

FRANCHISE DISCLOSURE DOCUMENT



SFCECUS, LLC
(a Wisconsin limited liability company)
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Thiensville, WI 53092
Tel: (414) 885-4587
Email: franchising@sfcstatecoaching.com
www.sfcstatecoaching.com

A SFC ESTATE COACHING™ franchise provides coaching to clients in estate planning, which is the process of anticipating and arranging for the management and disposition of clients' estates during life in preparation for future incapacity or death.

The total investment necessary to begin the operation of a SFC Estate Coaching franchise is from \$41,450 to \$51,450. This includes between ~~\$25,000~~ 27,500 and \$30,000 that must be paid to the franchisor.

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 or make any payment 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 your disclosures in different formats, contact our contracts administrator, Craig Mellendorf at 627 Grand Avenue, Thiensville, WI 53092; Email: franchising@sfcstatecoaching.com; Phone: (414) 885-4587.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your 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," 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. 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.

Issuance Date: August 15, 2025

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 arbitration and/or litigation only in Wisconsin. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor in Wisconsin than in your own state.
2. **Short Operating History**. The franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.
3. **Mandatory Minimum Payments**. You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in the termination of your franchise and loss of your investment.
4. **Unregistered Trademark**. The primary trademark that you will use in your business is not federally registered. If the franchisor's right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.

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.

may operate in close proximity to major competitors that offer goods and services that are the same as or similar to those you offer.

Laws and Regulations

As a SFC Estate Coaching™ franchisee, you will be subject to numerous federal, state, and local laws and regulations that apply to businesses in general and may be subject to laws and regulations that apply to estate planning and coaching services in particular. You will be responsible for investigating and complying with any laws or regulations that may apply to estate planning and coaching services. You will also be responsible for complying with employment, workers' compensation, insurance, corporate, tax, and similar laws and regulations, as well as any federal, state, or local laws of a more general nature that may affect the operation of your franchised business. Additionally, unless you have an active law license in the state where your Franchised Business is located you may not participate in the unauthorized practice of law by doing such things as (i) performing legal services or providing legal advice, (ii) drafting legal documents, or (iii) representing clients in legal proceedings. You should thoroughly investigate all of these laws before purchasing a SFC Estate Coaching™ Franchised Business.

ITEM 2. BUSINESS EXPERIENCE

Founder and Chief Executive Officer:

Mr. Mellendorf has served as our Chief Executive Officer since July 7, 2025. Mr. Mellendorf has also served as the Chief Executive Officer for Mellendorf, LLC in Thiensville, WI since October 2013. From January 2013 to December 2014, Mr. Mellendorf worked as a Gift Planning Counselor with Gift Planning Services in Eau Claire, Wisconsin.

ITEM 3. LITIGATION

No litigation information is required to be disclosed in this Item.

ITEM 4. BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5. INITIAL FEES

You must pay an initial franchise fee of \$25,000 if this is your first SFC Estate Coaching™ Franchised Business. If granted the right to develop an additional Franchised Business, the initial franchise fee will be reduced by \$5,000 of our then-current initial franchise fee.

[Estate Planning Booklets - You will need to purchase approximately 100 to 200 estate planning booklets from us, which is currently \\$25 per booklet.](#)

The initial franchise fee and the fee for ~~Booklets~~the booklets are uniform to all franchisees and must be paid in full when you sign the Franchise Agreement. The fee for ~~Booklets~~booklets and the initial franchise fee are fully earned and not refundable under any circumstances.

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ITEM 6. OTHER FEES

<i>Name of Fee¹</i>	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
Royalty Fee	The greater of (i) 5% of Gross Revenues ² or (ii) Minimum Royalty Fee ³ per month	Payable the 10 th day of each month via ACH for the preceding month	Paid on Gross Revenues for preceding calendar month. The Minimum Royalty Fee will not be assessed until the 7 th month after you begin operation of your Franchised Business.
Brand Marketing Fee	Currently \$25 per month	Payable the 10 th day of each month via ACH for the preceding month	We may increase this fee at any time to up to \$200 per month in our discretion. Any increase in the Brand Marketing Fee will be effective thirty (30) days after your receipt of written notice from us.
Special Promotions	Your pro-rata share of the cost of the promotion which may be up to \$300 per promotion	As incurred	If we establish a promotional campaign, we may require you to participate. You will be required to pay your pro-rata share of development, purchase, lease, installation and/or erection of all materials necessary to such promotional campaigns, including but not limited to posters, banners, signs, photography or give-away items.
Transfer Fee	<p>New Franchisee: 50% of the then-existing Initial Franchise Fee</p> <p>Existing Franchisee: 25% of the then-existing Initial Franchise Fee</p> <p>Transfer of Shares (non-controlling): \$1,500</p> <p>Involuntary Transfers: Our costs and expenses</p>	Prior to transfer.	Applies to any transfer of the Franchise Agreement, the Franchised Business, a controlling interest in the Franchised Business, or a transfer of a non-controlling interest in the Franchised Business.

<i>Name of Fee</i> ¹	<i>Amount</i>	<i>Due Date</i>	<i>Remarks</i>
			System Conference to up to \$1,000 per person.
On-Site Visits	\$500 per day, per trainer plus our expenses for transportation, lodging and meals.	Upon demand	We may, in our discretion or at your request, visit your office from time to time to provide additional operational support.
Late Fee ⁴	\$100 per violation	Upon demand	
Interest ⁵	18% per annum or the highest rate allowable by law	Upon demand	
Insufficient Funds Fee	\$250 per occurrence plus our actual costs incurred for bank charges.	Upon demand	An insufficient funds fee is due any time an EFT withdrawal or any check or other means of payment used is returned not paid or otherwise rejected or denied.
Audit Fee ⁶	Reasonable cost of audit plus 18% interest on underpayment and late fees	Upon demand	Payable only if audit shows an understatement of Gross Revenues of at least 3% for any month.
Client Surveys	Our actual costs and expenses.	Upon demand.	Payable if we conduct client satisfaction surveys.
Sales/Use Taxes ⁷	Variable	Payable with your Royalty Fee or Brand Marketing Fee payments	You must pay any state or local sales or use tax that may be assessed on the royalties, branding fees, or other fees you pay to SFC Estate Coaching
Indemnification ⁸	Variable	As incurred	You must fully reimburse us if we are held liable for claims arising from your business
Estate Planning Booklet	\$25 per booklet. We have the right to increase this fee to up to \$50 per booklet.	As incurred	You will need to purchase approximately 100 to 200 booklets annually. <u>100 booklets is not a minimum requirement. You are free to determine the amount of booklets you require based on your assessment of your client base.</u> You will have the

ITEM 7. ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial Franchise Fee ¹	\$25,000	\$25,000	Lump sum	At signing of Franchise Agreement	The Initial Franchise Fee is paid to Franchisor
Office Equipment, Computers, Office Supplies ²	\$4,500	\$5,950	As incurred	Before opening	Third-party providers
Computer System ³	\$3,200	\$4,000	Lump Sum	Before opening	Third-party providers
Insurance Deposits and Premiums ⁴	\$1,500	\$2,500	As incurred	Before opening	Insurance company
Pre-Opening Training Expense ⁵	\$0	\$1,500	As Incurred	Before opening	Franchisor Third parties
Grand Opening Promotion ⁶	\$0	\$1,500	As incurred	Before opening; recommended	Third party or our affiliates parties
Professional Fees ⁷	\$2,000	\$3,000	As incurred	Before opening	Attorneys, accountants
Business Permits, Fees, and Licenses ⁸	\$250	\$500	As incurred	Before opening	Licensing Authorities or our affiliates
Additional funds – 3 Months ⁹	\$5,000	\$7,500	As incurred	After opening	Various
TOTAL ESTIMATED INITIAL INVESTMENT¹⁰	\$41,450	\$51,450			

Notes to Table:

1. This fee is fully earned and is not refundable when paid by you.
2. These figures represent the purchase of the necessary furniture, fixtures, and equipment from suppliers to operate your Franchised Business. [This amount also include the estate planning booklets you must initially purchase.](#)
3. The cost of the computer equipment and software you will need to operate your franchise will depend upon the manufacturer, the operating features, whether the equipment is new or used, and whether you purchase, rent or lease it.
4. You must obtain and maintain the types and amounts of insurance coverage described in Item 8 under the heading “Insurance.” Insurance costs will vary depending upon the location and size of your Franchised Business, the number of employees and other factors, and may change from time to time due to changes in insurance rates.

We are not required to spend any amount of Fund contributions in the area in which your Franchised Business is located. Our decisions in all aspects related to the Fund shall be final and binding. We may charge the Fund for the costs and overhead, if any, we incur in activities reasonably related to the creation and implementation of the Fund and the advertising and marketing programs for System franchisees.

These costs and overhead include the proportionate compensation of our employees who devote time and render services in the conduct, formulation, development and production of advertising, marketing and promotion programs or who administer the Fund. At your written request, we shall provide fiscal year end unaudited financial statements and an accounting of the applicable Fund expenditures when available. You may have to purchase advertising materials produced by the Fund, by us or by our parent, predecessor or affiliate, and we, or our parent, predecessor or affiliate, may make a profit on the sale. While we will not use the Fund to offer and sell franchises, we reserve the right to include a message or statement in any advertisement indicating that franchises are available for purchase and related information. The Fund may spend more or less than the total annual Fund contributions in a given fiscal year and may borrow funds to cover deficits. Fund contributions not spent in the fiscal year in which they accrue will be carried over for use during the next fiscal year.

The advertising and promotion we conduct is intended to maximize general public recognition and patronage of System businesses and the SFC Estate Coaching™ brand generally in the manner that we determine to be most effective. We are not obligated to ensure that the expenditures from the Fund are proportionate or equivalent to your contributions or that your Franchised Business or any SFC Estate Coaching™ Franchised Business shall benefit directly or pro rata or in any amount from the placement of advertising.

We have just begun offering franchises as of the Issuance Date of this disclosure document. We have not yet established or collected any monies for Fund.

Website

Franchisee shall not directly or indirectly establish, maintain, or operate a separate Website, Web page, blog, listing, banner, URL, advertisement, or any other service or link on or with the Internet (including social networking Websites or services), World Wide Web, Internet service providers, email services, communication providers, search engines or other similar services (Franchise Agreement §11.6).

Promotions

From time to time, we may, in its sole discretion, establish special promotional campaigns applicable to the SFC Estate Coaching™ System franchisees as a whole or to specific advertising market areas. If we require you to participate in any special promotional programs, you shall be required to pay your pro-rata share for the development, purchase, lease, installation and/or erection of all materials necessary to such promotional campaigns, including but not limited to posters, banners, signs, photography or give-away items. You may not offer any special promotional programs without our prior written consent. Additionally, you are required to offer any and all discounts mandated by us. [The cost of this may be up to \\$300 per promotion.](#) (Franchise Agreement §11.9)

Location of Franchised Business

You will operate the franchised business from an office in your home, provided that it is permitted by law. Upon written request and approval from us, you may also operate your franchise from a rented office, but it is not required nor suggested unless absolutely necessary. (Franchise Agreement Article 3).

Relocation

You may not relocate the franchised business without our approval. Whether or not we would allow relocation depends on the circumstances at the time and what is in the systems' best interests, based on our business judgment. Any relocation, if approved, would be at your sole cost.

Length of Time to Open Franchise

Relocation

You may not relocate the franchised business without our approval. Whether or not we would allow relocation depends on the circumstances at the time and what is in the systems' best interests, based on our business judgment. Any relocation, if approved, would be at your sole cost.

Right to Acquire Additional Franchises

We do not offer franchisees any option, right of first refusal or any similar right to acquire additional franchises within the Territory or contiguous territories. If you wish to open an additional Franchised Business you will have to apply with us and will be subject to the same criteria and review process as new franchisees. In addition, we will not grant you an additional franchise if you owe any amounts to us to our affiliates.

ITEM 13. TRADEMARKS

Under the Franchise Agreement, we grant to you the right to use certain trademarks, service marks and other commercial symbols in connection with the operation of your franchise (the "**Proprietary Marks**"). Our primary service mark is "SFC Estate CoachingTM". Our affiliate, CCS, applied for registration of the Proprietary Mark on the Principal Register of the United States Patent and Trademark Office ("**USPTO**") as listed below. The below list may not be an exhaustive list of all Marks owned by us or our affiliate.

Mark	Serial Number	Application Date
	99172984	May 7, 2025

~~The Mark~~ We do not have a federal registration for our principal trademark. Therefore, our trademark does not have many legal benefits and rights as a ~~federally-registered~~ federally-registered trademark. If our right to use ~~those trademarks~~ the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses.

We intend to file all affidavits and renew the registration when required.

We also own and claim common law trademark rights in the trade dress used in the Franchised Businesses. Our common law trademark rights and trade dress are also included as part of the Marks.

Effective August 15, 2025 we entered into an exclusive perpetual license agreement with our affiliate, Mellendorf, LLC, for the use of the Marks ("**License Agreement**"). The License Agreement may be terminated by either us or Mellendorf, LLC due to a material breach of any of its provisions. Under the License Agreement, we have acquired the right to sell "SFC Estate CoachingTM" branded Franchised Businesses to franchisees in the United States of America and collect franchise fees, royalties and other fees from franchisees. If we breach the License Agreement, or if the License Agreement is otherwise terminated, you may lose your rights to use the Marks. No other agreements limit our right to use or license the Marks.

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state, or any court involving the Marks, nor any pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. There are no agreements currently in effect that significantly limit our right to use or license the use of the Marks in any manner material to the franchise. Other than the rights of Mellendorf, LLC, we are not aware of any superior rights that could affect your use of the Marks.

Your rights to the Marks are derived solely from your Franchise Agreement. You may have the right to potentially use future trademarks, service marks and logos that we may subsequently license to you. You will only use the Marks as we authorize. In using the Marks, you must strictly follow our rules, standards, specifications, requirements and instructions which may be modified by us in our discretion. All goodwill

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Overview

This financial performance representation ("**FPR**") includes the Gross Revenues for one SFC Estate Coaching™ branded location operated by our affiliate, Mellendorf, LLC, for the full fiscal years of 2020, 2021, 2022, 2023 and 2024, each ended on December 31. The FPR also includes the average revenues per organization serviced by Mellendorf, LLC in 2024.

Financial Performance Representations

The following table presents the annual Gross Revenues data for the 1 affiliate owned location described above. This is not a franchised location.

Gross Revenues Through December 31 of each Year

Year	Gross Revenues
2020	\$200,837.74
2021	\$244,815.40
2022	\$284,207.85
2023*	\$180,093.30
2024	\$198,237.07

* In 2023 we modified our contracts with organizations to require a 3 year term as opposed a 1 year term. This decreased the initial revenue but had the effect of increasing revenue over a longer period of time with more stability and extended contractual obligations.

Average Revenue Per Organization Serviced in the Fiscal Year Ended December 31, 2024

\$11,013

Average Median Per Organization Serviced in the Fiscal Year Ended December 31, 2024

\$9,000

Notes to FPR Table:

1. For purposes of this FPR, "**Gross Revenues**" means the gross amount, in money or other forms of consideration, earned or received from any source-related to, or in connection with, the operation of the SFC Estate Coaching™ branded location disclosed above.
2. The FPR does not reflect the operating costs and expenses that you will incur in operating your SFC Estate Coaching™ Franchised Business, such as royalties, technology fees, system brand fees, local marketing expenses, rent, payroll, insurance, utilities, inventory replenishment, etc.
3. The Gross Revenues figures are based on the historical results from the SFC Estate Coaching™ location described above.
4. The representations made above relate to the past performance of outlets owned by our affiliate, which is not a franchised business. The representation relates to the performance of all existing outlets owned by our affiliate for the affiliate's operating history from 2020 to 2023. This outlet may present competition to you if it is near your Franchised Business. There is no material

Neither Company nor any person identified in Item 2 above is subject to any currently effective order of any national securities association or national securities exchange (as defined in the Securities & Exchange Act of 1934) suspending or expelling these persons from membership in the association or exchange.

FOR THE STATE OF ILLINOIS

Item 5 is amended to state that payment of Initial Franchise/Area Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirements was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

Illinois law governs the Franchise 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 of an agreement 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.

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.

FOR THE STATE OF INDIANA

1. Item 8 of the Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Items 6 and 9 of the Disclosure Document are amended to add the following:

The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

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3. Item 17(h) is modified to also provide, “The provision in the Franchise Agreement that provides that we may terminate the agreement upon your bankruptcy may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.)”
4. Item 17(u) is modified to also provide, “A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”
5. Item 17(v) is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

FOR THE STATE OF MINNESOTA

~~1. Item 13 of the Disclosure Document is amended as follows:~~

The following is added to the disclosure document:

~~As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, 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.~~

The Franchise Compliance Certificate is not applicable in Minnesota.

Items 5 & 7 and Franchise Agreement:

Payment of the initial franchise fee shall be deferred until Franchisee has commenced doing business. The Minnesota Department of Commerce’s office imposed this deferral requirement due to Franchisor’s financial condition.

~~2. Item 17 of the Disclosure Document, summary column for (f) is amended as follows~~ to add the following:

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

Item 17, summary column for (m) is amended to add the following:

~~Item 17 shall not provide for a prospective general release of claims against us that may be subject to~~ Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise ~~Law. Minn. Rule 2860.4400D~~ Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general release.

Item 17, summary columns for (v) and (w) are amended to add the following:

Minnesota Statute 80C.21 [revisor.leg.state.mn.us] and Minnesota Rule 2860.4400(J) [revisor.leg.state.mn.us] prohibit the franchiser 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)

[Link-to-previous setting changed from on in original to off in modified.]

can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C [revisor.leg.state.mn.us] or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. e. NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

~~3. Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise 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.~~

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G) [revisor.mn.gov]. The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5. [revisor.leg.state.mn.us]. NSF checks are governed by Minnesota Statute 60-5.113, which puts a cap of \$30 on service charges.

~~4. 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.~~

FOR THE STATE OF NORTH DAKOTA

Item 17 (c) of the Disclosure Document and the Franchise Agreement require the franchisee to sign a general release upon renewal of the Franchise Agreement. Those provisions are deleted in their entirety.

Item 17 (i) of the Disclosure Document and the Franchise Agreement require the franchisee to consent to termination or liquidated damages. Those provisions are deleted in their entirety.

Item 17 (r) of the Disclosure Document and the Franchise Agreement disclose the existence of certain covenants restricting competition to which franchisees must agree. Those provisions are deleted in their entirety.

Item 17 (u) of the Disclosure Document and the Franchise Agreement require the franchisee to agree to arbitration or mediation of disputes in Wisconsin is amended to provide that the site of arbitration or mediation must be agreeable to all parties and must not be remote from the franchisee's place of business.

Item 17 (v) of the Disclosure Document and the Franchise Agreement provide that franchisees must consent to the jurisdiction of courts in Wisconsin. Those sections are deleted in their entirety.

Section 17 (w) of the Disclosure Document and the Franchise Agreement provide that the agreement shall be construed according to the laws of the state of Wisconsin. Those sections are amended to substitute "North Dakota" for references to "Wisconsin."

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

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RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER is made and entered into on _____, 20____ (the “Effective Date”) by and between **SFCECUS, LLC**, a limited liability company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand Avenue, Thiensville, WI 53092, (“we,” “us,” or “our”), and _____, a _____ [corporation, limited liability company, general partnership, or limited partnership] formed under the laws of the State of _____, [or a sole proprietorship] with its principal business address at _____ (“you” or “your”).

Illinois law governs the Franchise 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 of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

[Payment of Initial Franchise/Area Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirements was imposed by the Office of the Illinois Attorney General due to Franchisor’s financial condition.](#)

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.

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.

IN WITNESS WHEREOF, the parties have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date.

FRANCHISOR:

SFCECUS, LLC

By: _____

Printed Name: _____

Title: _____

FRANCHISEE:

[_____]

By: _____

Printed Name: _____

Title: _____

RIDER TO THE SFCECUS, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

~~THIS RIDER is made and~~ This Rider is entered into on ~~_____~~, 20 ~~this~~
~~_____~~, 20 ~~(the "Effective Date")~~ by and between SFCECUS, LLC, a limited liability
company formed under the laws of the State of Wisconsin, with its principal business address at 627 Grand
Avenue, Thiensville, WI 53092, ~~between ALC FRANCHISE, LLC~~ ("we," "us," or, "our"), and
~~_____~~, a
~~[corporation, limited liability company, general partnership, or limited partnership]~~ formed under the
laws of the State of _____, [or a sole proprietorship] with its principal business address at
~~_____~~
~~(_____ "you" or "your").~~ (collectively, you and we are
referred to as the "parties" and individually sometimes referred to as a "party") and amends the Franchise
Agreement between the parties dated as of the Effective Date (the "Agreement").

1. ~~**BACKGROUND.** We and you are parties to that certain Franchise Agreement effective as of~~
~~_____ (the "Franchise Agreement") that has been signed concurrently with the~~
~~signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is~~
~~being signed because (a) the Franchised Business that you will operate under the Franchise Agreement will~~
~~be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement~~
~~occurred in Minnesota.~~

1. **Precedence and Defined Terms.** This Rider is incorporated into the Agreement and
supersedes any inconsistent or conflicting provisions of the Agreement. Terms not otherwise
defined in this Rider have the meanings as defined in the Agreement.

~~2. **RELEASES.** The following is added to the Franchise Agreement:~~

2. **Initial Fees.** Payment of the initial franchise fee shall be deferred until Franchisee has
commenced doing business. The Minnesota Department of Commerce's office imposed this
deferral requirement due to Franchisor's financial condition.

~~Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent~~
~~prohibited by the Minnesota Franchises Law.~~

2. **Insufficient Funds.** Insufficient Funds checks are governed by Minnesota Statute 60-5.113,
which puts a cap of \$30 on service charges

3. ~~**RENEWAL AND TERMINATION.** The following is added to the Franchise~~ **Transfer.**
Section 12 of the Agreement is amended to add the following:

Our consent to the transfer of the franchise will not be unreasonably withheld. Any release
signed as a condition of transfer will not apply to any claims you may have under the Minnesota
Franchise Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor
from requiring a franchisee to assent to a general releasee.

4. **Expiration of this Agreement.** Section 13 of the Agreement is amended to add the following:

~~However, with~~ With respect to franchises governed by Minnesota ~~law~~ Law, we will comply with
Minn. Stat. Sec. ~~80C~~ 80c.14, ~~Subds~~ subds. 3, 4, and 5, which require, except in certain specified
cases, that you be given ~~90 days' notice of termination (with 60 days to cure) and~~ 180 days'

notice of non-renewal of ~~this~~the Franchise Agreement.

45. ~~**GOVERNING LAW.**~~ ~~The Franchise~~Termination. Section 14 of the Agreement is amended ~~with~~to add the following:

~~All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), or other federal law, this Agreement, the Franchise, and all claims arising from the relationship between us and you will be governed by the laws of the State of Wisconsin, without regard to its conflict of laws rules, except that (1) any Wisconsin law regulating the sale of franchises or governing the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Sub-section and (2) nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80C or your right to any procedure, forum or remedies that the laws of the jurisdiction provide.~~

With respect to franchises governed by Minnesota Law, we will comply with Minn. Stat. Sec. 80c.14, subs. 3, 4, and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure). Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act. Minnesota Rules 2860.4400(D) [revisor.leg.state.mn.us] prohibits a franchisor from requiring a franchisee to assent to a general release.

5. ~~**CONSENT TO JURISDICTION.**~~ ~~Sub-section 17H.~~ of the Franchise Agreement is deleted and replaced with the Jurisdiction. The following is added to Section 18:

~~Subject to Sub-section 17.F. above and the provisions below, we and you (and your owners) agree that all actions arising under this Agreement or otherwise as a result of the relationship between you and us must be commenced in the state or federal court of general jurisdiction which is closest to where our principal office then is located, and we and you (and each owner) irrevocably consent to the jurisdiction of those courts and waive any objection to either the jurisdiction of or venue in those courts. Nonetheless, we and you (and your owners) agree that any of us may enforce any arbitration orders and awards in the courts of the state or states in which you are domiciled or the Store is located. Notwithstanding the foregoing, Minn. Stat. Sec. 80C80C.21 and Minn. RuleRules 2860.4400J prohibit us, except in certain specified cases, from requiring litigation to be conducted outside Minnesota. Nothing in the Agreement shall~~ In addition, nothing in the Disclosure Document or franchise agreement can abrogate or reduce any of your rights ~~under~~as provided for in Minnesota Statutes, Chapter 80C, or your ~~right~~rights to any procedure, forum or remedies ~~that~~provided for by the laws of the jurisdiction provide.

6. ~~**WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.**~~ ~~To the extent required by the Minnesota Franchises Law, any restrictions as to punitive damages or jury trials is~~ Waiver of Punitive Damages and Jury Trial. Sections 18.10 and 18.11 are deleted in their entirety.

7. ~~**INJUNCTIVE RELIEF.**~~ ~~The Franchise Agreement~~Limitation of Claims. Section 18 is amended ~~with~~to add the following:

~~Nothing in this Agreement bars our right to obtain specific performance of the provisions of this Agreement and injunctive relief against threatened conduct that will cause us, the Marks, and/or the Franchise System~~

~~loss or damage, under customary equity rules, including applicable rules for obtaining restraining orders and preliminary injunctions (subject to our obligation to arbitrate the underlying claim if required by this Agreement). You agree that we may seek such injunctive relief in addition to such further or other relief as may be available by law or in equity. You agree that your only remedy if an injunction is entered against you will be the dissolution of that injunction, if warranted, upon due hearing (all claims for damages by injunction being expressly waived hereby).~~

8. ~~**LIMITATIONS OF CLAIMS.**~~ The following is added to the Franchise Agreement:
~~Minnesota law provides that no~~No action may be commenced for claims coming under ~~Minn. Stat. Sec. 80C.17~~Minnesota Law more than 3 years after the cause of action accrues.

9. ~~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.~~ Injunctive Relief. The Franchisee does not consent to the Franchisor obtaining injunctive relief for any matters coming under Minnesota Law; but the Franchisor may seek such injunctive relief.

10. General Release. Pursuant to Minn. Rule 2860.4400D the general release required as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Minnesota Franchise Act.

{Signatures on the Following Page}

~~IN WITNESS WHEREOF~~ Intending to be bound, the parties ~~have executed and delivered this Rider on the dates noted below, to be effective as of the Effective Date~~ sign and deliver this Rider in 2 counterparts effective on the Agreement Date, regardless of the actual date of signature.

FRANCHISOR:

SFCECUS, LLC

By: _____

Printed Name: _____

Title: _____

FRANCHISEE:

[_____]

By: _____

Printed Name: _____

Title: _____