

NOTICE TO PROSPECTIVE FRANCHISEES IN THE STATE OF MINNESOTA
ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT

With respect to franchises governed by Minnesota law, the ~~franchisor~~franchiser will comply with ~~Minn. Stat. Sec. 80C. Minnesota Statute 80C.14, subsections Subd. 3, 4 and 5,~~ which require, ~~(except in certain specified cases,)~~:

- ~~that a franchisee be given 90 days~~days' notice of termination (with 60 days to cure) and 180 ~~days~~days' notice for non-renewal of the ~~Franchise Agreement~~franchise agreement and
- ~~Notwithstanding anything that consent~~ to the ~~contrary in~~transfer of the Franchise Agreement, pursuant to Minn. Stat. Sec.~~franchise will not be unreasonably withheld.~~

Minnesota Statute 80C.21 and Minn. Minnesota Rule Part 2860.4400J, 4400(J) prohibit the Franchisor is prohibitedfranchisor 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 ~~disclosure document~~Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of ~~your~~the franchisee's rights as provided for in ~~Minnesota Statutes, Chapter~~Statute 80C, or ~~your~~(2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

~~Notwithstanding anything contained in the Franchise Agreement to the contrary, the Franchisor shall~~Minnesota considers it unfair to not protect the Franchisee'sfranchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, symbols, and/or other commercial symbols belonging to the Franchisor and which or indemnify the Franchisee has been permitted to usefranchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

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

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

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

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 the Franchise Agreement, 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.

**PAUL DAVIS RESTORATION, INC.
MINNESOTA ADDENDUM TO THE FRANCHISE AGREEMENT**

**ALL FRANCHISE AGREEMENTS EXECUTED IN AND OPERATIVE WITHIN THE
STATE OF MINNESOTA ARE HEREBY AMENDED AS FOLLOWS:**

1. Any reference to liquidated damages or termination penalties contained in this Franchise Agreement, shall be deleted and replaced with the words "actual damages".
2. Notwithstanding anything contained in the Franchise Agreement to the contrary, the Franchisor shall protect the Franchisee's right to use the trademarks, service marks, trade names, logotypes, symbols, and other commercial symbols belonging to the Franchisor and which the Franchisee has been permitted to use under the Franchise Agreement.
3. 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.
4. Any reference contained in the Franchise Agreement to the effect that the Franchisor "is entitled" to injunctive relief, or any imputation that the Franchisee can waive any rights under any law shall, in any Franchise Agreement entered into in the State of Minnesota be deleted and replaced with the words, "may seek".
5. Notwithstanding anything to the contrary in the Franchise Agreement, pursuant to Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, the Franchisor is prohibited from requiring litigation to be conducted outside Minnesota. In addition, nothing in the offering circular 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.
6. With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Rule 2860.4400D which prohibits a franchisor from requiring a franchisee to assent to a general release as a requirement to renew or extend.

The undersigned agree and acknowledge that this addendum is hereby made part of and incorporated into the foregoing Franchise Agreement.

PAUL DAVIS RESTORATION, INC.

FRANCHISEE

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____