

MINNESOTA

1. **Trademark Indemnification.** The following is added at the end of Item 13:

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

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 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 or Franchise Agreement can abrogate or reduce any of 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 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.

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.

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

THIS RIDER is made and entered into by and between **KUMON NORTH AMERICA, INC.**, a Delaware corporation whose address is 301 Route 17 North, Rutherford, New Jersey 07070 (“**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) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the Kumon Center that you will operate under the Franchise Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.

1. **APPLICABLE LAW.** Section 20.1 of the Franchise Agreement is deleted and replaced with the following:

APPLICABLE LAW. EXCEPT TO THE EXTENT GOVERNED BY 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, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US AND YOU WILL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES.

2. **FORUM.** Section 20.2 of the Franchise Agreement is deleted in its entirety.

3. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** The following language is added to the end of Section 22.1 of the Franchise Agreement:

HOWEVER, THIS SECTION SHALL NOT ACT AS A CONDITION, STIPULATION OR PROVISION PURPORTING TO BIND ANY PERSON ACQUIRING ANY FRANCHISE TO WAIVE COMPLIANCE WITH ANY PROVISION OF THE ILLINOIS FRANCHISE DISCLOSURE ACT AT SECTION 705/41 OR ILLINOIS REGULATIONS AT SECTION 200.609.

5. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** Section ~~23.6~~23.7 of the Franchise Agreement is deleted and replaced with the following:

LIMITATIONS OF CLAIMS AND CLASS ACTION BAR. THE PARTIES AGREE THAT CLAIMS OF ANY OTHER PARTY OR PARTIES SHALL NOT BE JOINED WITH ANY CLAIMS ASSERTED IN ANY ACTION OR PROCEEDING BETWEEN YOU AND US. EXCEPT FOR CLAIMS ARISING

5. **FORUM.** The following is added to the end of Section 20.2 of the Franchise Agreement:

FORUM. NOTWITHSTANDING THE FOREGOING, YOU MAY BRING AN ACTION IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

6. **WAIVER.** The following is added to the end of Section 23.5 of the Franchise Agreement:

This provision supersedes any other term of any document executed in connection with the franchise.

7. **6. LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of Section ~~23.6~~23.7 of the Franchise Agreement:

; PROVIDED, HOWEVER, THAT THIS LIMITATION OF CLAIMS SHALL NOT ACT TO REDUCE THE 3 YEAR STATUTE OF LIMITATIONS AFFORDED YOU FOR BRINGING A CLAIM UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

8. **LEGAL OBLIGATIONS AND COUNSEL.** The following is deleted from the signature page of the Franchise Agreement:

THIS AGREEMENT IMPOSES IMPORTANT LEGAL OBLIGATIONS ON YOU. WE THEREFORE STRONGLY ADVISE YOU TO OBTAIN COMPETENT, INDEPENDENT LEGAL AND BUSINESS COUNSEL BEFORE ENTERING INTO THIS AGREEMENT. We believe that fully understanding your obligations before entering into the agreement is the best way to avoid conflicts. We look forward to a mutual, beneficial relationship.

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

5. **DAMAGES.** The following statement is added at the end of Sections 14.4 and 17.4 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.

6. **APPLICABLE LAW.** The following statement is added at the end of Section 20.1 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.

7. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** Section 22 of the Franchise Agreement is deleted in its entirety.

8. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following statement is added at the end of Section ~~23.6~~23.7 of the Franchise Agreement:

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

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

KUMON NORTH AMERICA, INC.

FRANCHISE OWNER:

By: _____
Name: _____
Title: _____
Date*: _____
(*This is the Effective Date)

[Name]

By: _____
Name: _____
Title: _____
Date: _____

governed by the laws of the State of New Jersey without regard to its conflict of laws rules, except that any 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 section.

7. **FORUM.** The following is added to the end of Section 20.2 of the Franchise Agreement:

Notwithstanding the foregoing, to the extent required by the North Dakota Franchise Investment Law, you may bring an action in North Dakota for claims arising under the North Dakota Franchise Investment Law.

8. **WAIVER OF PUNITIVE DAMAGES AND JURY TRIAL.** To the extent required by the North Dakota Franchise Investment Law, Sections 22.1 AND 22.2 of the Franchise Agreement are deleted.

9. **LIMITATIONS OF CLAIMS AND CLASS ACTION BAR.** The following is added to the end of Section ~~23.6~~23.7 of the Franchise Agreement:

The statutes of limitations under North Dakota Law applies with respect to claims arising under the North Dakota Franchise Investment Law.

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

KUMON NORTH AMERICA, INC.

FRANCHISE OWNER:

By: _____

Name: _____

Title: _____

Date*: _____

(*This is the Effective Date)

[Name]

By: _____

Name: _____

Title: _____

Date: _____