

ADDENDUM TO
DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA

This addendum to the Disclosure Document is agreed to this day of _____, 20___, and effectively amends and revises said Disclosure Document and Franchise Agreement as follows:

1. Item 13 of the Disclosure Document and Section 6 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“In accordance with applicable requirements of Minnesota law, Franchisor shall protect Franchisee’s right to use the trademarks, service marks, trade names, logotypes or other commercial symbols and/or shall indemnify Franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding such use.”

2. Item 17 of the Disclosure Document and Section 18 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

“With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes 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 and that consent to the transfer of the franchise will not be unreasonably withheld.”

3. Item 17 of the Disclosure Document and Section 34 of the Franchise Agreement are amended by the addition of the following language to amend the Governing Law, Jurisdiction and Venue, and Choice of Forum sections:

“Minn. Stat. Sec. 80C.21 and Rule 2860.4400(J) prohibit the franchisor 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 Franchise Disclosure Document or agreements can abrogate or reduce any of the franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.”

4. Item 17 of the Disclosure Document and Section 19 of the Franchise Agreement are amended by the addition of the following language to the original language that appears therein:

Any reference to liquidated damages in the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits requiring you to consent to liquidated damages.

5. Section 32 of the Franchise Agreement is hereby deleted in accordance with Minn. Rule 2860.4400J which prohibits waiver of a jury trial.

6. Under Minn. Rule 2860.440J, the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. A court will determine if a bond is required. Section 34 of the Franchise Agreement is hereby amended accordingly.

7. 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 in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20 ____.

ATTEST

THE TUTORING CENTER FRANCHISE CORP.

Witness

By:
Name:
Title:

FRANCHISEE:

Witness

ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must offer only Products and Services at your Center that we authorize. Currently, you must purchase certain equipment (including furniture, start up inventory, supplies, equipment, inside signage, and computer hardware and software) and teaching materials (including Student Workbooks and other materials) from us, our affiliate, or approved suppliers. To protect our trade secrets and maintain quality control, we can require you to buy these and other goods and services that we designate occasionally only from us, our affiliate or from suppliers we designate.

As of the date of this Disclosure Document, we have designated suppliers for certain Products and Services that you must purchase on an on-going basis. Our list of approved suppliers and designated Products and Services will be provided to you at training. The list identifies manufacturers, brands, suppliers and Products and Services we approve. We can revise the list in our discretion. As of the date of this Disclosure Document, we have sole approved suppliers for interior wall signage, workflow management software, credit card processor, and for printers and printing services. None of our officers currently owns an interest in any supplier.

If we require, you must purchase digital marketing services from us, our affiliate or our approved third-party vendor who will be the sole approved supplier for digital marketing services, in an amount between \$250 and \$400 per month. You may expend more for digital marketing services at your discretion. As of the date of this Disclosure Document, we have not received any revenue from purchases of digital marketing services required for franchisees.

Since May of 2021, we have produced the Student Workbooks you must purchase from us or a designated supplier, and we earn a profit from the sale of the Workbooks. We are also the sole approved supplier for the SAT/ACT workbooks if you qualify to offer this program. In our last fiscal year that ended December 31, 2023, we derived revenue from such sales in the amount of \$294,428.33, representing approximately 14% of our total revenue of \$2,147,559. Other than what is disclosed in this Item, neither we nor our affiliates have received any other revenue, rebates or other material consideration based on required purchases or leases by The Tutoring Center franchisees.

We have the right to collect and retain any and all allowances, rebates, credits, incentives, or benefits (collectively, "Allowances") offered by manufacturers, suppliers, and distributors to you, to us, or to our affiliates, based upon your purchases of products and services from manufacturers, suppliers, and distributors. We or our affiliates will have all right, title, and interest in and to any and all of these Allowances. We or our affiliates may collect and retain any or all of these Allowances without restriction (unless otherwise instructed by the manufacturer, supplier, or distributor). For our fiscal year ~~2022~~2023, we ~~received \$2,770.29 from Staples Business Advantage~~ ~~did not receive any Allowances paid by approved suppliers~~ as a result of franchisee purchases.

Proportion of Total Purchases: We estimate that required purchases/leases make up 50-70% of your total initial investment and 50-60% of your annual operating expenses. Please note that the above-described percentages are not presented as a percentage of gross revenues, but rather as a percentage of annual operating expenses.

If you want to offer something we have not approved, or buy from a supplier we have not approved, you must tell us in writing and provide us samples and other information we need to review the product or supplier, at your expense. We can approve or disapprove at our discretion. The proposed supplier must be able to supply the products or services according to our standards; be in good standing in the business community, have a good reputation, be able to produce and deliver products timely, be financially solvent and meet other applicable criteria. We are not required to make available to you or any supplier the criteria for product or supplier approval that

2. Provide and require that you attend and successfully complete any mandatory additional training programs that we choose to conduct at our headquarters, an operating Center, or some other location we select (you pay all expenses during any of these training programs, including transportation, lodging, meals, and other incidental expenses.) (Franchise Agreement, Section 5.D.);

3. May prescribe, in writing, additions to, deletions from, or revisions of, our operating manual. (Franchise Agreement, Section 9.D.);

4. As new improvements to the system are developed, we can change or modify the System, including adoption and use of new or modified trademarks, copyrighted materials, computer programs, operational techniques or any other aspects of our System. (Franchise Agreement, Section 10);

5. May provide you with advertising templates for advertising the Center. (Franchise Agreement, Section 11.A.);

6. Update the approved supplies and supplier list, as we deem necessary. (Franchise Agreement, Section 14.E.);

7. As part of the Franchise Fee, we also provide continuing assistance in the operation of your center, at the times and in the manner we deem appropriate, including possibly and by way of example: enabling you to participate in multimedia training program that will allow you and other franchisees to discuss any operational questions that arise; conducting franchise meetings online; providing you a monthly newsletter for staff and parents; enabling you to contact us via telephone, email or iChat to discuss any questions. (Franchise Agreement, Section 15.C.);

8. We may (but we do not have to) inspect your Center, physically or through electronic media, and tell you of operations we think you need to address or improve. (Franchise Agreement, Section 15.D.); and

9. We may (but we do not have to) recommend suggested prices for your products and services offered and sold by your Center.

Initial Training.

A. The initial training program will be at our corporate training facility in Long Beach, California, or at some other location we select. You must complete our initial training to our satisfaction. (Franchise Agreement, Section 5.A.)

B. The instructional materials we use in the initial training program include the Operations Manual and any other materials that we believe will be beneficial in the training process. The initial training program includes the following:

INITIAL TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of on the Job Training	Location
Classroom Operations	4.0	4.0	Long Beach, California or other Designated Center

Neither we nor any parent or affiliate has established, or presently intends to establish, other franchised or company-owned centers which sell our products or services under a different trade name or trademark, but we reserve the right to do so in the future, without notice to you or first obtaining your consent.

ITEM 13. TRADEMARKS

We let you use the “The Tutoring Center” Marks and Logos in connection with the Center and the Franchised Business. The primary marks are THE TUTORING CENTER (word mark) and THE TUTORING CENTER and Design of Person Reaching for a Star (shown on the cover of this Disclosure Document).

We own the following trademarks, registered on the Principal Register of the United States Patent and Trademark Office (USPTO):

Trademark	Reg No.	Registration Date	Services
THE TUTORING CENTER (word mark)	3362490	January 1, 2008 (Renewed April 27, 2017)	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.
 GENIUSES IN TRAINING & Design	3563825	January 20, 2009 (Renewed February 14, 2018)	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.
 THE TUTORING CENTER and Design of Person Reaching for a Star	3498257	September 9, 2008 (Renewed February 14, 2018)	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.
THE ROTATIONAL APPROACH TO LEARNING	4925041	March 29, 2016	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.
IQUEST (word mark)	5314808	October 24, 2017	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.
 IQUEST & Starburst Design	5314809	October 24, 2017	Education services, namely, providing tutorial sessions in the fields of reading, math and writing for children, in Class 41.

You must keep our secrets confidential while you are a franchisee and afterward. You cannot use our secrets in any activity other than operating your franchise. You must use reasonable procedures that we request to help protect our secrets.

There is no current determination of the Patent and Trademark Office, Copyright Office or court regarding our claimed copyrights. We are not aware of any infringement in the U.S. that could materially affect the franchise in the U.S.

You must notify us when you learn of an unauthorized use of our confidential information or any copyrighted work. We do not have to take any action against an unauthorized user, and we can respond to as we deem appropriate. We do not have a duty to indemnify you for losses brought by a third party concerning your use of this information. You must cooperate with us when requested.

You assign all telephone numbers appearing under our trademarks to us and we keep them when you no longer are our franchisee. (Refer to the “Telephone Listing Agreement” attached to this disclosure document as Exhibit I.)

ITEM 15. OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Designated Owner must manage the Center and must maintain competent and conscientious personnel to staff the Center, in accordance with our standards, specifications and operating procedures. The Designated Owner must attend and successfully complete our initial training program. The Designated Owner must maintain the condition and appearance of the Center consistent with our standards. The Designated Owner must use best efforts to maximize and promote the sales and delivery of the Center’s Products and Services.

The Designated Owner will be fully responsible for ensuring the Center Director, Head Instructor or any other requisite staff meet then-current training standards and attend and participate in any training programs as we require. A Designated Owner is the person named in Schedule A of the Franchise Agreement and we deal solely with this individual on all matters about the Franchise Agreement. We can work with the Center Director about routine operations. You must keep us informed at all times of the identities of your Designated Owner, Center Director and Head Instructor.

We can require all owners of a business entity franchisee to sign a personal guaranty of the franchisee’s performance. Our current form of personal guaranty is attached to the Franchise Agreement as Schedule B, but the form can change. The Franchisee and all owners commit to personal covenants to protect our Trade Secrets, copyrighted materials, and confidential information. (Section 17 of the Franchise Agreement)

ITEM 16. RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only goods and services we approve (the “Products and Services”) for sale at your Center. If you want to offer other items, you must first get our written consent.

You must offer the full range of Products and Services we designate. You must not offer for sale or sell or provide any other service, supply, merchandise, good or accessory or use the Center for any purpose other than the operation of a The Tutoring Center facility unless authorized by us in writing. If you wish to stop offering any Product or Service, you must first get our approval in writing. As it is important for the System to be flexible, we can add, delete, or modify Approved Suppliers, the Services and Products you must offer from your Center, the Manuals and all other components of

ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

The following is the financial performance representation for operational Centers for the period of (i) January 1, ~~2022-2023~~ through December 31, ~~2022~~2023; (ii) January 1, 2022 through December 31, 2022; and (iii) January 1, 2021 through December 31, 2021. It includes average student enrollment for all of TTCFC’s existing Centers that have been open for 12 months or longer, as of the first day of each month. The diagram below shows student enrollment broken down into 4 categories; Top 25% of Centers; Mid-Upper 25% of Centers; Mid-Lower 25% of Centers; and Bottom 25% of Centers. There are between 18 and 19 Centers in each category.

As of December 1, 2023, we had ~~85-84~~ franchised “The Tutoring Center®” Centers in operation. Of the franchised Centers, ~~6-5~~ were not included because they had not been open for 12 months or longer as of December 1, 2023 and 2 franchised Centers were not included because they are located in the United Arab Emirates. In addition, 5 franchised The Tutoring Center® Centers that had been open for 12 months were not included in this financial performance representation because they did not provide TTCFC with enrollment numbers for each month during the period of January 1, 2023 to December 1, 2023.

As of December 1, 2022, we had 87 franchised “The Tutoring Center®” Centers in operation. Of the franchised Centers, 8 were not included because they had not been open for 12 months or longer as of December 1, 2022— and 2 franchised Centers were not included because they are located in the United Arab Emirates. In addition, ~~4-3~~ franchised The Tutoring Center® Centers that had been open for 12 months were not included in this financial performance representation because they did not provide TTCFC with enrollment numbers for each month during the period of January 1, 2022 to December 1, 2022.

As of December 1, 2021, we had 85 franchised “The Tutoring Center®” Centers in operation. Of the franchised Centers, 8 were not included because they had not been open for 12 months or longer as of December 1, 2021 and 1 franchised Center was not included because it is located in the United Arab Emirates. In addition, ~~5-4~~ franchised The Tutoring Center® Centers that had been open for 12 months were not included in this financial performance representation because they did not provide TTCFC with enrollment numbers for each month during the period of January 1, 2021 to December 1, 2021.

2021

Top 25% of Centers by Student Enrollment	Mid-Upper 25% of Centers by Student Enrollment	Mid-Lower 25% of Centers by Student Enrollment	Bottom 25% of Centers by Student Enrollment

2021

Median Student Enrollment, by Category			
87	59	45	26
Average Student Enrollment, by Category			
90	59	44	25
Number of Centers Meeting or Exceeding Average Student Enrollment for Category			
8 or 44% of 18 Centers in Top 25%	9 or 50% of 18 Centers in Mid-Upper 25%	13 or 72% of 18 Centers in Mid-Lower 25%	10 or 56% of 18 Centers in Bottom 25%
Range of Student Enrollment For Category			
118 to 69	69 to 50	50 to 37	36 to 12

Median of the Top 50% of Centers by Student Enrollment	69
Average of the Top 50% of Centers by Student Enrollment	74
Number of Centers in Top 50% meeting or exceeding the average of the top 50%	14 or 39% of 36 Centers included in average
Median of the bottom 50% of Centers by student enrollment	36
Average of the bottom 50% of Centers by student enrollment	35
Number of Centers in bottom 50% meeting or exceeding the average of the bottom 50%	20 or 56% of 36 Centers included in average

2022

Top 25% of Centers by Student Enrollment	Mid-Upper 25% of Centers by Student Enrollment	Mid-Lower 25% of Centers by Student Enrollment	Bottom 25% of Centers by Student Enrollment
Median Student Enrollment, by Category			
<u>9493</u>	73	56	32
Average Student Enrollment, by Category			
95	72	56	33

2022

Number of Centers Meeting or Exceeding Average Student Enrollment for Category			
9-8 or 47 44 % of 49-18 Centers in Top 25%	12 or 63% of 19 Centers in Mid-Upper 25%	8 or 42% of 19 Centers in Mid-Lower 25%	7 or 39% of 19 Centers in Bottom 25%
Range of Student Enrollment For Category			
115 to 78	77 to 64	64 to 47	46 to 19

Median of the Top 50% of Centers by Student Enrollment	78 77
Average of the Top 50% of Centers by Student Enrollment	83
Number of Centers in Top 50% meeting or exceeding the average of the top 50%	15-14 or 39 38 % of 38-37 Centers included in average
Median of the bottom 50% of Centers by student enrollment	47
Average of the bottom 50% of Centers by student enrollment	44
Number of Centers in bottom 50% meeting or exceeding the average of the bottom 50%	22 or 59% of 37 Centers included in average

2023

Top 25% of Centers by Student Enrollment	Mid-Upper 25% of Centers by Student Enrollment	Mid-Lower 25% of Centers by Student Enrollment	Bottom 25% of Centers by Student Enrollment
Median Student Enrollment, by Category			
90	70	52	35
Average Student Enrollment, by Category			
93	72	52	35
Number of Centers Meeting or Exceeding Average Student Enrollment for Category			

2023

9-8 or 50 44% of 19-18 Centers in Top 25%	8 or 44% of 18 Centers in Mid-Upper 25%	9 or 50% of 18 Centers in Mid-Lower 25%	7 or 37% of 19 Centers in Bottom 25%
Range of Student Enrollment For Category			
124 to 83	80 to 61	60 to 45	45 to 14

Median of the Top 50% of Centers by Student Enrollment	83 82
Average of the Top 50% of Centers by Student Enrollment	83 82
Number of Centers in Top 50% meeting or exceeding the average of the top 50%	49-18 or 54 50% of 37-36 Centers included in average
Median of the bottom 50% of Centers by student enrollment	45
Average of the bottom 50% of Centers by student enrollment	43
Number of Centers in bottom 50% meeting or exceeding the average of the bottom 50%	23 or 62% of 37 Centers included in average

The above annual averages and medians of Enrollments for franchised The Tutoring Center® Centers at least 12 months and reporting throughout the year shown was calculated by us based on reports on Enrollment furnished to TTCFC by its franchisees. For the period from January 1, 2023 through December 1, 2023, TTCFC had an average response rate of ninety-five percent (95%); for the period from January 1, 2022 through December 1, 2022, TTCFC had an average response rate of ninety-five percent (95%); and for the period from January 1, 2021 through December 1, 2021, TTCFC had an average response rate of ninety-four percent (94%). This information is unaudited.

Some Centers have this Enrollment. Your individual results may differ. There is no assurance that you will have the same Enrollment numbers.

TTCFC will make written substantiation of the data used in preparing the information above available to you upon reasonable request.

Other than the preceding financial performance representation, TTCFC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Dr. Edward Thalheimer, 3750 Long Beach Boulevard, Suite 100, Long Beach, California 90807, (562) 984-0830, the Federal Trade Commission, and the appropriate state regulatory agencies.

EXHIBIT M

RECEIPT OF FRANCHISE DISCLOSURE DOCUMENT

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If The Tutoring Center Franchise Corp offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If The Tutoring Center Franchise Corp does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580 and to your state authority listed on Exhibit E.

The Tutoring Center Franchise Corp.'s sales agents, all of whom are located at 3750 Long Beach Blvd, Suite 100, Long Beach, CA 90807, Phone (562) 984-0830, are listed below:

- Dr. Edward Thalheimer
- Dr. Chita Thalheimer
- Ryan Oak
- ~~Jose Rubio~~David Gray
- Joel Garibay Ramirez
- Eleanor Kamenitsa-Hale

Issuance Date: March 8, 2024

I received a Disclosure Document dated March 8, 2024, that included the following Exhibits:

- A. Financial Statements
- B. Franchise Agreement
- C. Table of Contents of Operating Manual:
- D. List of Franchisees and Franchisees Who Have Left the System
- E. Lists of State Administrators and Agents for Service of Process
- F. State-Specific Addenda
- G. Form of General Release
- H. Transfer of Franchise to a Corporation or Limited Liability Company
- I. Telephone Listing Agreement
- J. SAT/ACT Program Addendum
- K. Incentive Agreement
- L. State Effective Dates
- M. Receipts

Date Received: _____
(If other than date signed)

DATE: _____

(Signature of recipient)

(Printed name of recipient)

Legal residence address

PLEASE KEEP FOR YOUR RECORDS