

MINNESOTA RIDER TO THE FRANCHISE AGREEMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. 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 agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which 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 non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- 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.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.
 - Also, a court will determine if a bond is required.
- The Franchisor has posted a surety bond with the State of Minnesota equal to the Initial Franchise Fee multiplied by the number of franchises that Franchisor projects to open this fiscal year in Minnesota. This financial assurance requirement was imposed by the State of Minnesota Department of Commerce Securities Section due to the Franchisor's financial condition.
- Any Limitations of Claims section must comply with Minnesota Statutes, Section ~~Minn. Stat., Sect~~ 80C.17, Subd. 5.

Franchisor has posted a surety bond with the State of Minnesota equal to the Initial Franchise Fee multiplied by the number of franchises that Franchisor projects to open this fiscal year in Minnesota. This financial assurance requirement was imposed by the State of Minnesota Department of Commerce Securities Section due to the Franchisor's financial condition.

• No statement, questionnaire, or acknowledgement 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 with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20__.

ATTEST

MONTESSORI SCHOOL FRANCHISING LLC

Witness

By: _____
Name: _____
Title: _____

Witness

FRANCHISEE:
By: _____
Name: _____
Title: _____

MINNESOTA RIDER TO THE MULTI-UNIT DEVELOPMENT AGREEMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Multi-Unit Development Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. 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 agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
 - With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which 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 non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
 - 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.
 - Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
 - Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
 - NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
 - The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.
 - Also, a court will determine if a bond is required.
 - TheAny Limitations of Claims section must comply with ~~Minn. Stat., Sect.~~Minnesota Statutes, Section 80C.17, Subd. 5.
- No statement, questionnaire, or acknowledgement 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 with the franchise.
- Franchisor has posted a surety bond with the State of Minnesota equal to the Initial Franchise Fee multiplied by the number of franchises that Franchisor projects to open this fiscal year in Minnesota. This financial assurance requirement was imposed by the State of Minnesota Department of Commerce Securities Section due to the Franchisor's financial condition.

MINNESOTA ADDENDUM TO DISCLOSURE DOCUMENT

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

Minn. Stat. Item 13 is amended by adding the following at the end of the item:

To the extent required by the Minnesota Franchises Act, we will protect your rights to use the trademarks, service marks, trade names, logo types, or other commercial symbols related to the trademarks or indemnify you from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the trademarks.

Items 17.c. and 17.m. are amended by adding the following disclosure:

Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability under Minnesota Statutes Sections 80C.01-80C.22.

Item 17.c. and 17.g. are amended by adding the following:

Minnesota Statutes, Section 80C.14, Subds. 3-5 requires (except in certain circumstances): (a) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the franchise agreement, and (b) that consent to the transfer of the franchise will not be unreasonably withheld.

Item 17.u. is amended by adding the following language:

Under Minnesota Rule 2860.4400(J), any provision in a franchise agreement requiring a franchisee to consent to the franchisor obtaining injunctive relief is unenforceable. A franchisor may seek injunctive relief. ~~§ Also, a court will determine if a bond is required.~~

A limitation of claims provision must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

Items 17.v. and 17.w. are amended by the addition of the following:

- Minnesota Statutes, Section 80C.21 and MinnesotaMinn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside of Minnesota, requiring waiver of the right to a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. ~~Nothing~~In addition, ~~nothing~~ in the ~~franchise disclosure document~~ Franchise Disclosure Document or agreements can abrogate or reduce (a) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (b) ~~the~~2) franchisee's rights to any ~~process~~procedure, forum, or remedies provided for ~~under~~by the laws of ~~the~~jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which 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 non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- 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.

- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

Any Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

No statement, questionnaire, or acknowledgement 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 with the franchise.

Item 21 is amended by the addition of the following:

Franchisor has posted a surety bond with the State of Minnesota equal to the Initial Franchise Fee multiplied by the number of franchises that Franchisor projects to open this fiscal year in Minnesota. This financial assurance requirement was imposed by the State of Minnesota Department of Commerce Securities Section due to the Franchisor's financial condition.

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	Pending
Indiana	Pending <u>June 8, 2025</u>
Maryland	
Michigan	June 8, 2024
Minnesota	Pending
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	Pending
Washington	Pending
Wisconsin	Pending <u>June 4, 2025</u>

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.