

2. The following is added to the end of Item 5:

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise agreement under the development agreement opens.

3. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

4. The following is added to the end of the "Summary" section of Item 17(h), entitled **"Cause" defined – non-curable defaults**:

The Multi-Unit Development Agreement and Franchise Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

5. The following sentence is added to the end of the "Summary" section of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of Law**:

You may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

MINNESOTA

1. The following language is added at the end of Items 5 and 7:

As a condition to becoming registered to offer and sell franchises in the State of Minnesota, the Minnesota Department of Commerce (Securities Section) requires us to defer payment of the initial franchise fees and/or development fees until your business opens.

2. ~~1.~~ **Other Fees**. The following is added to the "Late Payment Fee" row of the Item 6 chart:

Notwithstanding the foregoing, under Minnesota Statute 60A.113, your penalty for an insufficient funds check will be limited to \$30.00 per occurrence.

3. ~~2.~~ **Renewal, Termination, Transfer and Dispute Resolution.** The following is added at the end of the chart in Item 17:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, 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) of the Multi-Unit Development Agreement and Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J might prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document, Multi-Unit Development Agreement or Franchise Agreement can abrogate or reduce any of Multi-Unit Development Agent's or Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Those provisions also provide that no condition, stipulation or provision in the Multi-Unit Development Agreement or Franchise Agreement will in any way abrogate or reduce any of your rights under the Minnesota Franchises Law, including, if applicable, the right to submit matters to the jurisdiction of the courts of Minnesota.

Any release required as a condition of renewal, sale and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

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 A 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 NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005.

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 MULTI-UNIT DEVELOPMENT OR FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND**

THIS RIDER is made and entered into by and between **LS FRANCHISOR LLC**, a Georgia limited liability company whose address is 120 Interstate N. Pkwy SE, Suite 400, Atlanta, GA 30339 (“we”), and _____
a(n) _____ whose principal business address is _____
_____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20__ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland, and/or (b) the Business that you will operate under the Franchise Agreement will be located in Maryland.

2. **PREAMBLES.** The second paragraph of Section 1.A (“Background”) of the Franchise Agreement is deleted in its entirety and replaced with the following:

You have requested that we grant you the right to develop, own and operate a Business, using the Marks and System (the “Franchise”) and, to support your request, you and, as applicable, your owners have provided us with certain information about your and their background, experience, skills, financial condition and resources (collectively, the “Application Materials”). In reliance on, among other things, the Application Materials, we are willing to grant you the Franchise on these Terms.

3. **2-INITIAL FRANCHISE FEE.** The following language is added to the end of Section 4.A (“Initial Franchise Fee”) of the Franchise Agreement:

Pursuant to an order of the Maryland Securities Commissioner, we will defer collection of the initial franchise fee and other initial payments you owe us until we have completed all of our pre-opening obligations to you under the Franchise Agreement and you have begun operating your Business.

4. **3-RELEASES.** The following is added to the end of Sections 13.B (“Transfer by You or Your Owners”), 14.A (“Your Right to Acquire a Successor Franchise”), and 16.B (“Our Right to Purchase Your Business”) of the Franchise Agreement:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to any claims or liability arising under the Maryland Franchise Registration and Disclosure Law.

5. **4-INSOLVENCY.** The following sentence is added to the end of Section 15.B(16) (“Termination of Agreement – By Us”) of the Franchise Agreement:

This Section 15.B(16) may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

6. **5-DISPUTE RESOLUTION; ARBITRATION.** The following paragraph is added at the end of Section 18.A (“Enforcement - Arbitration”) of the Franchise Agreement:

A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

7. ~~6.~~ **GOVERNING LAW.** Section 18.B (“Governing Law”) of the Franchise Agreement is deleted and replaced with the following:

All matters relating to arbitration will be governed by the United States 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 United States federal law, this Agreement or any related agreements, the franchise, and all claims arising from the relationship between us (or any of our affiliates, and our and their respective owners, officers, directors, agents, representatives, and employees) and you (and your owners, guarantors, affiliates, and employees) will be governed by the laws of the state where we maintain our or, as applicable, our successor or assign maintains its, principal place of business (currently, Atlanta, Georgia) without regard to its conflict of laws rules, except that (1) any state law regulating the sale of franchises or governing the relationship of a franchisor and its franchise owner will not apply unless its jurisdictional requirements are met independently without reference to this paragraph, and (2) Maryland law will apply to claims arising under the Maryland Franchise Registration and Disclosure Law.

8. ~~7.~~ **CONSENT TO JURISDICTION.** The following language is added to the end of Section ~~T~~8.C (“Consent to Jurisdiction”) of the Franchise Agreement:

You must bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

9. ~~8.~~ **LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section ~~T~~8.G (“Limitations of Claims”) of the Franchise Agreement:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after we grant you the franchise.

10. ~~9.~~ **ACKNOWLEDGMENTS.** The following is added as a new Section 18.F to the end of the Franchise Agreement:

ACKNOWLEDGEMENTS.

All representations requiring you to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

**RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER is made and entered into by and between **LS FRANCHISOR LLC**, a Georgia limited liability company whose address is 120 Interstate N. Pkwy SE, Suite 400, Atlanta, GA 30339 (“we”), and _____
a(n) _____ whose principal business address is _____
_____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Franchise Agreement dated _____, 20____ (the “Franchise Agreement”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the 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.

2. **INITIAL FRANCHISE FEE.** The following language is added to the end of Section 4.A (“Initial Franchise Fee”) of the Franchise Agreement:

As a condition to becoming registered to offer and sell franchises in the State of Minnesota, we will defer your obligation to pay the initial franchise fee and initial payments until we have met our pre-opening obligations and you have commenced operation of the Business.

3. **2.-LATE PAYMENTS AND REPORTING.** The following sentence is added to the end of Section 4.E of the Franchise Agreement:

Notwithstanding the foregoing, you and we acknowledge that under Minnesota Statute 604.113, your penalty for an insufficient funds check will be limited to \$30.00 per occurrence.

4. **3.-NON-DISPARAGEMENT.** The following sentence is added to the end of Section 6.E of the Franchise Agreement:

Provided you have complied with all provisions of this Agreement applicable to the Marks, we will protect your right to use the Marks and will indemnify you from any loss, costs or expenses arising out of any claims, suits or demands regarding your use of the Marks in accordance with Minn. Stat. Sec. 80C 12, Subd. 1(g).

5. **4.-NON-COMPETITION.** Sections 8 and 16.A(10) of the Franchise Agreement will not be enforced to the extent prohibited by applicable law.

6. **5.-RELEASES.** The following is added to the end of Sections 13.B (“Transfer by You or Your Owners”), 14.A (“Your Right to Acquire a Successor Franchise”), and 16.B (“Our Right to Purchase Your Business”) of the Franchise Agreement:

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

7. ~~6.~~ **YOUR RIGHT TO ACQUIRE A SUCCESSOR FRANCHISE AND TERMINATION OF AGREEMENT.** The following is added to the end of Sections 14.A (Your Right to Acquire a Successor Franchise”) and 15.B (Termination – By Us”) of the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, 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 Agreement.

8. ~~7.~~ **LOST REVENUE DAMAGES.** The following language is added to the end of Section 16.C of the Franchise Agreement:

We and you acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, we and you agree to enforce the provision to the extent the law allows.

9. ~~8.~~ **GOVERNING LAW.** The following statement is added at the end of Section 18.B (“Governing Law”) of the Franchise Agreement:

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.

10. ~~9.~~ **VENUE.** The following language is added to the end of Section 18.C (“Consent to Jurisdiction”) of the Franchise Agreement:

Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400j prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota statutes Chapter 80C or your rights to any procedure, forum or remedies that the laws of the jurisdiction provide.

11. ~~10.~~ **LIMITATIONS ON DAMAGES; WAIVER OF JURY TRIAL; WAIVER OF CLASS ACTION.** If and then only to the extent required by the Minnesota Franchises Law, Section 18.G (“Limitations of Claims”) of the Franchise Agreement is deleted. Section 18.G is further amended by adding the following to the end of the Section:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

12. ~~11.~~ **INJUNCTIVE RELIEF.** The following is added to the end of Section 18.E (“Injunctive Relief”) of the Franchise Agreement:

Notwithstanding the foregoing, a court will determine if a bond is required.

[Signature Page Follows]

**RIDER TO THE LS FRANCHISOR LLC
MULTI-UNIT DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER is made and entered into by and between **LS FRANCHISOR LLC**, a Georgia limited liability company whose address is 120 Interstate N. Pkwy SE, Suite 400, Atlanta, GA 30339 (“we”), and _____ a(n) _____ whose principal business address is _____ (“you”).

1. **BACKGROUND.** We and you are parties to that certain Multi-Unit Development Agreement dated _____, 20____ (the “Multi-Unit Agreement”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Agreement. This Rider is being signed because (a) the Businesses that you will develop under the Multi-Unit Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Multi-Unit Agreement occurred in Minnesota.

2. **DEVELOPMENT FEE.** The following language is added to the end of Section 3 of the Multi-Unit Agreement:

As a condition to becoming registered to offer and sell franchises in the State of Minnesota, the Development Fee and initial payments by you shall be deferred until the first franchise under this Agreement opens.

3. **EVENTS OF TERMINATION.** The following is added to the end of Section 6.B of the Multi-Unit Agreement.

However, with respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, 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).

4. **CONSENT TO JURISDICTION.** The following language is added to the end of Section 9.C of the Multi-Unit Agreement.

Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400j prohibit us, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement will abrogate or reduce any of your rights under Minnesota Statutes Chapter 80.C or your rights to any procedure, forum or remedies that the laws of the jurisdiction provide.

5. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** If and then only to the extent required by the Minnesota franchises law, Section 9.D of the Multi-Unit Agreement is deleted.

6. **LIMITATIONS OF CLAIMS.** The following is added to 9.G of the Multi-Unit Agreement:

; provided, however, that Minnesota law provides that no action may be commenced under Minn. Stat. Sec. 80C.17 more than 3 years after the cause of action accrues.

7. **APPLICABLE LAW.** The following statement is added at the end of Section 9.B of the Multi-Unit Agreement: