

State of Michigan Consumer Protection Division
Attention: Franchise
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48933
Telephone: (517) 373-7117

Despite subparagraph (f) above, we intend to enforce fully the provisions of the arbitration section contained in our Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing our arbitration section. You acknowledge that we will seek to enforce this section as written.

MINNESOTA

~~1.~~ 1. The following paragraph is added to the end of Item 5:

The Minnesota Department of Commerce requires us to defer payment of initial franchise fees and other initial payments owed by franchisees to us until we have completed our pre-opening obligations under the Franchise Agreement.

~~2.~~ 2. The third paragraph after the chart in Item 14 is replaced with the following:

You must notify us immediately when you learn about an infringement of or challenge to your use of our Trademarks. We will indemnify you for any loss, costs, or expenses arising out of any third party claim, suit or demand that our Trademarks infringe the trademark rights of a third party or cause unfair completion to a third party to the extent required by Minn. Stat. Sec. 80C.12, Subd.1(g). We will control any administrative proceeding or litigation involving our Trademarks.

~~23.~~ 23. The following paragraphs are 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 that 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 non-renewal of the franchise agreement.

Pursuant to Minn. Stat. §80C.21 and Minn. Rule Part 2860.4400J, these sections will not in any way abrogate or reduce your rights as provided in Minnesota Statutes 1984, Chapter 80C, including the right to submit matters to jurisdiction of the courts of Minnesota.

Any release as a condition of renewal or assignment/transfer will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D.

Minnesota Rule Part 2860.4400J prohibits you from waiving your rights to a jury trial or waiving your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship will 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, franchisee

**RIDER TO THE TAB BOARDS INTERNATIONAL, INC. FRANCHISE AGREEMENT
FOR USE IN MINNESOTA**

This Rider (the “**Rider**”) is effective on _____, and made by and between TAB BOARDS INTERNATIONAL, INC., a Colorado corporation (“**TAB**”) and _____, whose principal business address is _____ (“**Franchisee**”).

1. **BACKGROUND.** TAB and Franchisee are parties to that certain TAB Boards International, Inc. Franchise Agreement dated _____, that has been signed concurrently with the signing of this Rider (the “**Franchise Agreement**”). This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the TAB business that Franchisee will operate under the Franchise Agreement will be located in Minnesota, or (b) any of the franchise offering or sales activity occurred in Minnesota.

~~2.~~ 2. PAYMENTS DUE AT TIME OF EXECUTION. The following is added to Section 5.1 of the Franchise Agreement:

Notwithstanding anything in the Agreement to the contrary, TAB will defer payment of the initial franchise fee and other initial payments due to TAB from Franchisee until TAB completes its pre-opening obligations to Franchisee under Franchisee’s first Franchise Agreement. The Minnesota Department of Commerce has imposed this deferral requirement due to TAB’s financial condition.

~~3.~~ 3. INDEMNIFICATION. The following is added as a new Section 15.4:

15.4 Indemnification by TAB. TAB will indemnify Franchisee for any loss, costs, or expenses arising out of any third party claim, suit or demand that the Trademarks infringe the trademark rights of a third party or cause unfair completion to a third party to the extent required by Minn. Stat. Sec. 80C.12, Subd.1(g). TAB will control any administrative proceeding or litigation involving TAB’s Trademarks.

~~34.~~ 34. RELEASES. The following is added to the end of Section 17.6(b)(8) of the Franchise Agreement:

Notwithstanding any other provision of this Agreement, no release to be signed by Franchisee will apply to claims under the Minnesota Franchises Law.

~~45.~~ 45. TERMINATION OF AGREEMENT. The following is added as a new Section 17.11:

17.11 Cure Period. With respect to franchises governed by Minnesota law, TAB will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 that require, except in certain specified cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of the Agreement.

~~56.~~ 56. GOVERNING LAW. The following is added to the end of Section 18.5 of the Franchise Agreement:

HOWEVER, NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE’S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80 CONCERNING FRANCHISEE’S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.