

Item 21. FINANCIAL STATEMENTS.

Attached as **Exhibit A** are **(i1)** our audited financial statements as of December 31, 2023, December 31, 2022 and December 31, 2021, and **(ii2)** ~~our the un~~audited financial statements of Holdco as of ~~March~~December 31, 2023, December 31, 2022, and December 31, 2021.

Holdco absolutely and unconditionally guarantees to assume our duties and obligations under the Franchise Agreement should we become unable to perform our duties and obligations under the Franchise Agreement. Holdco's guaranty of performance is included in Exhibit A of this Disclosure Document.

Item 22. CONTRACTS.

The following agreements are attached as exhibits to this disclosure document:

1. Form of Training Store Waiver and Release – **Exhibit E**
2. Form of Area Development Agreement – **Exhibit G**
3. Form of Franchise Agreement – **Exhibit H**
4. Form of Agreement to Lease – **Exhibit I**
5. Form of Lease Agreement – **Exhibit J**
6. Form of Franchisee Questionnaire – **Exhibit K**
7. Form of Release – **Exhibit M**

~~The following provision applies only to franchisees and franchises that are subject to state registration/disclosure laws in: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, Virginia, Washington and Wisconsin.~~

~~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.~~

Item 23. RECEIPTS.

2 copies of an acknowledgment of your receipt of this disclosure document appear as **Exhibit N**. Please return one copy to us and retain the other copy for your records.

**MINNESOTA ADDENDUM TO THE
FSC FRANCHISE CO., LLC
DISCLOSURE DOCUMENT**

1. Item 5 and 7 are amended to add the following:

The Minnesota Department of Commerce requires that we defer the collection of all initial fees from Minnesota franchisees until we have completed all pre-opening obligations and you are open for business. For any development agreement, the payment of the development and initial fee attributable to a specific unit is deferred until that unit is open.

12. Item 13 is amended to add the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.12, Subd. 1(g) which requires us to indemnify you from any loss, costs or expenses arising out of any claims, suits or demands regarding your use of the Marks.

2. Item 17, summary column for (c) is amended to add the following:

Any release signed as a condition of renewal will not apply to any claims you may have under the Minnesota Franchise Act.

3. Item 17, summary column for (f) is amended to add the following:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Sbds. 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 for nonrenewal of the franchise agreement and that consent to transfer of the franchise will not be unreasonably withheld.

4. Item 17, summary column for (m) is amended to add the following:

Any release signed as a condition of transfer will not apply to any claims you may have under the Minnesota Franchise Act.

5. Item 17, summary columns for (v) and (w) are amended to add the following:

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in this disclosure document 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. 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.

7. The Limitation of Claims section must comply with Minnesota Statutes Section 80C.17, Subd. 5.

8. **Releases.** No release signed as a condition of renewal, transfer or our purchase of your business under Section 3.3, Section 15.3 (f) or 17.5, respectively, will apply to any claims you may have under the Minnesota Franchise Act.
9. **Injunctive Relief.** 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.
- 10.** **Fee Deferral. The Minnesota Department of Commerce requires that we defer the collection of all initial fees from Minnesota franchisees until we have completed all our pre-opening obligations and you are open for business. For any development agreement, the payment of the development and initial fee attributable to a specific unit is deferred until that unit is open.**

8. **Releases.** No release signed as a condition of renewal or transfer under Section 2.2 (a) (v) or Section 11.4 (b) (v), respectively, will apply to any claims you may have under the Minnesota Franchise Act.
9. **Injunctive Relief.** 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.
- 10. Fee Deferral.** The Minnesota Department of Commerce requires that we defer the collection of all initial fees from Minnesota franchisees until we have completed all our pre-opening obligations and you are open for business. For any development agreement, the payment of the development and initial fee attributable to a specific unit is deferred until that unit is open.