate.

~~Each~~The total investment necessary to begin operation of ~~a non-captive market franchise, regardless of type,~~four leased APLUS Store franchises is $262,350 to $749,200. This includes ~~the $15,000~~$37,500 that must be paid to the franchisor or affiliate. The total investment necessary to begin operation of four non-leased APLUS Store franchises is $535,850 to $1,996,100. This includes $37,500 that must be paid to the franchisor or ~~an affiliate. With respect to a captive market franchise, regardless of type, may include the supplemental $15,000 to $300,000 that must be paid to the franchisor or an~~ affiliate.

~~We also offer the opportunity to develop multiple APLUS Stores within a specified area. If you are acquiring development rights under a development program, you will sign our development agreement and pay us a development fee equal to $15,000 for the first APLUS Store, plus a deposit of $7,500 for each additional APLUS Store~~ The minimum number of units to be developed under the multi-unit development agreement~~. The totals described in Item 7 reflect your estimated initial investment for each type of APLUS Store you may develop~~ is four.

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.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss

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 and development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.

2. The franchise agreement and development agreement state that Texas law governs the agreement, and this law may not provide the same protections and benefits as local law. You may want to compare these laws.

3. Mandatory Minimum Payments. You must make minimum royalty or advertising payments regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

FRANCHISE DISCLOSURE DOCUMENT

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EXHIBITS

A. APLUS Franchise Agreement
   1. Key Terms:
      A. Leased APLUS Store
      B. Non-Leased APLUS Store
      C. Captive Market APLUS Store
   2. Non-Disclosure Agreement
   3. Unlimited Guaranty and Assumption of Obligations
   4. Holders of Legal or Beneficial Interest in Franchisee; Governing Persons
   5. Electronic Funds Transfer Authorization
   6. Premises Lease (if applicable)

agreement for any reason, or if we are unable to timely fulfill certain obligations during construction of a Leased APLUS Store. The initial franchise fee is otherwise fully earned upon receipt and is non-refundable.

The initial franchise fee is generally calculated uniformly for all franchisees~~,~~; however~~ we reserve the right to waive or modify the initial franchise fee in circumstances where the ~~, if a location ~~proposed to be franchised has been~~is a conversion operating ~~as a convenience store ~~under a different trade name/trademark~~, where the ~~; or a proposed location ~~proposed is in a particular area where there ~~is a ~~very~~market with limited ~~amount of ~~APLUS stores~~, where the franchisee is~~; or ~~is entering~~a Franchisee enters into a motor fuel business relationship with us or our affiliate; or where the APLUS franchise operation is located in a Captive Market~~. In addition~~, we reserve the right to modify or ~~reduce~~waive the initial franchise fee~~ for multi-site franchisees~~.

If you choose to operate your franchise in a Captive Market, we may charge a supplemental franchise fee (“Supplemental Franchise Fee”) ranging from $15,000 to $300,000 depending on the location of your APLUS Store within the Captive Market. You may pay additional fees to state, county, or other government agency for your right to operate in a Captive Market. The amount and applicability of such a fee is determined solely by us based on a number of factors, including, but not limited to, historical store performance, sales volume, the amount paid by us or an affiliate to purchase the APLUS Store and the value of the goodwill of the APLUS Store.

Collateral Deposit

Prior to opening your APLUS Store, you will pay us a Collateral Security Deposit that ranges from $10,000 to $21,000 dependent upon your credit rating. The Collateral Security Deposit shall be held by us as one general, continuing, collateral security for the discharge and payment of the whole, or any part of any present, past, or future obligation indebtedness, or liability of you to us. Under certain circumstances, such as after termination, nonrenewal, or expiration of the franchise agreement, the unused portion of the Collateral Security Deposit is refundable to you.

Development Agreement

If we grant you multi-unit development rights to operate APLUS with or without a fueling station, you will sign our Development Agreement and pay us a non-refundable development fee (“Development Fee”) equal to 100% of the initial franchise fee payable under the franchise agreement for the first APLUS Store (i.e., $15,000), plus 50% percent of the discounted initial franchise fee for each additional APLUS Store to be developed. For example, if you sign a development agreement for four APLUS Stores, you will pay a development fee of $37,500 [$15,000 + ($7,500 x 3) = $37,500].

When you sign the Development Agreement, you also will sign a franchise agreement for the first APLUS Store and/or SUNOCO fueling station, and we will credit part of your development fee payment to fully satisfy the initial franchise fee due under that agreement. As you get ready to develop additional APLUS Stores and/or SUNOCO fueling stations, you will sign our then-current form of franchise agreement and/or fueling station agreement. The terms of our then-current form of franchise agreement may be materially different than the terms of our current franchise agreement, but the initial franchise fee will be locked in at the rate described above. When you sign the second or subsequent franchise agreements, we will credit $7,500 of your development fee payment toward payment of the initial franchise fee due under the franchise agreement, and you will pay us the $7,500 balance.

ITEM 6
OTHER FEES

Leased APLUS Store

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

LEASED APLUS STORE

Type of Expenditure[1]	~~Leased APLUS Store~~ Amount	~~Non-Leased APLUS Store (Conversion)~~	~~Non-Leased APLUS Store (New)~~	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000	~~$15,000~~	~~$15,000~~	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	$16,000 to $124,000	~~N/A~~	~~N/A~~	As Arranged	As Arranged	Us
Construction Costs[3]	N/A	~~$78,000 to $484,000~~	~~$375,000 to $1,100,000~~	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	N/A	~~$21,000 to $83,000~~	~~$21,000 to $83,000~~	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	N/A	~~$21,000 to $63,000~~	~~$21,000 to $63,000~~	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	N/A	~~$3,500~~	~~$3,500~~	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	N/A	~~$6,000~~	~~$6,000~~	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$83,000 to $275,000	~~$213,000 to $254,000~~	~~$213,000 to $293,000~~	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	N/A	~~$13,000 to $52,000~~	~~$13,000 to $52,000~~	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	N/A	~~$17,000 to $47,000~~	~~$17,000 to $47,000~~	As Arranged	As Arranged	Vendors and/or Us

Type of Expenditure[1]	~~Leased APLUS Store~~ Amount	~~Non-Leased APLUS Store (Conversion)~~	~~Non-Leased APLUS Store (New)~~	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Opening Inventory[9]	$42,000 to $125,000	~~$42,000 to $125,000~~	~~$42,000 to $125,000~~	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	~~$3,000 to $12,000~~	~~$3,000 to $12,000~~	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	~~$500 to $13,000~~	~~$500 to $13,000~~	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	~~$1,100 to $1,900~~	~~$1,100 to $1,900~~	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	~~$150 to $1,100~~	~~$150 to $1,100~~	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	~~$4,000 to $6,300~~	~~$4,000 to $6,300~~	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	~~$10,000 to $21,000~~	~~$10,000 to $21,000~~	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	~~$500 to $1,700~~	~~$500 to $1,700~~	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	~~$3,400~~	~~$3,400~~	As Arranged	As Arranged	Vendors
Proprietary Items	$2,600 to $6,300	~~$2,600 to $6,300~~	~~$1,200 to $4,700~~	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	~~$2,600 to $6,000~~	~~$2,600 to $6,000~~	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	~~$56,000 to $115,000~~	~~$56,000 to $115,000~~	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$239,850 to $726,700			~~$513,350 to $1,320,200~~	~~$808,950 to $1,973,600~~	

~~YOUR ESTIMATED INITIAL INVESTMENT~~

NON-LEASED APLUS STORE (CONVERSION)

Type of Expenditure[1]	**Amount**	**Method of Payment**	**When Due**	**To Whom Payment Is To Be Made**
Initial Franchise Fee	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	N/A	As Arranged	As Arranged	N/A
Construction Costs[3]	$78,000 to $484,000	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	$21,000 to $83,000	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	$21,000 to $63,000	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	$3,500	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	$6,000	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$213,000 to $254,000	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	$13,000 to $52,000	As Arranged	As Arranged	Vendors and/or Us
Exterior Graphics[8]	$17,000 to $47,000	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	As Arranged	As Arranged	Insurance Carrier

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Collateral Deposit[11]	$10,000 to $21,000	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	As Arranged	As Arranged	Vendors
Proprietary Items	$2,600 to $6,300	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$513,350 to $1,320,200			

NON-LEASED APLUS STORE (NEW)

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	N/A	As Arranged	As Arranged	Us
Construction Costs[3]	$375,000 to $1,100,000	As Arranged	As Arranged	Suppliers and Vendors
Permitting Costs	$21,000 to $83,000	As Arranged	As Arranged	Issuing Agencies
Architectural Drawings[4]	$21,000 to $63,000	As Arranged	As Arranged	Architect
Existing Conditions AutoCAD Drawing[5]	$3,500	As Arranged	As Arranged	Designated Vendor
Engineering Project Management Fee[6]	$6,000	As Arranged	As Arranged	Designated Vendor
Store Fixtures and Equipment[7]	$213,000 to $293,000	As Arranged	Prior to Project Design	Vendors and/or Us
Interior Graphics[8]	$13,000 to $52,000	As Arranged	As Arranged	Vendors and/or Us

Type of Expenditure[1]	Amount	Method of Payment	When Due	To Whom Payment Is To Be Made
Exterior Graphics[8]	$17,000 to $47,000	As Arranged	As Arranged	Vendors and/or Us
Initial Opening Inventory[9]	$42,000 to $125,000	As Arranged	As Arranged	Vendors
Permits (Business)	$3,000 to $12,000	As Arranged	As Arranged	Issuing Agencies
Permits (Beer/Wine)[10]	$500 to $13,000	As Arranged	As Arranged	Issuing Agencies
Technology Fee	$1,100 to $1,900	As Arranged	As Arranged	Designated supplier and/or Us
Uniforms	$150 to $1,100	As Arranged	As Arranged	Vendors
Insurance (Three months)	$4,000 to $6,300	As Arranged	As Arranged	Insurance Carrier
Collateral Deposit[11]	$10,000 to $21,000	Lump Sum	Prior to opening	Us
Misc. Supplies	$500 to $1,700	As Arranged	As Arranged	Vendors
Initial Grand Opening	$3,400	As Arranged	As Arranged	Vendors
Proprietary Items	$1,200 to $4,700	As Arranged	As Arranged	Vendors
Training Expense Travel/Lodging	$2,600 to $6,000	As Arranged	As Arranged	Hotels, Stores, Transportation
Additional Funds[12]	$56,000 to $115,000	As Arranged	As Necessary	Employees, suppliers, and others
TOTALS	$808,950 to $1,973,600			

CAPTIVE MARKET

Type of Expenditure[1]	Leased APLUS Store	Non-Leased APLUS Store	Method of Payment	When Due	To Whom Payment Is To Be Made
Initial Franchise Fee	$15,000 to $300,000	$15,000 to $300,000	Lump Sum	At signing of Franchise Agreement	Us
Rent (Three months)[2]	$16,000 to $258,000	N/A	As Arranged	As Arranged	Us

Provider"). Our Designated Service Provider will provide you with store-specific schematics (layouts), merchandise planograms and vendor-approved racks to which you must conform. Our Designated Service Provider will specify planograms by store design and provide such planograms for local merchandise options subject to our prior approval.

We will approve suppliers, which may be us or our affiliates, manufacturers, distributors, and other sources who demonstrate to our continuing, reasonable satisfaction the ability to meet our uniform standards and specifications and who possess adequate quality controls and capacity to supply your needs promptly and reliably ("Approved Suppliers"). Neither we nor any of our affiliates are designated or approved suppliers for any products or services. None of our officers owns an interest in any privately-held supplier or a material interest in any publicly-held supplier. Occasionally, our officers may own non-material interests in publicly-held companies that may be suppliers to our franchise system.

We will provide you a list of Approved Suppliers that will be incorporated in the Systems Manual. We will remove the status of a previously Approved Supplier by notifying you in writing of the revocation and the reasons for the revocation. We may also require you to purchase certain items and services only from specific suppliers designated by us ("Designated Specific Suppliers"). We reserve the right to require your purchases from Approved Suppliers or Designated Specific Suppliers be made through a buying group administered by us or our third-party designee.

For goods and services that you are not required to purchase from an Approved Supplier, you may select any supplier at your discretion. However, if we determine that a particular supplier does not meet our quality standards, including the favorable public image of the APLUS Program, we will notify you in writing and you must promptly discontinue purchasing from that supplier. At our discretion, Approved Suppliers may also make their products and services available to SUNOCO franchisees.

If you desire to purchase any of the items specified in this Item 8 from a supplier that is not an Approved Supplier, you or the supplier must submit to us a written request for approval. We have sole discretion over the approval of such suppliers. At a minimum they must demonstrate the ability to meet our standards and specifications and possess adequate quality controls and capacity to supply your needs promptly and reliably. We may inspect the proposed supplier's facilities, and require that we receive samples from the proposed supplier for testing prior to granting or denying approval. We may impose a charge that does not exceed the reasonable costs of our inspection and testing. This charge may be paid by you or the proposed supplier. We may re-inspect the facilities and products of any supplier at any time, and may revoke the prior approval if we determine that the supplier does not meet the quality standard that is consistent with the favorable public image of the APLUS Program. The APLUS Agreement imposes no time period in which we are required to exercise our right of approval or disapproval. All suppliers approved by us are required to sign an agreement indemnifying us for the supplier's products, actions and services.

We reserve the right to establish maximum retail prices, subject to law, for certain convenience store products, specified by us, and for participation in certain APLUS promotions prices must be consistent with the advertised price. If you operate a Captive Market APLUS Store, you may be subject to any pricing constraints applicable to the concession and/or lease agreement.

You are required to purchase the following items only from our Approved Suppliers or Designated Specific Suppliers:

- Food service products and supplies including all APLUS and SUNOCO proprietary breakfast and sandwiches and other food items, equipment, cups, wrappings, containers and napkins,
- Perishable food products offered in APlus stores, including sandwiches, roller grill items, baked goods, salads, foods served or taken hot, dairy (including milk, flavored milk and yogurt), bread, and such other perishable food products we determine only from Approved

Suppliers,

- Our designated proprietary, trademark, trade dress, service mark, logo, and insignia items, including retail merchandise,
- Décor, supplies, and other items that bear the APLUS trademarks,
- Uniforms,
- Back office software and hardware,
- Electronic Point-of-Sale (EPOS) and Data Transmission and Telecommunications Equipment,
- Signs, promotional materials,
- Store equipment,
- Interior/exterior décor items, and
- Fixtures, furnishings and other materials required for the operation of the APLUS Store.

In the event of an APLUS Store conversion, the existing equipment will be reviewed by us for conformance to our specifications. Before commencing operations, the approval for the continued use of existing equipment must be obtained by us.

The purchase of the items described in this Item 8 from Approved Suppliers can reasonably range from 40% to 55% of your initial investment in your APLUS Store and approximately 40% to 55% of your total purchases in connection with operating your APLUS Store.~~. Sunoco may derive revenue from the lease or sale of products and services to you. In the year ending December 31, 2024, Sunoco's revenues from the sale of these products and services were a de minimus percentage of Sunoco's total revenues.~~

Approved Suppliers and Designated Specific Suppliers Purchase Requirements

During the term of your franchise agreement, we may implement a buying group in which your participation will be required. In connection with such buying group, you will be required to make up to 90% of your total inventory purchases and, separately, up to 90% of your cigarette purchases, both computed monthly at cost, from Approved Suppliers or Designated Specific Suppliers (the "Approved Vendor Purchase Requirement"). We will not credit any purchase toward your Approved Vendor Purchase Requirement unless the purchase is from an Approved Supplier or Designated Specific Supplier. The cost value used to calculate your percentage of inventory purchases and cigarette purchases from Approved Suppliers or Designated Specific Suppliers will only include the cost reflected on vendor invoices, and will exclude any allowances, rebates and discounts not reflected on vendor invoices. To count toward your Approved Vendor Purchase Requirement, the products must be ordered and paid for through our recommended method for ordering and paying that vendor.

Revenue Derived from Franchisee Purchases and Leases

We and our affiliates may derive revenue from franchisee purchases and leases to the extent that franchisees purchase products or services from us or our affiliates. Sunoco may derive revenue from the lease or sale of products and services to you. As of December 31, 2024, neither we nor any of our affiliates derived any revenue on account of franchisee purchases or leases.

Money Order Program

We recommend a money order program for sale to the public through Sunoco-approved money order supplier(s) as specified in the Systems Manual. Money order fees are determined by you, but should be competitive with those in your community. You are required to comply with all local, state and federal laws regarding the sale of money orders.

ITEM 21
FINANCIAL STATEMENTS

Attached to this disclosure document as Exhibit H are:

a) Unaudited consolidated balance sheet as of August 2025 and consolidated income statement from January through August 2025; and

b) Sunoco LP's Guaranty of Performance and audited consolidated financial statements for the years ended December 31, 2024, 2023, and 2022, as published in Sunoco LP's Annual Report for the Year Ended December 31, 2024.

Our fiscal year ends December 31st.

ITEM 22
CONTRACTS

Attached as Exhibits to this disclosure document are the following contracts and their exhibits:

Exhibit A	APLUS Franchise Agreement
Exhibit B	Development Agreement
Exhibit F	Franchise Disclosure Questionnaire

ITEM 23
RECEIPT

Attached as Exhibit K to this disclosure document are receipt pages. Please return one signed and dated copy to us and retain the other for your records.

SUNOCO RETAIL LLC

ATTACHMENT 8 TO THE FRANCHISE AGREEMENT

MINNESOTA AMENDMENT TO FRANCHISE AGREEMENT

THIS AMENDMENT TO FRANCHISE AGREEMENT (this "**Amendment**") dated ____________________, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "**Franchise Agreement**") dated ____________________ by and between Sunoco Retail, LLC, a Texas limited liability company ("**Sunoco**" or "**Franchisor**"), with its principal office in Dallas, Texas, as the franchisor, and ______________________________, a ________________________ ("**you**"), as the franchisee. Where and to the extent that any of the provisions of this Amendment are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Amendment shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Amendment.

1. Franchisor will undertake the defense of any claim of infringement by third parties involving the mark, and Franchisee will cooperate with the defense in any reasonable manner required by Franchisor with any direct cost of such cooperation to be borne by Franchisor.

2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

3. 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 Statues, Chapter 80C, or franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Any provision of the Franchise Agreement requiring time limitation to bring a claim is amended to provide that any claims arising under the Minnesota Franchise Act must be brought within three years after the date the cause of action occurs.

5. No Section providing for a general release as a condition of renewal or transfer will act as a release or waiver of any liability incurred under the Minnesota Franchise Act; provided, that this part shall not bar the voluntary settlement of disputes.

6. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400(J). A court will determine if a bond is required.

~~7~~7. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

8. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of Minnesota Statutes Sections 80C.01 to 80C.22 are met independently without reference to this Amendment.

~~8~~9. Section 3.14 is added to reflect the following:

"NSF checks are governed by Minnesota Statute 604.113 which puts a cap of $30 on service charges."

~~9~~10. 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

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§80C.01-80C.22.

2. Item 17 is supplemented by adding the following language to the end of the "Summary" section of Item 17(f) (Termination by franchisor with cause):

   Minnesota law provides a franchisee with certain termination and non-renewal rights. Minnesota Statutes Sec. 80C.14, Subs, 3,4, and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the applicable agreement.

3. Item 17 is supplemented by adding the following language to the end of the "Summary" section of Item 17(v) (Choice of forum):

   Minnesota Statute 80C.21 and Minnesota Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

4. Item 6 of the disclosure document is supplemented with the following:

   NSF checks are governed by Minnesota Statute 604.113, which puts a cap of $30 on service charges.

5. 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.

6. Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

FOR THE STATE OF NEW YORK

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 D OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THAT ANYTHING IN THE 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 CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

   Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises, under the franchisor's principal trademark: