

**STATE OF MINNESOTA**  
**ADDENDUM TO FRANCHISE AGREEMENT**

In consideration of the execution of the foregoing Franchise Agreement with FP Franchising, Inc., the Franchisee hereby acknowledges that:

1. 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.
2. The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.
3. 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.

~~1.4.~~ Section Two E of the Franchise Agreement is amended by adding the following language:

“The general release that is required as a condition of a renewal, sale, or transfer of the franchise shall not apply to liability of the Franchisor under the Minnesota Franchisor Act, MINN STAT §80C.01-22.”

~~2.5.~~ Section Sixteen B of the Franchise Agreement is amended by adding the following language:

“Minnesota Law provides franchisees with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subds. 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”.

~~3.6.~~ Section Twenty-Six D of the Franchise Agreement is amended by adding the following language:

“Minn. Stat. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the Disclosure Document or this Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights as provided for by the laws of the jurisdiction.”

~~4.7.~~ 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.

~~5.8.~~ Minnesota considers it unfair not to protect the Franchisee’s right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g).

IN WITNESS WHEREOF, the undersigned have executed this Addendum as of the date Franchisor signs below.

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

5. The Franchisee Ratification is amended by adding the following language:

“All representations requiring prospective franchisees 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.”

6. No statement, questionnaire, or acknowledgment 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 in connection with the franchise.

## STATE OF MINNESOTA

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- ~~1-4.~~ Item 17 (f) of the Disclosure Document is amended by adding the following language:

“Minn. Stat. Sec 80C.14 Subds. 3, 4, and 5 require except in certain cases that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days for non-renewal of the franchise agreement, and that consent to the transfer of the franchise will not be unreasonably withheld.”

- ~~2-5.~~ Item 17 (v) of the Disclosure Document is amended in its entirety to read as follows:

“Minn. Stat. Sec 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside of Minnesota.”

- ~~3-6.~~ Trademarks. The following is added at the end of Item 13:

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.

~~4.7.~~ 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 80C.01 through 80C.22.

~~5.8.~~ The Special Risk(s) to Consider About This Franchise is amended by adding the following language:

**Mandatory Minimum Payments.** You must make minimum royalty payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

## STATE OF 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 G 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 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, 120 BROADWAY, 23<sup>RD</sup> FLOOR, NEW YORK, NEW YORK 10271. 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 FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, violation of franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten year period immediately preceding the application for registration has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, anti fraud or securities law; fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.