

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For years ending December 31, 2022, 2023 and 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	47	42	-65
	2023	42	4446	+24
	2024	4446	4648	+2
Affiliate-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	48	43	-5
	2023	43	4547	+24
	2024	4547	4749	+2

Table No. 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For years ending December 31, 2022, 2023 and 2024

State	Year	Number of Transfers
Arizona	2022	0
	2023	0
	2024	1
Colorado	2022	0
	2023	0
	2024	1
AZ: 1 CO: 1 Pennsylvania	2022	1
	2023	1
	2024	20
Totals	2022	1
	2023	1
	2024	2

Table No. 3
Status of Franchised Outlets
For years ending December 31, 2022, 2023 and 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of the Year
AZ	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4

YOUNG REMBRANDTS FRANCHISE, INC.
ADDENDUM TO THE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA

The Young Rembrandts Franchise, Inc. Franchise Disclosure Document for use in the State of Minnesota is modified in accordance with the following:

11. Item 5 of the Franchise Disclosure Document is amended by the addition of the following:

The collection of the initial franchise fees will be deferred until the franchisor has fulfilled its initial pre-opening obligations and the franchisee is open for business.

2. Item 13 of the Disclosure Document on "Trademarks" is amended by the addition of the following language to the original language that appears therein:

"In the event Franchisee's right to the use of any name, mark or commercial symbol licensed hereunder is the subject of any claim, suit or demand (a "threat"), Company shall either defend Franchisee against the threat or indemnify Franchisee from any loss, costs or expenses arising therefrom, provided and on condition, Franchisee:

- A. delivers to Company prompt written notice of the threat;
- B. grants Company written authorization to take unrestricted control over the defense and settlement of the threat with counsel of its choice;
- C. did not cause or give rise to the threat due to a material failure to comply with Company's previously communicated trademark usage requirements;
- D. cooperates promptly and fully with Company in the defense, mitigation, and/or settlement of the threat; and
- E. does not jeopardize or compromise any right, defense, obligation or liability of Company, by making any statement to, or entering into any agreement with, the threatening party which does not have the advance written consent of Company, unless required by applicable law."

2. Item 17 of the Disclosure Document is amended by the addition of the following language to the original language that appears therein:

"With respect to franchises governed by Minnesota law, Company will comply with Minn. Stat. Sec. 80C.14, Subd. 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."

34. Item 17 of the Disclosure Document is amended by the addition of the following language to the original language that appears therein:

"The execution of a general release as a condition for renewal or for assignment of the franchise shall be inapplicable to franchises operating in Minnesota."

45. Item 17 of the Disclosure Document is amended by the addition of the following language to the original language that appears therein:

"Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any 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."

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

**YOUNG REMBRANDTS FRANCHISE, INC.
ADDENDUM TO THE FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

This Addendum is to a Franchise Agreement between Young Rembrandts Franchise, Inc. (Company) and _____ (Franchisee) to amend said Agreement as follows:

1. Sections 5.2 and 5.3 of the Franchise Agreement on Right to Obtain Successor Franchise Agreements and Section 16.1 and 16.2. of the Franchise Agreement on termination by Company are amended by the addition of the following language to the original language that appears therein:

"Minnesota law provides franchisees with certain termination and non-renewal rights. 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 non-renewal of the franchise agreement. These provisions of Minnesota law are hereby incorporated by reference in this Agreement."

2. Section 5.2. of the Franchise Agreement on Right to Obtain Successor Franchise Agreements and Section 14.3. of the Franchise Agreement on Transfer are amended by the addition of the following language to the original language that appears therein:

"The execution of a general release upon transfer shall be inapplicable to franchises operating in Minnesota."

3. Article VIII of the Franchise Agreement on Trademarks is amended by the addition of the following language to the original language that appears therein:

"In the event Franchisee's right to the use of any name, mark or commercial symbol licensed hereunder is the subject of any claim, suit or demand (a "threat"), Company shall either defend Franchisee against the threat or indemnify Franchisee from any loss, costs or expenses arising therefrom, provided and on condition, Franchisee:

- A. delivers to Company prompt written notice of the threat;
- B. grants Company written authorization to take unrestricted control over the defense and settlement of the threat with counsel of its choice;
- C. did not cause or give rise to the threat due to a material failure to comply with Company's previously communicated trademark usage requirements;
- D. cooperates promptly and fully with Company in the defense, mitigation, and/or settlement of the threat; and
- E. does not jeopardize or compromise any right, defense, obligation or liability of Company, by making any statement to, or entering into any agreement with, the threatening party which does not have the advance written consent of Company, unless required by applicable law."

44. Section 9.1 of the Franchise Agreement is revised in part as follows:

“Payment of the Initial Franchise Fee shall be deferred until Franchisor has satisfied all of its pre-opening obligations to Franchisee.”

5. Sections 20.5 and 20.6 of the Franchise Agreement on Governing Law and Choice of Forum are amended by the addition of the following language to the original language that appears therein:

"Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any 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."

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

In witness whereof, each of the undersigned hereby acknowledges having read this Addendum, understands and consents to be bound by all of its terms, and agrees it shall become effective as of the date below the signatures.

"FRANCHISEE"

By: _____

Its: _____

Date: _____

"COMPANY"

YOUNG REMBRANDTS FRANCHISE,
INC., an Illinois corporation

By: _____

Its: _____

Date: _____

YOUNG REMBRANDTS FRANCHISE, INC.
ADDENDUM TO THE TERRITORY DEVELOPMENT AGREEMENT
FOR THE STATE OF MINNESOTA

This Addendum is to a Territory Development Agreement between Young Rembrandts Franchise, Inc. and _____ (Developer) to amend said Agreement as follows:

1. Section 2 of the Territory Development Agreement is revised in part as follows:

“Payment of the Development Fee shall be deferred until Franchisor has satisfied all of its pre-opening obligations to Developer.”

2. Sections 16 and 20 of the Territory Development Agreement on Governing Law and Choice of Forum are amended by the addition of the following language to the original language that appears therein:

"Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or agreement can abrogate or reduce any 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."

IN WITNESS HEREOF, the parties have signed this Agreement on the dates below the signatures.

"DEVELOPER"

"COMPANY"

YOUNG REMBRANDTS FRANCHISE, INC.

By:

By:

Its:

Its:

Date:

Date: