

MINNESOTA

[\(state administrator\)](#)

Minnesota Department of Commerce
85 7th Place East, Suite ~~500~~[280](#)
~~St.~~[Saint](#) Paul, Minnesota 55101
(651) ~~296-6328~~[539-1600](#)

[\(agent for service of process\)](#)

[Commissioner of Commerce](#)
[Minnesota Department of Commerce](#)
[85 7th Place East, Suite 280](#)
[Saint Paul, Minnesota 55101](#)
[\(651\) 539-1600](#)

NEW YORK

(state administrator)

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

(agent for service of process)

New York Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

NORTH DAKOTA

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol – Fourteenth Floor – Dept 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

OREGON

Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4387

RHODE ISLAND

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605) 773-3563

VIRGINIA

(state administrator)

State Corporation Commission
Division of Securities
and Retail Franchising
1300 East Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

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.

3. The following is added at the end of Item 17:

a. 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.

b. 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.

NORTH DAKOTA

1. The section of the Item 6 chart, entitled **Liquidated Damages**, is deleted in its entirety.

2. The following is added to the end of the “Summary” sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, any release required as a condition of renewal, sale and/or assignment/transfer will not apply to the extent prohibited by the North Dakota Franchise Investment Law.

3. The following language is added to the end of the “Summary” section of Item 17(v) in the table pertaining to the Development Agreement, entitled **Choice of forum**:

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

4. The “Summary” section of Item 17(w), entitled **Choice of law**, is deleted and replaced with the following:

Except as otherwise required by North Dakota law, the laws of the Commonwealth of Kentucky will apply.

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

THIS RIDER is made and entered into by and between **KFC US, LLC**, a Delaware limited liability company whose address is 1900 Colonel Sanders Lane, Louisville, Kentucky 40213 (“**KFC**”), and _____ whose principal business address is _____ a(n) _____ (“**Franchisee**”).

1. **BACKGROUND.** KFC and Franchisee 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) the KFC Outlet that Franchisee will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota

2. **NON-WAIVER.** The following is added to the end of Section 20.4 of the Franchise Agreement:

a. 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.

b. 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 franchisee.

3. ~~2.~~ **TRADEMARK INFRINGEMENT.** The following sentence is added to the end of Section 20.7 of the Franchise Agreement:

Provided Franchisee has complied with all provisions of this Agreement applicable to the Marks, KFC will protect Franchisee’s right to use the Marks and will indemnify Franchisee from any loss, costs or expenses arising out of any claims, suits or demands regarding Franchisee’s use of the Marks in accordance with Minn. Stat. Sec. 80C.12, Subd. 1(g).

4. ~~3.~~ **NEW AGREEMENT UPON EXPIRATION AND TERMINATION OF AGREEMENT.** The following is added to the end of Sections 4 and as a new Section 17.5 to the Franchise Agreement:

However, with respect to franchises governed by Minnesota law, KFC will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which 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 this Agreement.

5. ~~4.~~ **GOVERNING LAW.** The following statement is added at the end of Section 20.8 of the Franchise Agreement:

Nothing in this Agreement will abrogate or reduce any of Franchisee's rights under Minnesota Statutes Chapter 80C or Franchisee's right to any procedure, forum or remedies that the laws of the jurisdiction provide.

(signature page follows)

**RIDER TO THE
DEVELOPMENT AGREEMENT
FOR USE IN MINNESOTA**

THIS RIDER is made and entered into by and between **KFC US, LLC**, a Delaware limited liability company whose address is 1900 Colonel Sanders Lane, Louisville, Kentucky 40213 (“**KFC**”), and _____
a(n) _____ whose principal business address is _____
_____ (“**Developer**”).

1. **BACKGROUND.** KFC and Developer are parties to that certain Development Agreement dated _____, 20__ (the “the Development Agreement”). This Rider is annexed to and forms part of the Development Agreement. This Rider is being signed because (a) the KFC Outlets that Developer will develop under the Development Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Development Agreement occurred in Minnesota

2. **NEW AGREEMENT UPON EXPIRATION AND TERMINATION OF AGREEMENT.** The following is added to the end of Section 2.B. and as a new Section 8.G. to the Development Agreement:

However, with respect to franchises governed by Minnesota law, KFC will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Developer be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice of non-renewal of this Agreement.

3. **DISCLAIMER OF CONSEQUENTIAL DAMAGES.** The first sentence of Section 8.E of the Development Agreement is deleted.

4. **DAMAGES.** The following statement is added at the end of Section 9 of the Development Agreement:

KFC and Developer acknowledge that certain parts of this provision might not be enforceable under Min. Rule 2860.4400J. However, KFC and Developer agree to enforce this provision to the extent the law allows.

5. **NON-WAIVER.** The following is added to the end of Section 11.D. of the Development Agreement:

a. 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.

b. 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.

6. ~~5.~~ **GOVERNING LAW; FORUM.** The following statement is added at the end of Section 11.G. of the Development Agreement:

Notwithstanding the foregoing, Minn. Stat. Sec. 80C.21 and Min. Rule 2860.4400J prohibit KFC, except in certain specified cases, from requiring litigation to be conducted outside of Minnesota. Nothing in this Agreement will abrogate or reduce any of Developer’s rights under Minnesota Statutes Chapter 80C or Developer’s right to any procedure, forum or remedies that the laws of the jurisdiction provide.

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 Development Agreement.

KFC US, LLC

DEVELOPER:

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

(*This is the Effective Date)

[Name]
By: _____
Name: _____
Title: _____
Date: _____