FRANCHISE DISCLOSURE DOCUMENT

Winmark Corporation
A Minnesota Corporation
605 Highway 169 N, Suite 400
Minneapolis, Minnesota 55441
Telephone: (763) 520-8500
franchisedevelopment@winmarkcorporation.com
www.platoscloset.com

The franchisee will own and operate a Plato's Closet® retail store from which the franchisee will sell quality used and new brand name teen and young adult clothing and accessories.

The total investment necessary to begin operation of a Plato's Closet® store is from $355,700 to $467,900. This includes $48,200 to $55,900 which must be paid to us.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Development Department at 605 Highway 169 N, Suite 400, Minneapolis, Minnesota 55441, (763) 520-8500.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: March 16, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits A and B.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Plato's Closet® business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be Plato's Closet® franchisee?	Item 20 or Exhibits A and B list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

<u>Continuing responsibility to pay fees</u>. You may have to pay royalties and other fees even if you are losing money.

<u>Business model can change</u>. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

<u>Supplier restrictions</u>. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

<u>Operating restrictions</u>. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

<u>Competition from franchisor</u>. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

<u>Renewal</u>. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

<u>When your franchise ends</u>. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit G.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risks be highlighted:

1. **<u>Out-of-State Dispute Resolution</u>.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration only in Minnesota. Out-of-state arbitration may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate with the franchisor in Minnesota than in your own state.

2. **<u>Spousal Liability</u>.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

3. **<u>Financial Condition</u>.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

4. **<u>Minimum Payments</u>.** You must make minimum advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

TABLE OF CONTENTS

EXHIBITS

A - List of Stores
B - List of Terminated Franchises
C - Winmark's Audited Consolidated Financial Statements
D - Plato's Closet® Franchise Agreement (and exhibits)
E - Bank Draft Authorization
F - Franchisee Questionnaire
G - List of State Administrators/Agents for Service of Process
H - State Specific Addenda
I - State Effective Dates Page
J - Receipts

Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this disclosure document, "Winmark" or "we" means Winmark Corporation, the franchisor. "You" means the person who buys the franchise. If the Franchisee is a corporation, partnership, or other entity, "you" may also refer to its owners.

Winmark was incorporated under the laws of the State of Minnesota on July 20, 1988, under the name "Play It Again Sports Franchise Corporation." In July 1993, Winmark's corporate name was changed from "Play It Again Sports Franchise Corporation" to "Grow Biz International, Inc." In November 2001, our corporate name was changed from "Grow Biz International, Inc." to "Winmark Corporation." Winmark's principal business address is 605 Highway 169 N, Suite 400, Minneapolis, Minnesota 55441; our telephone number is (763) 520-8500. Winmark conducts business under the name Plato's Closet®. Winmark also conducts business in 4 other separate lines of businesses under the names Play It Again Sports®, Music Go Round®, Once Upon A Child® and Style Encore® (see Item 1 below).

Winmark has no parent. Winmark has no predecessors or affiliates that must be disclosed in this Item 1.

Winmark's agents for service of process are disclosed in Exhibit G.

Franchise Offered.

Winmark franchises Plato's Closet® retail stores (sometimes referred to as a "Store") under the terms of the Franchise Agreement in the form included in this disclosure document as Exhibit D (the "Franchise Agreement"). A Plato's Closet® Store is a retail store from which you will sell quality used and new brand name teen and young adult clothing and accessories. A Plato's Closet® franchise emphasizes consumer value by offering quality brand name used merchandise at substantial savings from the price of new merchandise and by purchasing customers' used products. A Store also offers new accessories to supplement the selection of used goods.

The market for the merchandise and services which you will offer includes parents of teenagers, teenagers and young adults who desire to purchase quality used brand name teen and young adult clothing and new and used accessories at affordable prices. The market for used brand name teen and young adult clothing and accessories is expanding as consumers recognize the value associated with these used items. The market for new brand name teen and young adult clothing and accessories is well-developed and competitive.

Winmark has developed a marketing system which creates a certain product image in the minds of customers, a business strategy for getting and keeping customers, and a distribution method for products and services. Winmark has developed all of these as part of the business system (the "Business System") which you will receive the right to use. Winmark uses and licenses certain service marks and trademarks, logos, trade dress and other commercial symbols, including the service mark Plato's Closet® (collectively, the "Trademarks"). Winmark may, in the future, modify the Trademarks as well as add new trademarks, service marks, logos, trade dress and other commercial symbols.

The purchase of a Plato's Closet® franchise permits you: (i) to use Winmark's internationally recognized Trademarks; (ii) to obtain access to the distinctive operational and management attributes of the Plato's Closet® Business System, including confidential manuals describing complete guidelines for the operation of a Store (the "Manuals"); (iii) the right, under certain conditions, to participate in Winmark's preferred vendor program (see Item 8); and (iv) to receive the benefits of association with an expanding franchise system, including various forms of opening and operational assistance from Winmark (see Item 11). You must comply with all of Winmark's requirements described in the Franchise Agreement and the Manuals. This compliance assures uniform and consistent application of the Business System which is essential to the successful operation of your Store.

If you are an existing Plato's Closet® franchisee or an existing franchisee of one of Winmark's other brands in good standing, have been a franchisee of Winmark for at least 12 months and are opening an additional store, you must sign the Additional Store Addendum attached to the Franchise Agreement. Under special circumstances, Winmark may, at our sole discretion, waive the 12-month requirement.

Laws and Regulations.

You must comply with all laws, rules and regulations governing the operation of the Store, and obtain all permits and licenses necessary to operate the Store (including licenses to play music, videos or television in your Store, if applicable). In addition to laws and regulations that apply to businesses generally, your Store may be subject to local statutes or regulations that generally govern second-hand dealers and pawn shops. If applicable, these statutes and regulations may require that you report purchases of used merchandise, hold purchased items for a specified period before selling them and post a surety bond with a state or local government unit. You should check with state and local government entities to find out if these types of statutes or regulations will apply to your franchise. Your Store will also be subject to various federal, state and local government regulations, including those relating to site location.

Competition.

You will likely compete with other teen and young adult clothing resale shops, thrift shops, garage sales and Internet websites. Winmark and its franchisees will likely face increased competition as additional competitors enter the used teen and young adult clothing market. In addition, you will face some indirect competition from businesses offering new brand name teen and young adult clothing and accessories. Several of these indirect competitors are regional or national retail systems selling brand name teen and young adult clothing and related accessories. Several of these competitors will have significantly greater financial resources than Winmark and you.

Franchise Activities.

Winmark's business includes the administration of its franchise system (see Item 11), the operation of 4 other franchise systems (described below).

Winmark began offering Plato's Closet® franchises in March 1999. Winmark also offers franchises in 4 other lines of businesses. Winmark offers franchises for the operation of Play It Again Sports® retail stores which sell used and new sporting goods equipment and accessories. Winmark has offered Play It Again Sports® franchises since August 1988 and, as of December 27, 2025, 309 Play It Again Sports® franchised stores were in operation. In addition, Winmark offers franchises for the operation of Once Upon A Child® retail stores which sell used and new children's apparel, toys, equipment, furniture and accessories. Winmark has offered Once Upon A Child® franchises since January 1993 and, as of December 27, 2025, 441 Once Upon A Child® franchised stores were in operation. Winmark also offers franchises for the operation of Music Go Round® retail stores which sell quality used and new musical instruments, speakers, amplifiers, music related electronics and related accessories. Winmark has offered Music Go Round® franchises since March 1994 and, as of December 27, 2025, 35 Music Go Round® franchised stores were in operation. Winmark offers franchises for the operation of Style Encore® retail stores which sell used and new women's and men's clothing and accessories. Winmark has offered Style Encore® franchises since April 2013 and, as of December 27, 2025, 67 Style Encore® franchised stores were in operation. Play It Again Sports®, Once Upon A Child®, Music Go Round® and Style Encore® franchises are offered, if at all, in this state through separate disclosure documents describing Winmark and its franchise programs.

Winmark offered Disc Go Round® franchises (retail stores which sold used and new audio compact discs) from 1994 to 1998. Winmark offered It's About Games franchises (retail stores which sold used and new video and computer games) from 1997 to 1999. Winmark offered Computer Renaissance® franchises (retail stores which sold used and new personal computer hardware equipment, software and related accessories) from 1993 to 2000. Winmark offered ReTool® franchises (retail stores which sold used and new tools and small engine machinery) from June 1998 to November 2001. Winmark also offered Wirth Business Credit® franchises (businesses that offered small-ticket equipment leasing and financing services) from October 2005 to February 2011. Winmark no longer offers Disc Go Round®, It's About Games, Computer Renaissance®, ReTool® franchises or Wirth Business Credit® franchises.

[INTENTIONALLY LEFT BLANK]

Item 2

BUSINESS EXPERIENCE

Chair of the Board, Director and Chief Executive Officer: Brett D. Heffes

Brett Heffes was elected Chair of the Board in March 2020. Mr. Heffes was appointed to our board of directors and has served as Chief Executive Officer of Winmark since February 2016. He was President of Winmark from February 2011 to February 2016 and served as President of Finance and Administration of Winmark from December 2007 to February 2011. From November 2002 to September 2008, Mr. Heffes served as Chief Financial Officer and Treasurer of Winmark.

Chief Operating Officer: Renae M. Gaudette

Renae Gaudette has served as Chief Operating Officer since February 2022. Ms. Gaudette was President of Franchising from March 2020 to February 2022. She was Vice President of Franchising for the Once Upon A Child®, Plato's Closet®, Music Go Round® and Style Encore® Divisions from February 2014 to March 2020 and Play It Again Sports® Division from July 2016 to March 2020. She has been employed by Winmark in various positions since 1995, including Director of Plato's Closet® Division from March 2009 to January 2014.

Chief Financial Officer: Anthony D. Ishaug

Anthony Ishaug has served as Chief Financial Officer since September 2008 and Treasurer since November 2009.

Chief Marketing Officer: Lisa Hake

Lisa Hake has served as the Chief Marketing Officer since October 2025. Before joining Winmark, Ms. Hake held the position of Vice President of Marketing & Communications at Great Clips in Minneapolis, Minnesota, where she served from July 2017 until September 2025.

Vice President, Technology: Ryan D. Baune

Ryan Baune has served as the Vice President of Technology since February 2025. Prior to joining Winmark, Ryan Baune served as Vice President of Technology at Taco John's International in St. Louis Park, Minnesota, from January 2024 to February 2025. Earlier, he was Chief Technology Officer at Steele Brands in Wayzata, Minnesota, between March 2022 and December 2023. He also worked at Buffalo Wild Wings in Minneapolis, Minnesota, from February 2014 to December 2021, including 4 years as Vice President of Restaurant Technology.

Vice President, Operations: Bradley W. Spencer

Brad Spencer has been Vice President of Operations since March 2020. Mr. Spencer was Director of the Once Upon A Child® Division from October 2018 to March 2020 and Director of the Plato's Closet® Division from March 2017 to March 2020. He was previously the Director of the Once Upon A Child® Division for the period of January 2013 to March 2017. From March 2006 to January 2013, he was a Field Operations Manager for Winmark.

Vice President, Franchise Development: Shannon M. Hoppe

Shannon Hoppe has been Vice President of Franchise Development since December 2023. Ms. Hoppe was Sr. Director of Franchise and New Store Development from October 2021 to December 2023. She was Director of Training and New Store Development from March 2017 to October 2021 and Training Manager from May 2012 to March 2017.

Vice President, Marketing: Sarah A. Broadwater

Sarah Broadwater has been Vice President of Marketing since December 2023. Ms. Broadwater was Director of Marketing from September 2016 to December 2023. She was previously a Marketing Manager from 2013 to September 2016 for Winmark.

Director: Jenele C. Grassle

Jenele Grassle has been a member of our board of directors since January 2001.

Director: Lawrence A. Barbetta

Lawrence Barbetta has been a member of our board of directors since April 2012. Mr. Barbetta currently serves as Chairman of the Board and Chief Executive Officer of eLab Analytics in Wayzata, Minnesota, a position he has had since 2008.

Director: Gina D. Sprenger

Gina Sprenger has been a member of our board of directors since January 2021. Ms. Sprenger served as Chief Strategic Retail Officer for Fanatics, Inc. in Jacksonville, Florida from January 2020 to September 2022.

Director: Percy C. Tomlinson, Jr.

Percy Tomlinson, Jr. has been a member of our board of directors since December 2021 and serves as Lead Director. Mr. Tomlinson has also served as an Operating Partner with Blue Wolf Capital Partners LLC in New York, New York since September 2018. He served as Chief Executive Officer and Board Member of Alliance HealthCare Services in Irvine, California from October 2013 to August 2018.

Director: Amy C. Becker

Amy Becker was appointed to our board of directors in November 2022. Ms. Becker has also served as the Chief Legal Officer and Corporate Secretary at Donaldson Company, Inc. in Bloomington, Minnesota since September 2022. She served as Vice President, General Counsel and Secretary at Donaldson Company, Inc. from August 2014 to November 2022.

Director: Philip I. Smith

Philip Smith was appointed to our board of directors in March 2023. He has also served as Executive Chairman of Intricon Corporation in Arden Hills, Minnesota since June 2022 and as an Operating Partner of Altaris, LLC, a New York based investment firm since June 2022. Mr. Smith served as Managing Director with Kroll based in New York, New York from April 2017 to June 2022.

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5

INITIAL FEES

You must pay to Winmark "Initial Fees" to cover the cost of goods and services that Winmark provides to you before your Store opens. The Initial Fees include the Initial Franchise Fee and the initial cost of Winmark's point-of-sale system and proprietary software. Each component of the Initial Fees is described below:

Initial Franchise Fee. If you are opening a single Store, you must pay an "Initial Franchise Fee" of $25,000 to Winmark. The Initial Franchise Fee is $15,000 if you are currently opening a second or subsequent Store or if you are an existing franchisee of one of Winmark's other franchised concepts. You must sign a separate Franchise Agreement for each Store. You must pay the Initial Franchise Fee for your first Store in a lump sum to us when you sign the Franchise Agreement. The Initial Franchise Fee is non-refundable.

Point-of-Sale (POS) System. You must use in your Store the point-of-sale system ("POS System") which Winmark has selected for your Business System, and you must enter into a Software License Agreement with Winmark for use of Winmark's proprietary software program (the "Proprietary Software"). The initial cost of the POS System and Proprietary Software payable to Winmark will range from $23,200 to $30,900 for each Store. This amount is not refundable.

You will generally purchase the POS System and the Proprietary Software four weeks prior to the open to buy period. See Item 11 for additional information regarding the POS System and Proprietary Software.

The total amount of your Initial Fees will depend on the goods and services that Winmark provides to you.

Item 6

OTHER FEES

Type of Fee	**Amount** (See Note 1)	**Due Date**	**Remarks**
Continuing Fee	5% of your "Gross Sales"; See Note 2	On or before Wednesday of each week for the previous week	See Note 3
Marketing Fee	$1,500 per year	January 1 of each year	See Note 4
Cooperative Advertising	Minimum required amount when combined with Advertising Fee and local marketing expenses is 6% of your Gross Sales	Established by Winmark or franchisees	See Note 5
Local Marketing Expenses	Minimum required amount, when combined with Advertising Fee and cooperative advertising expenses, is 6% of your Gross Sales.	Minimum amount must be spent during each calendar year.	See Note 6
Advertising Fee to North American Ad Fund	Beginning July 1, 2026 with the implementation of the Ad Fund 2% of your Gross Sales, but may be increased to 3% of your Gross Sales	On or before Wednesday of each week for the previous week	See Note 7
Transfer Fee	$10,000	Before completion of transfer	See Note 8
Audit Expenses	Cost and expenses related to audit	After inspection or audit	Payable only if under-statement is greater than 2%
Renewal Fee	$10,000	30 days before renewal of Franchise Agreement	

Type of Fee	**Amount** (See Note 1)	Due Date	Remarks
Software Fee	$295 per month (plus applicable taxes)	First calendar day of each month	See Note 9
Technology Fee	Currently $0	Periodically, if established	See Note 10
Remodeling Expenses	Will vary under circumstances	When incurred	See Note 11
Insurance	Will vary under certain circumstances.	When Winmark requests reimbursement	Payable to Winmark if you fail to pay insurance premium and Winmark pays it for you
Inventory	Will vary under circumstances	When incurred	See Note 12
Interest Expenses	Lesser of 18% per year or maximum rate permitted by law	When due	Payable if Continuing Fee or other amounts due Winmark are not timely paid
Costs and Attorneys' Fees	Will vary under circumstances	When incurred	Winmark may recover costs and reasonable attorneys fees if you lose in a dispute with Winmark

Notes:

(1) Except where otherwise noted, all fees are payable to Winmark, are uniformly imposed and are non-refundable.

(2) "Gross Sales" means the total revenues you receive from the sale of goods and services, whether by cash or by check, credit card or trade, in connection with the Store, less customer refunds and returns. Gross Sales includes any sales permitted through the Internet. Gross Sales do not include wholesale transactions from Plato's Closet® franchisees to other Plato's Closet® franchisees in good standing with Winmark. Gross Sales will not include sales tax collected from customers and actually paid to appropriate tax authorities.

In certain situations, other franchisees may be paying a lower percentage rate for continuing fees than you are. All new franchisees are required to pay the percentage rate stated in this disclosure document. However, a franchisee with an earlier Franchise Agreement may have been required to pay a lower percentage rate than the stated amount or may be required to pay less upon renewal of their Franchise Agreement. In the future, Winmark may change the continuing fees for new and renewing franchisees unless your

Franchise Agreement specifically grants you the right to renew your Franchise Agreement at a lower rate.

(3) Winmark requires you to allow us to withdraw continuing and other fees directly from your bank account.

(4) Your initial payment will be prorated based on the effective date of your Franchise Agreement and invoiced immediately. Winmark may, with a minimum of 60 days' prior written notice, increase the yearly Marketing Fee. Said fee will not increase more than $1,000 during the term of the Franchise Agreement.

(5) Winmark or local Plato's Closet® franchisees may establish an advertising cooperative in your area. The local advertising cooperative will establish the amount of cooperative advertising fees; however, your required contribution will not be less than .5% of Gross Sales, regardless of any vote or bylaw of the cooperative.. If a Company-owned store is a member of your cooperative, it will have voting power equal to that of franchised stores. Company-owned stores will not have controlling power in any local cooperative. There are currently no Company-owned Plato's Closet® stores.

(6) To the extent your annual contributions to Advertising Fees and cooperative advertising programs are less than 6% of the Gross Sales for your Store, you must conduct additional advertising and marketing activities in your local geographic area. Your local advertising activities, however, will not eliminate your obligations to contribute to cooperative advertising programs. If you do not spend at least 6% of Gross Sales for a calendar year on Advertising Fees, approved cooperative advertising or local advertising, as applicable, Winmark may require that you pay Winmark the difference between what you should have spent for advertising during the calendar year and what you actually spent. In such case, Winmark will spend such amount as follows: deposit into the Ad Fund any Advertising Fees that should have been paid by you for the year, and spend any remaining amount on any type of advertising or marketing that Winmark deems appropriate for your business, although Winmark will use reasonable efforts to spend such remaining amount in your local geographic area.

(7) As further described in Item 11, Winmark is implementing an Ad Fund. As a result, beginning July 1, 2026, you must pay Winmark an Advertising Fee of 2% of Gross Sales of your Store. Thereafter, Winmark may, with a minimum of 60 days' prior written notice, adjust the frequency and/or amount of the Advertising Fee to 3% of Gross Sales of your Store, and/or modify the frequency and minimum amounts you must spend on approved regional cooperative advertising and local marketing, provided the total of the Advertising Fee along with the minimum required amount you must spend on approved regional cooperative advertising and local marketing not exceed 6% of Gross Sales for your Store. You may, at your discretion, spend more than 6% of your Store's Gross Sales on advertising and marketing activities.

(8) This fee is payable when the Franchise Agreement or a substantial portion of the assets of the Store or any controlling interest in the franchisee is transferred.

(9) This fee covers services, including its maintenance and repair services, as well as for any updates, modifications and enhancements to the Software which Winmark elects to release. Your obligation to pay the Software Fee under the Software License Agreement will commence on the later of (a) the first day of the month following the opening of your Store, or (b) September 1, 2026, and remain in full force and effect until the Software License Agreement has expired or is terminated or transferred under its provisions herein. Winmark may, with a minimum of 60 days' prior written notice, change the frequency and/or the amount of the Software Fee. The Software Fee is subject to an annual increase of ten percent (10%). Adjustments are compounded annually and cumulative, which may result in increases in any given year of greater than ten percent (10%) to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented.

(10) As of the date of this Disclosure Document, Winmark does not charge a technology fee. Winmark may, however, with a minimum of 60 days prior written notice, establish a periodic technology fee for technology-related services provided by Winmark including without limitation services related to Winmark's extranet platform, current and future training platforms, and current and future social and digital media management platforms. As Winmark does not charge a technology fee at this time, Winmark has not determined the frequency or amount of the fee (if established), but estimates that the amount of the fee will be between \$500 and \$2,500 per year, per Store. If a technology fee is established, Winmark may, with a minimum of 60 days' prior written notice, subsequently change the frequency and/or the amount of the technology fee. Further, if a technology fee is established, it will be subject to an annual increase of ten percent (10%). Adjustments will be compounded annually and cumulative, which may result in increases in any given year of greater than ten percent (10%) to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented.

(11) You must modernize your Store upon notice from Winmark, although Winmark cannot require you to do so more than once every 5 years. The modernization must conform to the standards that Winmark requires at that time for similarly situated new Plato's Closet® Stores. The scope of modernization may range from simply repainting the Store to completely refurbishing the entire Store, including replacement of fixtures, exterior signage, sign supplies, equipment and POS System. Winmark cannot estimate the current costs for a modernization project because the scope and extent of the modernization will vary based on the then current brand standards, the condition of the Store and the cost of labor and materials at that time. You may make these payments in whole or in part to Winmark approved third parties and/or Winmark preferred vendors. Before you modernize your Store, you must submit your modernization plans to Winmark for our approval.

(12) You will need to replenish your Store inventory (both new and used items) regularly. Your quarterly costs for inventory will vary significantly, depending on such factors as seasonal changes in demand and your Store sales, although these costs generally range from \$65,000 to \$80,000.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

TYPE OF EXPENDITURES See Note 1	AMOUNT See Note 2	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
INITIAL FRANCHISE FEE (See Note 3)	$25,000 See Note 3	Lump sum	When you sign the Franchise Agreement	Winmark
FIXTURES AND SUPPLIES	$55,000 to $70,000 See Note 4	Lump sum See Note 4	Before opening See Note 4	Third-party suppliers
SIGNS	$11,000 to $16,000 See Note 5	Lump sum	Before opening	Third-party suppliers
SECURITY CAMERAS	$1,500 to $4,000 See Note 6	Lump sum See Note 6	Before opening See Note 6	Third-party suppliers
POINT-OF-SALE (POS) SYSTEM	$23,200 to $30,900 See Note 7	Lump sum See Note 7	Upon placement of order - before training See Note 7	Winmark
LEASEHOLD IMPROVEMENTS	$15,000 to $22,000 See Note 8	As incurred	Before opening	Third-party contractors and architects
BUILD-OUT	$35,000 to $55,000 See Note 9	As incurred	Before opening	Third-party contractors and architects
DEPOSITS AND BUSINESS LICENSES	$5,000 to $15,000 See Note 10	Lump sum	Before opening	Landlord, utility companies and government agencies
OPENING INVENTORY	$75,000 to $85,000 See Note 11	As incurred	Prepaid at time of order before opening	Third-party suppliers and consumers
MISCELLANEOUS PRE-OPENING EXPENSES	$50,000 to $65,000 See Note 12	As incurred	Before opening	Third-party suppliers and utility companies
RENT – FIRST 3 MONTHS	$20,000 to $30,000 See Note 13	As incurred	As incurred	Landlord

TYPE OF EXPENDITURES See Note 1	AMOUNT See Note 2	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
ADDITIONAL FUNDS - 3 MONTHS	$40,000 to $50,000 See Note 14	As incurred	As incurred	Winmark, employees and third-party suppliers
TOTAL See Note 15	$355,700 to $467,900			

Notes:

(1) The typical size of a Plato's Closet® Store ranges from 3,500 to 4,500 square feet. For several items discussed below, your cost will increase as the number of square feet increases.

(2) Except where otherwise noted, all fees that you pay to Winmark are nonrefundable. Third-party lessors, contractors, and suppliers will decide if payments to them are refundable. Neither Winmark nor an affiliate finances any part of the initial investment. (See Item 10.)

(3) The Initial Franchisee Fee for new Plato's Closet® franchisees is $25,000. The Initial Franchise Fee is $15,000 for a second or subsequent Store or for an existing franchisee of one of Winmark's other franchised concepts.

(4) Your investment in fixtures and supplies necessary to operate the Store is highly variable. Your exact investment depends on several factors, including the size and condition of the premises, inventory levels, transportation costs, financing costs and similar factors beyond Winmark's or your control. The cost will increase as the number of square feet increases.

(5) This item is for interior and exterior signs for the Store. All signs must meet Winmark's standards and comply with your landlord's requirements as well as any local government regulations. You must purchase all interior and exterior signs through Winmark's approved, preferred third-party suppliers.

(6) You must purchase security cameras for your Store. Winmark recommends that you purchase a minimum of 4 to 8 cameras depending on the size of your store.

(7) You must use in your Store the POS System which Winmark has selected for the Business System. (See Item 11.) You must obtain a license for the Proprietary Software from Winmark. The estimated amount includes the $6,000 software license fee that you pay Winmark for the Proprietary Software. You must obtain the computer hardware components through Winmark.

(8) You will need to lease the premises for your Store. Rent is addressed in Note 13 below. Typical locations for your Store are strip shopping malls and smaller free standing locations. You will need to make certain leasehold improvements to the leased premises

for your Store to comply with Winmark's approved plans and standards. The estimated cost of leasehold improvements could include: carpeting, slat wall, lighting, and décor. The exact cost will depend upon several factors, including the condition of the premises, whether you elect to do more than the minimum required renovations, the landlord's agreement to reimburse you for certain improvements and other economic factors.

(9) The build-out cost refers to the physical labor expense of building the store location to Winmark's approved brand standards. This may include installation of slat wall, wall standards, counter configuration, building store fixturization, installing flooring, painting, etc. The exact cost will depend upon several factors, including the condition of the premises, cost of contracting and permitting.

(10) This amount includes utility and security deposits and business licenses. Deposits are generally refundable, but license fees are not.

(11) This amount assumes that substantially all of your opening inventory will be used teen and young adult clothing, with a mix of used and new accessories. Winmark strongly recommends that you have minimum inventory levels between $16.67 and $24.28 per square foot of retail selling space when you open your Store and encourages you to have a much larger amount of inventory. This amount does not reflect amounts needed to replenish inventory during the initial stage of operation. Winmark may refuse to allow you to open your Store if you have less than $75,000 in used inventory.

(12) This amount includes lodging, meals and travel expenses for 2 persons attending the initial training program and the cost of participation in an online financial management course (currently $395) during the initial training program (see Item 11), telephone and high-speed internet hook-up, legal expenses, initial financing costs, building permits, pre-opening and buy day labor expenses, pre-opening and buy day advertising expenses, website development costs, shipping costs and accounting service expenses.

(13) This amount estimates the rent expense you will incur during the first 3 months of Store operations. Rent is estimated to be approximately $80,000 to $120,000 per year depending on factors such as size, condition and location of the leased premises. At times, franchisees are able to negotiate 2-4 months free rent with the landlord upon commencement of the lease. What you pay in rent will depend on local rental rates.

(14) This amount estimates the expenses you will incur during the first 3 months of Store operations, including initial wages and fringe benefits, insurance premiums, advertising, taxes, office, paper and cleaning supplies, and interest payments on any business loans. It does not include inventory costs beyond the opening inventory costs identified in the Table and does not include your compensation during this 3-month period. Your costs will depend on factors such as how much you follow Winmark's systems and procedures, your management skills and experience, local economic conditions, the local market for Plato's Closet® products, the prevailing wage rate, competition and the sales level reached during the initial period.

(15) This total is an estimate of your pre-opening initial investment and the expenses you will incur during the first 3 months of Store operations. This total is based on prevailing market conditions and Winmark's 37 years of general experience in the franchise retail business and our 27 years of experience in this specific business. You should review this amount carefully with a business advisor before deciding to purchase the franchise.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must license the Proprietary Software and purchase the computer hardware components for the POS System from us. Your purchase (or license) of the Proprietary Software and purchase of computer hardware components will represent less than 7% of the cost to establish your Store. The cost of the computer hardware components reflects Winmark's costs related to those items. Winmark does not mark up the cost of the computer hardware components to secure any additional revenue. Winmark, does, however, charge a handling fee of approximately 4% on computer hardware component purchases.

Most of Winmark's officers own an interest in Winmark, the franchisor and, as further described in this Item 8, Winmark is an approved supplier of certain items to the Plato's Closet® franchise system. Winmark's officers may also own an interest in other approved or "recommended" suppliers that: (1) is held indirectly through a mutual fund, 401(k) plan or similar mechanism by which the officer does not have the ability to manage the ownership of individual company stock or other interests; or (2) represents fewer than 1,000 units or shares of a supplier entity and less than 1% of the total outstanding equity interest in that supplier. Except as described in the 2 preceding sentences, Winmark's officers do not own an interest in an approved or "recommended" supplier.

To insure a uniform image and quality of products and services throughout the Plato's Closet® system, you must maintain Winmark's quality standards. Although you will not lease your real estate from Winmark, Winmark must consent to the location of your Store and Winmark will review the lease to insure it contains provisions designed to protect Winmark's interests (see Item 11). You must comply with Winmark's then-current approved standards in constructing and equipping your Store. You must use equipment (including hardware and certain software programs for the POS System), signs, fixtures, furnishings, products, supplies and advertising and sales promotion materials which meet Winmark's standards. In addition, you may sell from your Store only those categories of products and services that Winmark approves. Winmark periodically publishes for franchisees a list identifying approved product categories for use in a Plato's Closet® store. Winmark may periodically update and alter these categories of products and services you may sell at Plato's Closet® stores. Winmark's Operations Manual currently establishes standards for specific teen and young adult clothing and other items sold in your Store.

While Winmark will provide you with a list of "recommended" suppliers for various accessory items, Winmark does not currently maintain a list of approved suppliers nor does it maintain any criteria for approving suppliers of inventory. Any supplier who is able to provide items in the accessory category only meeting Winmark's standards (if any) is, in effect, an approved supplier. Winmark may verify that the item the supplier provides meets Winmark's standards (if any). Winmark will provide you with a list of approved, preferred or designated suppliers of services. We do not provide material benefits to you based on your purchase of particular products or services or use of particular suppliers.

Third party vendors charge franchisees directly for products or services. We may offer services in the future, for which we may charge. Winmark has negotiated or will negotiate programs with a number of manufacturers and suppliers so that franchisees may benefit from volume purchasing and prepaid freight programs.

In operating your Store, you may purchase used goods from your customers or other sources. These used goods are required to meet Plato's Closet® buying standards, must fall within an approved category of goods and are not determined to be unsafe upon reasonable inspection. Neither you nor any entity you or your owners have direct or indirect ownership interest in may act as, or be engaged as, a vendor, supplier, or service provider to your Store, or any other Plato's Closet® store, or to the Plato's Closet® system.

Winmark ordinarily establishes general standards for flooring, fixtures, signs, computer hardware and non-proprietary software used in your Store. Winmark periodically modifies or adjusts these standards as needed. Winmark will make these standards available for your inspection at Winmark's corporate headquarters (subject to your execution of a confidentiality agreement).

Winmark is an "approved supplier" (i.e., a supplier that provides items meeting Winmark's general standards for those items) for certain items used in your Store. These items include interior signs, advertising and sales promotion materials, and periodically other classes of products and supplies that you may use in operating your Store. Except for the Proprietary Software and computer hardware components discussed above (for which Winmark is generally the only source of supply), you may purchase any products, equipment, advertising, and promotional materials and other items from Winmark or any other manufacturer or supplier who can provide items meeting Winmark's standards (if any). You must, however, purchase your exterior and interior signs, carpet and flooring from an approved supplier designated by Winmark. In addition, you must use, at your expense, an approved supplier designated by Winmark for broadcast media placement and online advertising for your pre-opening and first year marketing activities. Further, you must use, at your expense, one of the approved suppliers designated by Winmark for accounting and bookkeeping services related to the operation of your Store.

During Winmark's last fiscal year, Winmark derived revenues of $3,654,540 from the sale of products, equipment and other items subject to Winmark's standards (including revenues of $2,560,780 from the sale of computer hardware components, computer software and licensing of the Proprietary Software to the franchisees of all of its franchised brands and revenues of $1,093,760 from inventory sold to Play It Again Sports® franchisees through the Play It Again Sports® buying group), or less than 5% of Winmark's total revenues of $86,055,700, as stated in Winmark's Consolidated Statement of Operations for the year ended December 27, 2025. Revenues received from the sale of computer hardware components, computer software and licensing of the Proprietary Software to Plato's Closet® franchisees alone during the year ended December 27, 2025 were $906,551. Winmark's affiliate does not derive any revenue, rebates or other material consideration based on a franchisees required purchases or leases.

You must purchase and maintain, at your expense, comprehensive general liability insurance in an amount Winmark will designate periodically, but at least $1 million per occurrence and $2 million in the aggregate. This insurance must insure Winmark, you and any other person Winmark designates from liability for all damage or injury. You must also purchase business interruption insurance, business personal property insurance, money and securities insurance, and building insurance. In addition, you must maintain any other insurance as may be required under law.

Although Winmark provides certain administrative, technical, and advisory services and data to a limited number of suppliers, Winmark does not receive a fee from any suppliers as a result of transactions with franchisees. Winmark may receive a rebate from the vendor of the Constant Contact marketing program for franchisee participation, which may be equal to 40% of the billed revenue for Constant Contact or an estimated total of approximately $330,000 per year.

Winmark estimates that the purchase or lease of equipment (including computer hardware and certain software), signs, fixtures, furnishings, products, supplies, and advertising and sales promotion materials (see Item 11 for information on advertising and sales promotion materials) which meet Winmark's standards (including those standards establishing general categories of goods and services that you may offer in your Store) will represent approximately 45% to 55% of the cost to establish your Store and 45% to 65% of the cost to operate your Store.

Winmark is not currently aware of any purchasing or distribution cooperatives in the Plato's Closet® system that offer to you certain products used in your Store.

Item 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation		Section in Agreement	Disclosure Document Item
a.	Site selection and acquisition/lease	Sections 7(A) and 8(O) of Franchise Agreement	Item 11
b.	Pre-opening purchases/lease	Sections 6(D) and 8(D), (O) and (P) of Franchise Agreement	Items 5, 7, and 8
c.	Site development and other pre-opening requirements	Section 8(B) of Franchise Agreement	Items 5, 7, and 11
d.	Initial and ongoing training	Sections 7(D) and 8(L) of Franchise Agreement	Items 7 and 11
e.	Opening	Section 15(A)(1) of Franchise Agreement	Items 5 and 11

	Obligation	Section in Agreement	Disclosure Document Item
f.	Fees	Sections 2(B)(4), 4, 5, 6, 8(P), 8(Q), 14(C)(6) and Exhibit B of Franchise Agreement	Items 5, 6, 7 and 11
g.	Compliance with standards and policies/Operating Manual	Sections 8(C), (I) and (N) of Franchise Agreement	Items 11 and 16
h.	Trademarks and proprietary information	Sections 3 and 9 of Franchise Agreement	Items 13 and 14
i.	Restrictions on products/services offered	Sections 1 and 8(D) and (P) of Franchise Agreement	Items 8, 11 and 16
j.	Warranty and customer service requirements	Section 8(D) of Franchise Agreement	Not Applicable
k.	Territorial development and sales quotas	Section 1(B) of Franchise Agreement	Item 12
l.	Ongoing product/service purchases	Section 8(D) of Franchise Agreement	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	Sections 2(B)(3) and 8(B) and (E) of Franchise Agreement	Item 11
n.	Insurance	Section 10 of Franchise Agreement	Items 6 and 8
o.	Advertising	Section 6 of Franchise Agreement	Items 6, 7 and 11
p.	Indemnification	Section 11 of Franchise Agreement	Not Applicable
q.	Owner’s participation/ management/staffing	Sections 7(D) and 8(A) and (J) of Franchise Agreement	Items 11 and 15
r.	Records and reports	Sections 12(A) and (B) of Franchise Agreement	Item 6
s.	Inspections and audits	Section 12(C) of Franchise Agreement	Item 6
t.	Transfer	Sections 13 and 14 of Franchise Agreement	Items 6 and 17
u.	Renewal	Section 2(B) of Franchise Agreement	Items 6 and 17
v.	Post-termination obligations	Section 17 of Franchise Agreement	Item 17
w.	Non-competition covenants	Section 18 of Franchise Agreement	Item 17
x.	Dispute resolution	Sections 18(D) and 19 of Franchise Agreement	Item 17

	Obligation	Section in Agreement	Disclosure Document Item
y.	Additional stores	Additional Store Addendum to Plato's Closet® Franchise Agreement	Items 1, 5 and 7
z.	Owner/Shareholder/Spouse Guarantee	Sections 9(A), 12(C), 14(B), 18(A), (B) and (C) and 19 (C) of Franchise Agreement and Exhibit C to Franchise Agreement	Item 15

Item 10

FINANCING

Winmark does not offer direct or indirect financing. We do not guarantee your note, lease, or obligation.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, Winmark is not required to provide you with any assistance.

Pre-opening Assistance. Before you open your Store, Winmark will:

(1) Provide assistance in your evaluation of a site for the Store and leasing issues related to the Store site (Franchise Agreement - Section 7(A)).

(2) Provide you with specifications for the layout and design of the Store (Franchise Agreement - Section 7(B)).

(3) Provide you with a list of the standard fixtures, equipment, supplies, signs and initial inventory to be used in the Store (Franchise Agreement - Section 7(C)).

(4) Provide the mandatory training program described below (Franchise Agreement - Section 7(D)).

(5) Provide you with hard or electronic copies of the confidential Manuals. You must keep the Manuals confidential and return them when the Franchise Agreement terminates (Franchise Agreement - Section 7(F)).

(6) Provide pre-opening assistance consisting of 1-2 days, typically 3-5 weeks prior to your actual store opening (Franchise Agreement - Section 7(E)).

(7) Provide Store opening assistance on the day before and the day of the initial opening of your Store. Winmark need not provide this assistance if you are

an existing franchisee and are opening an additional Store (Additional Store Addendum – Section 2). Winmark is not liable for damages arising out of your failure to open your Store by a particular date (Franchise Agreement - Section 7(E)).

(8) Assist you in developing a business plan for your Store (Franchise Agreement - Section 7(G)).

Ongoing Assistance. During the operation of your Store, Winmark will:

(1) Provide field consultants who conduct periodic evaluations of your Store and provide to you written reports to assist you in Store operations (Franchise Agreement - Section 7(H)).

(2) Provide, at your written request, advisory services relating to Store operations (Franchise Agreement - Section 7(H)).

(3) Periodically make available all changes to the Business System generally made available to all franchisees (Franchise Agreement - Section 7(H)).

(4) Periodically furnish you with updated and revised material for your confidential Manuals, which is also available on the brand extranet site, (Franchise Agreement - Section 7(H)).

(5) Develop advertising and marketing materials (Franchise Agreement - Section 7(H)).

Marketing Programs. Winmark establishes and conducts various marketing programs as follows.

You must pay Winmark a Marketing Fee of $1,500 per year payable on January 1 of each year. Winmark may, with a minimum of 60 days' prior written notice, increase the yearly Marketing Fee. Said fee will not increase more than $1,000 during the term of the Franchise Agreement. Winmark will use all Marketing Fees to conduct advertising research and public relations campaigns, develop websites and other online media programs, develop marketing materials such as television, radio, digital, social and print advertising production and promotional materials for use in each franchisee's local market, and implement advertising and marketing campaigns. Winmark may contract with outside marketing agencies and production companies to produce certain advertising, marketing and promotional materials. You may develop advertising and marketing materials for your own use, at your own cost, if you follow the Brand Style Guidelines and your materials are factually correct, accurately depict the Trademarks, and communicate the brand position and character that Winmark has established for Plato's Closet® Stores. If you develop advertising or marketing materials, you must provide a copy of the materials to Winmark for our review and approval (in writing) before you use the advertising or marketing materials. If you desire to advertise or market on the Internet or in apps, you must follow Winmark's Internet Code of Conduct and the Brand Style Guidelines.

Winmark has established Plato's Closet Marketing Committee ("Committee") that serves in an advisory capacity to provide franchisees a forum to discuss marketing-related matters, including advertising strategies, brand positioning and promotional campaigns. The Committee includes representatives of qualified Plato's Closet® franchisees, as well as Winmark professionals. When developing marketing strategy and allocating the use of Marketing Fees, Winmark may collaborate with the Committee and may also consult with the Plato's Closet® Franchisee Advisory Council ("FAC"). Winmark appoints franchisees to serve as members of the FAC. All FAC and Committee members (jointly, "Members") must be in good standing and remain in good standing during their term. All Members serve for a term determined by Winmark. The FAC serves in an advisory capacity to, among other objectives, provide advice on advertising, research and promotional activities to Winmark and its outside advertising agencies. Winmark has the power to form, change or dissolve the Committee and/or the FAC in its sole discretion.

Each new Plato's Closet® franchisee must pay the Marketing Fee. Your Marketing Fee for the first year of your Business will be prorated from the effective date of your Franchise Agreement. Other franchisees pay the same amount or, for some franchisees under earlier versions of the Plato's Closet® Franchise Agreement, a lesser amount, for a Marketing Fee. In addition, any future Winmark-owned units will also pay the Marketing Fee on the same basis as franchisees. Winmark administers the use of Marketing Fees collected from franchisees. Winmark does not prepare a financial statement as to the collection and use of Marketing Fees, nor are the Marketing Fees audited. Winmark will, however, provide to you (at your request) an accounting of the most recently completed fiscal year. Winmark does not receive an administrative fee to cover related sales promotion, marketing and administrative expenses.

During Winmark's 2025 fiscal year, Winmark spent 100% of the Marketing Fees Winmark collected on production of advertising and marketing programs as outlined above.

Winmark is not obligated to spend any amount of the Marketing Fee on advertising in the area or territory where you are located. Winmark will carry over for future use Marketing Fees not spent in any fiscal year. Winmark does not use Marketing Fees for advertising principally directed at the sale of franchises.

You also must participate in and contribute to the local advertising cooperative established in the Designated Market Area (DMA) where your Store is located, if the DMA contains 2 or more unaffiliated franchisees. You will not be obligated to contribute more than 4% of the Gross Sales for your Store to your local advertising cooperative.

Each local advertising cooperative must adopt written advertising cooperative bylaws which follow the format Winmark has approved. You may request a copy of the bylaws of the cooperative (if one has been established) for your market area from the cooperative president or Winmark. Each cooperative must follow voting procedures that are consistent with the general operating rules Winmark has established. The members of the local cooperative and their elected officials will administer the local cooperative. Winmark strongly recommends that advertising cooperatives prepare annual financial statements and make those financial statements available to all franchisees in that advertising cooperative. Winmark has the power to establish advertising cooperatives and the bylaws, policies and rules under which the advertising cooperatives will operate.

Winmark has announced that, effective July 1, 2026, it is implementing a North American Ad Fund ("Ad Fund") for all Plato's Closet® franchisees in the United States and Canada. The Ad Fund will be used to provide advertising and promotional materials and services to you and other Plato's Closet® stores, as well as conduct national advertising or promotional campaigns. As further described in Item 6, beginning July 1, 2026, you will be required to pay Winmark an Advertising Fee of 2% of Gross Sales of your Store, which will be calculated weekly using the sales reports submitted for your Store as described in Section 5(B) of the Franchise Agreement. Winmark may, with a minimum of 60 days' prior written notice, adjust the frequency and/or amount of the Advertising Fee to 3% of Gross Sales of your Store. In addition, Winmark may, with a minimum of 60 days' prior written notice, modify the frequency and/or minimum amounts you must spend on approved regional cooperative advertising and local marketing. While you may elect to spend more than 6% of Gross Sales on advertising and marketing, the combined minimum required amounts for the Advertising Fee, approved regional cooperative advertising and local marketing will not exceed 6% of Gross Sales for your Store. Other franchisees may pay a greater or lesser Advertising Fee. In addition, any future Winmark-owned Plato's Closet® store will also pay the Advertising Fee on the same basis as franchisees.

The Ad Fund will be administered and managed by Winmark. The Ad Fund is not a trust or escrow account, Winmark has no fiduciary obligation to you or any other Plato's Closet franchisee with respect to the Ad Fund, and Winmark is not required to segregate the Advertising Fees and other funds it receives into a separate restricted account. Winmark will not prepare a financial statement as to the collection and use of the Advertising Fund, nor will it be audited. However, Winmark will provide you with an annual unaudited statement of the receipts and disbursements of the Ad Fund. Winmark will not be obligated to spend any amount on advertising in the area or territory where you are located. Winmark may collect an administrative fee to cover related sales promotion, marketing and administrative expenses. Reasonable disbursements from the Ad Fund may be made solely for the payment of expenses incurred in connection with the general promotion of the Marks and the Business System, including the cost of formulating, developing and implementing advertising and promotional campaigns; and the reasonable costs of administering the Ad Fund, including accounting and other professional expenses and the actual costs of salaries and fringe benefits paid to employees of Winmark or its affiliates, or contractors engaged in administration of the Ad Fund. Winmark will not use the Advertising Fees to sell additional franchises.Winmark may spend, on behalf of the Ad Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all Plato's Closet® stores to the Ad Fund in that year. Any Ad Fund contributions Winmark collects but does not spend in any fiscal year will be carried forward to the next fiscal year. If Winmark incurs Ad Fund expenses in excess of Ad Fund contributions it collects during any fiscal year, Winmark will carry those expenses forward and pay them using Ad Fund contributions it collects during the next fiscal year. Winmark or its affiliates may make loans to the Ad Fund bearing interest to cover any deficits of the Ad Fund and cause the Ad Fund to invest any surplus for future use by the Ad Fund. If Winmark or its affiliates make a loan to the Ad Fund, Winmark may use any subsequent contributions to the Ad Fund to pay back the loan and any interest. Winmark may, with a minimum of 60 days' prior written notice, modify or discontinue the Ad Fund, however, Winmark will not discontinue the Ad Fund for any reason until all the monies in the Ad Fund have been expended.

<u>Point-of-Sale System</u>. You must install a computerized point of sale system ("POS System") purchased through Winmark Corporation. This system is periodically modified in

response to business operations, marketing conditions, and changes in technology. As of March 1, 2026, the POS System includes the following minimum components:

One dedicated Business Server with the minimum of three Desktop Computers ("register station") for use with your required software as described below. The number of register stations you need will be determined by Winmark based on the size and location of your Store and other operational requirements. The following are the major components of the required POS System:

- Winmark configured Business Server
- Winmark configured Register station / POS computers
- Flat-Panel LED Touch screen Monitor (one required for each register station)
- Gigabit Ethernet Network Switch
- Firewall device
- Keyboard, Video, and Mouse Switchbox (one required)
- Uninterruptible Power Supply / Battery Backup (one required for the Business Server and each register station)
- Thermal Receipt Printer (one required for each register station)
- Thermal Label Printer (two required)
- Cash Drawer (one required for each register station)
- Barcode Scanner (one required for each register station)
- Pole Display Device (one required for each register station)
- Point-of-sale (POS) System
- Server Operating System License
- Workstation Operating System License (one required for each register station)
- Remote Software
- Imaging Software
- Antivirus Software
- Database Software

Another required component to the POS System, which must be obtained from a local internet service provider (ISP), is a broadband internet connection:

- DSL, Cable or other Dedicated high-speed internet connection with minimum downloads speeds of 20 MB and upload speeds of 5 MB (No 5G)
- An Internet Browser
- E-mail Address

The initial cost of purchasing the POS System from Winmark currently ranges from $23,200 to $30,900 (see Item 7). The POS software is owned by Winmark. You must obtain a license for it from Winmark. Winmark will provide ongoing maintenance, repairs and updates to the POS software (Software Agreement, Section 1(E)).

You must pay Winmark a Software Fee of $295 (plus applicable taxes) per month payable on first day of each month. The Software Fee covers services relating the Proprietary Software, including without limitation its maintenance and repair services, as well as for any updates, modifications and enhancements to the Proprietary Software which it elects to release (Software License Agreement, Section 1(E) and Franchise Agreement, Section 8(P)). Your obligation to pay the Software Fee will commence on the later of (a) the first day of the month following the opening of your Store, or (b) September 1, 2026. Winmark may, with a minimum of 60 days prior written notice, change the frequency and/or the amount of the Software Fee, subject to the limitations described in Item 6 and Section 1(E) of the Software License Agreement Technology is constantly changing. Winmark may require you to update your POS System every 5 years or more often depending on changes in technology and Winmark's current standards. There are no contractual limitations on the frequency and cost of this requirement (Software License Agreement, Section 1(E) and Franchise Agreement, Section 8(P).

Winmark, or a third-party vendor that Winmark selects, will provide you with POS software and the rest of the POS System components. Winmark currently has independent access to certain operational and financial information and data produced by your POS System. There are no contractual limitations on Winmark's right to access the information and data (Franchise Agreement, Section 8(P)).

Winmark has established the Winmark Technology Council ("Council"). The Council serves in an advisory capacity to guide the evolution of innovative technology solutions that support franchisees across all Winmark brands. Its mission is to provide informed input that helps shape technology programs, systems, and policies that enhance the overall performance and success of the franchise system. Winmark reserves the right, in its sole discretion, to change, discontinue the Council at any time.

Although as of the issuance date of this disclosure document Winmark does not do so, Winmark may, with a minimum of 60 days' prior written notice, charge you a periodic technology fee for technology-related services provided by Winmark including without limitation services related to Winmark's extranet platform, current and future training platforms, and current and future social and digital media management platforms (Franchise Agreement, Section 8(Q)). Winmark estimates that, if established, the amount of the technology fee will be between $500 and $2,500 per year, per Store. If a technology fee is established, Winmark may, with a minimum of 60 days' prior written notice, subsequently change the frequency and/or the amount of the technology fee, subject to the limitations described in Item 6 and Section 8(Q) of the Franchise Agreement.

Site Selection. If you already have a potential site for a Plato's Closet® Store, you may propose the location to Winmark. We may consent to the site after we have independently evaluated it. If you do not have a proposed site, Winmark will furnish you with its general site selection and evaluation criteria. Winmark will review and approve the area where a franchisee may select a site and will provide you with a map of the approved area. You are solely responsible, however, for locating and obtaining a site in the approved area which meets Winmark's standards and that is acceptable to Winmark. Winmark does not own or lease and sublease the Store location to its franchisees. You will deal directly with your Landlord when leasing the premises for your Plato's Closet® store.

You must obtain Winmark's consent to the proposed site for your Store. The general site selection criteria on which Winmark bases its approval and which you should consider include traffic patterns, ease of ingress and egress, local competition, physical attractiveness of the facility, reputation of the shopping area, population of the surrounding area, demographic surveys and buyer behavior information, size and rental cost of property and similar factors. Winmark typically will approve a site within 48 hours after receiving a site approval request from its franchisees. You should determine if there are acceptable sites in your proposed development area prior to executing the Franchise Agreement. If Winmark and you cannot agree on a site for your Store, Winmark may allow you to consider sites within another development area in or near your Exclusive Area. If you and Winmark cannot agree on a site location, the Franchise Agreement will be terminated, and you will not receive a refund of the Initial Franchise Fee.

Development Time. The typical length of time between Winmark's acceptance of the Franchise Agreement and the opening of your business is approximately 9-12 months. Once the Franchise Agreement is executed, by its terms you will have up to 12 months to open your Store. The factors that may affect the store opening process may include permitting delays, construction and build-out delays, sign, equipment and inventory acquisition, lease negotiations and financing or staffing issues. You will be in default of your Franchise Agreement if you fail to open your Store within the 12-month period.

Training. Winmark conducts its 2-part training program at Winmark's training center in Minneapolis and through online training sessions. The training program is typically offered 12 times per year. The first session of the training program, Resale University™ 101 Training, covers several aspects of set-up and opening of a privately-owned retail business, including real estate matters, business plan development, buying used products, Winmark's preferred vendor program and other topics Winmark may select. The first part will take place over a period of 4 days. At Resale University™ 101 Training, you will be required to register for an online financial management course conducted by Winmark's third party vendor. This course will educate you on how to understand your financial statements and utilize the information to build your business. The second session of the Plato's Closet® training program, Resale University™ 201 Training, is attended after securing financing, executing a lease for a retail site and completing the online financial management training program. It is conducted over a period of at least 5 days and will include instruction on sales and marketing, merchandising, computer operation, store management, personnel issues and other topics Winmark selects. Winmark will not allow you to open your Store unless you successfully complete both sessions of the training program to Winmark's satisfaction.

[INTENTIONALLY LEFT BLANK]

TRAINING PROGRAM

First Session (Resale University™ 101 Training)

Subject	Hours of Classroom Training	Hours of "Hands-On" Training	Location
Business Planning	1	5	Minneapolis, MN
Real Estate	1.5	0	Minneapolis, MN
Legal Structure & Financing	1.5	0	Minneapolis, MN
Store Development and Trade Look Standards	1.5	0	Minneapolis, MN
Accounting & Bookkeeping	1.5	0	Minneapolis, MN
Introduction to Advertising & Local Marketing	4	0	Minneapolis, MN
Service Vendor Overview	2	0	Minneapolis, MN
Winmark Connect & Learning Management Systems	1	0	Minneapolis, MN
Introduction to Buying Used Product	2	0	Minneapolis, MN
Style & Trend Training Assortment	3	0	Minneapolis, MN
In Store Training	0	2	Minneapolis, MN
TOTALS	19	7	

Second Session (Resale University™ 201 Training)

Subject	Hours of Classroom Training	Hours of "Hands-On" Training	Location
Store Operations	4	0	Minneapolis, MN
Marketing & Social Media	2	4	Minneapolis, MN
POS System Training	1	4	Minneapolis, MN
Buyer Certification	4	3	Minneapolis, MN
Employee Management	2	0	Minneapolis, MN
Loss Prevention	1.5	0	Minneapolis, MN
Customer Service	1.5	0	Minneapolis, MN
Financial Management	1.5	0	Minneapolis, MN
Business Plan Updates	0	1.5	Minneapolis, MN

Subject	Hours of Classroom Training	Hours of “Hands-On” Training	Location
Inventory Management	1.5	0	Minneapolis, MN
Visual Merchandising	1	0	Minneapolis, MN
Product Knowledge	1	2	Minneapolis, MN
TOTALS	21	14.5	

The instructional material for each subject includes the Plato’s Closet® Operations Manual, the electronic POS User’s Guide and Guide to POS Reports, POS Training Manual, the Buyer Certification Manual, the Visual Merchandising Manual, daily operations tools, lecture, classroom discussion, hands-on demonstration, role-play training and practice training in the Training Facility.

Micaela Elzea, Director of Training and New Store Development, is responsible for the training department. Micaela joined Winmark in April of 2013 as a New Store Development Manager and was promoted in 2016 to Plato’s Closet Field Operations Manager. In 2018, Micaela returned to the training department as a Training Manager and was promoted to Senior Training Manager in 2021. Most recently, Micaela was promoted to the Director of Training and New Store Development in July 2024 in which she oversees training for all brands. Other Winmark employees may also participate in providing and conducting aspects of the training program. All instructors will typically be employed by Winmark for a minimum of 2 months and have a minimum of 2 years’ experience in the topic they are teaching.

Winmark does not charge a fee for the training program. You are, however, responsible for travel and living expenses that you and your representatives (if any) incur while attending the training program and the cost for participating in the online financial management course. See Item 7 for additional information on those expenses. Winmark currently does not require franchisees to attend any additional training programs.

<u>Brand Operations Manuals.</u> Winmark provides you with an electronic copy of its confidential Plato’s Closet® Operations Manual. The Operations Manual is subject to periodic updates and changes and the number of pages per section may vary. The current Operations Manual, as of March 1, 2026, is divided into the following subjects:

Subject	Number of Pages
General Information	1
Company Structure	5
Store Operations	20
Inventory Management	5
Employee Management	8
Advertising & Marketing	10
TOTAL	49

In addition, Winmark will provide electronic access to the following guides:

Loss Prevention Manual

Title	Total Number of Pages
Loss Prevention Manual	50

Buyer Certification Manual

Subject	Number of Pages
Introduction	2
Communication & Check-in:	16
Sort & Evaluate	18
Pricing & Computer Entry	5
Presenting the Offer	5
Processing the Completed Buy	8
Buying Situations	18
TOTAL	72

Visual Merchandising Guide

Subject	Number of Pages
Goals & Strategies of Merchandising	3
Fixture & Floor Layout	13
Merchandising Standards	5
In-Store Signage Standards	1
Building Effective Displays	6
Floor Sets	1
TOTAL	29

Store Standards Manual

Subject	Number of Pages
Store Standards	10
Expansion & Relocation Process	1
Multi-Store Request Process & Standards	2
Renewal Process Standards	7
Brand Standards Checklist	10
TOTAL	30

Winmark will also provide you with access to the electronic POS User's Guide and Guide to POS Reports. The current POS User's Guide, as of March 1, 2026, is divided into the following subjects:

Subject	Number of Pages
Overview	25
Miscellaneous	4
Registers	98

Subject	Number of Pages
Maintenance	93
Reports	65
Order/Receiving	38
Closing	17
Configuration	26
Help	6
Accounting Export Interface	71
Release Notes	52
Glossary	4
Index	13
TOTAL	512

The Guide to POS Reports, as of March 1, 2026, is divided into the following subjects:

Subject	Number of Pages
Overview	5
Inventory Reports	45
Sales Reports	24
Buy Reports	22
Misc. Reports	10
Ord/Rec Reports	6
Cycle Count Menu Reports	15
Closing Reports	33
TOTAL	160

Winmark Connect, the Plato's Closet® extranet, Winmark's tool resource and reporting site, provides a location for additional support items covering all aspects of the Plato's Closet® business. Content is continuously updated to meet the changing business environment.

Item 12

TERRITORY

You will receive an "Exclusive Territory" surrounding the location of the Store when granted a Plato's Closet® franchise. Exhibit A to the Franchise Agreement describes the Exclusive Territory. Computer modeled mapping which factors in population density and average household income and consumer traffic patterns will determine the boundaries of the Exclusive Territory, which is typically a 3 to 5 mile radius around your Store. Winmark will designate a development area within your Exclusive Territory. You can select a site for your Store within this development area, subject to Winmark's consent to that site. The Exclusive Territory for Stores located in urban areas (metropolitan areas with a population in excess of 250,000 persons) generally will have a minimum population of 75,000 to 100,000 persons. The Exclusive Territory for Stores located in all other areas generally will have a minimum population of 50,000 persons. Winmark will not establish another franchised or company-owned Plato's Closet® Store at a physical location in your Exclusive Territory. Although Winmark does not do so as of the issuance date of this disclosure document, Winmark reserves the right to distribute products through alternative channels of distribution, including the Internet (or any other existing or future form of electronic commerce), using the Trademarks inside or outside of the Exclusive Territory so long as these activities are not solely for Winmark's benefit but provide some benefit (as described in the Franchise Agreement) to Plato's Closet® franchisees. Winmark also reserves the right to distribute products through alternative channels of distribution or establish franchised or company-owned businesses selling similar products or services under a trademark different from the Trademarks inside or outside of the Exclusive Territory.

You do not need to achieve a certain sales volume or market penetration to retain the Exclusive Territory under the Franchise Agreement. You may relocate the Store only with Winmark's written consent, which Winmark will not unreasonably withhold. Winmark will approve relocation within the Development Area if the retail area demographics meet our requirements and the financial model continues to work in the new location. In addition to the criteria listed above, Winmark will approve relocation outside the Development Area but inside the Exclusive Territory if we determine that the new location's proximity to other Plato's Closet® stores will not impact their store sales or customer base. Winmark will only allow a relocation outside of the Exclusive Territory if there are no viable locations within the Exclusive Territory and the new location is a reasonable distance from the existing Exclusive Territory so not to affect the existing customer base or interfere with the Exclusive Territory or sales of other franchisees.

You may advertise outside your Exclusive Territory and may serve customers from outside your Exclusive Territory. Likewise, Winmark and other Plato's Closet® franchisees may, without any compensation to you, advertise within your Exclusive Territory and may serve customers who reside within your Exclusive Territory without compensation to you. You may not use alternative channels of distribution, including the Internet, catalog sales, telemarketing or other direct marketing methods to make sales inside or outside your Exclusive Territory unless specifically authorized by Winmark.

Winmark will not grant to you any options, rights of first refusal or similar rights to acquire additional franchises within a particular territory. Except as disclosed in this Item 12 or as specifically allowed in the Franchise Agreement, Winmark cannot alter your territory rights.

Item 13

TRADEMARKS

Winmark grants you the right to operate a Store under the name Plato's Closet®, a federally registered trademark. In addition to the Plato's Closet® service mark, you must also use other trademarks, service marks, trade names and commercial symbols (collectively, "Trademarks") which Winmark develops or requires to identify your Store and its goods and services.

The following schedule lists only the principal Trademarks that Winmark licenses you to use:

Trademark, Service Mark or Design	U.S. Reg. No.	Principal/ Supplemental Register	Date of Registration	Comment
Plato’s Closet	2,211,282	Principal	12/15/98	Section 8/15 Affidavit filed; Renewed
Plato’s Closet	3,176,822	Principal	11/28/06	Section 8/15 Affidavit filed; Renewed
Plato’s Closet (and Design)	3,201,210	Principal	1/23/07	Section 8/15 Affidavit filed; Renewed
Plato’s Closet (and Design)	3,908,174	Principal	1/18/11	Section 8/15 Affidavit filed; Renewed
Your Store. Your Style.	4,250,197	Principal	11/27/12	Section 8/15 Affidavit filed; Renewed
Recycle Your Style	4,256,651	Principal	12/11/12	Section 8/15 Affidavit filed; Renewed

Your use of the Trademarks and any goodwill is to Winmark’s exclusive benefit and you retain no rights in the Trademarks. You retain no rights in the Trademarks when the Franchise Agreement expires or terminates. You may make changes or substitutions to the use of the Trademarks only if Winmark directs you to do so. If Winmark requires that you modify or discontinue using a trademark, you will not have any rights to compensation.

There are no currently effective determinations of the Patent and Trademark Office, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, or any pending infringement, opposition or cancellation proceeding, or any pending material litigation, involving any Trademarks that are relevant to Plato’s Closet® operations in this state. There are currently no agreements in effect that significantly limit Winmark’s rights to use or license the use of any Trademarks listed in this Item 13 in any manner material to the franchise. Winmark is unaware of any superior rights or infringing uses which could materially affect your use of the Trademarks.

Winmark is not required to protect you against infringement or unfair competition claims arising out of your use of the Trademarks, or to participate in your defense or indemnify you. Winmark reserves the right to control any trademark litigation and will take the action Winmark believes appropriate if a third party infringes Winmark’s Trademarks. You must notify Winmark promptly if you become aware of any infringement or unauthorized use of the Trademarks and cooperate with any action that Winmark takes. Winmark will pay the cost and expense of all litigation Winmark incurs, including attorneys’ fees, specifically related to the Trademarks.

However, Winmark is not required to take affirmative action when notified of these uses or claims. If any party claims that its rights to use any of the Trademarks are superior and Winmark confirms that claim, you must, at your expense, immediately make the changes and use the substitutions to the Trademarks as Winmark requires.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

There are no patents or copyrights currently registered or pending which are material to the Plato's Closet® franchise offered, although Winmark does claim copyright protection for each of its Plato's Closet® Manuals and for various sales promotion and other materials periodically published or located on its extranet website. You must keep confidential during and after the term of the Franchise Agreement all information contained in the Manuals. You cannot duplicate or provide any information contained in the Manuals to any party other than, during the term of the Franchise Agreement, those of your employees who need to know that information. When the Franchise Agreement terminates, you must return to Winmark all copies of each Manual and all other material Winmark has copyrighted or designated as confidential. You may not use confidential information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence ("AI") model, algorithm improvement, or similar data aggregation activities without the express written consent of Winmark. Such uses shall not be deemed related to the performance of the Franchise Agreement and are expressly prohibited. You shall not, without prior written consent by Winmark, input any confidential information into any generative AI platform, or disclose such information to any provider or source of generative AI services. You shall opt out of allowing any provider or source of generative AI to utilize confidential information for training of any AI model or for other purposes.

The Proprietary Software is the proprietary property of Winmark. (See Item 11.) You must keep confidential during and after the term of the Software License Agreement all information relating to the Proprietary Software. You cannot duplicate the Proprietary Software, although you can maintain one extra copy for backup purposes. When the Software License Agreement terminates, you must return all copies of the Proprietary Software to Winmark or destroy all copies of the Proprietary Software.

Winmark does not contract with individual franchisees to protect the copyrights, to protect individual franchisees against infringement or unfair competition claims arising out of the franchisee's use of the copyrights, or to participate in the franchisee's defense or indemnify the franchisee. Winmark reserves the right to control any copyright litigation and will be the sole judge as to whether any suit will be brought or settled when any person or entity infringes Winmark's copyrights.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISED BUSINESS

If you are an individual, you must be the on-site owner/operator and personally manage the Store unless you receive Winmark's prior consent to delegate your authority to do so. If you operate more than one Store, you may delegate your management duties for additional Stores to one or more managers. Winmark requires Store managers for franchisees operating multiple stores to attend the second session (Resale University™ 201 Training) of the new store training program.

Although Winmark does not prohibit you from being employed by a company other than the Plato's Closet® business, your primary job responsibility must be the operation of the franchised business. If you are a corporate entity or a partnership, one individual must retain at least 50% of the equity and voting interest in the corporation entity or partnership and will be obligated to personally manage and operate the franchised business.

Each individual who owns a 10% or greater interest in the franchisee entity is considered a principal owner and all principal owners and their spouses must sign the Personal Guaranty attached to the Franchise Agreement. These people agree to discharge all obligations of the franchisee to Winmark under the Franchise Agreement and are bound by all its provisions, including maintaining the confidentiality of proprietary information described in Item 14.

In addition, the franchisee, all Personal Guarantors and the owners of any part of the franchise entity must abide by the noncompete covenants described in Item 17. In addition, all of your employees who have managerial duties at the Store, as well as all corporate officers and directors of a corporate franchisee entity (all partners in a partnership), must sign a written agreement to maintain the confidentiality of Winmark's trade secrets described in Item 14.

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer and sell only those goods and services that Winmark has approved. You also must offer all goods and services that Winmark designates as required for all franchisees. Winmark may, at its discretion, add new goods and services, based on its evaluation of various factors, including customer demands, the geographic location of your Store and any other factor which Winmark deems important to the operation of your Store. Winmark's right to modify the approved list of goods and services to be offered at a Plato's Closet® Store is not limited.

You may offer the sale of the approved goods and services from your Store location to any person. Unless specifically authorized by Winmark, you may only deliver merchandise or offer services at a site other than your Store location to customers residing in your Exclusive Territory or to locations within your Exclusive Territory.

You may not sell or accept in trade any used undergarments or any products that you believe may be stolen or that have been recalled, are knowingly counterfeit, or are otherwise not safe upon inspection. No new apparel may be sold in your Store (only new accessories). You may use only approved advertising and promotional materials.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

Provision		**Section in Agreement (1)**	**Summary**
a.	Length of the franchise	Section 2(A); Section 3 of Software License Agreement	Franchise Agreement: 10 years. Software License Agreement: Coterminous with Franchise Agreement
b.	Renewal or extension of the term	Section 2(B)	If you meet the renewal requirements set forth in the Franchise Agreement, you can renew the Franchise Agreement for additional 10 year period(s).
c.	Requirements for you to renew or extend	Section 2(B)	Provide advance notice in writing, sign then current Franchise Agreement, pay renewal fee, remodel, meet all current brand standards, secure extension of lease and be in compliance with current Franchise Agreement during the term of the Agreement. You may be asked to sign a Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d.	Termination by you	Section 16(A)	If you are complying with the Franchise Agreement, and Winmark fails to cure a material default within 30 days after Winmark's receipt of written notice, subject to state law.
e.	Termination by Winmark without cause	Not Applicable	
f.	Termination by Winmark with cause	Sections 15(A) and (B); Section 3 of Software License Agreement	Franchise Agreement: Winmark can terminate the Franchise Agreement only if you default. Software License Agreement: Winmark can terminate the Software License Agreement only if you default under the Software License Agreement or if the Franchise Agreement terminates.
g.	"Cause" defined – curable defaults	Sections 15(A) and (B)	You have 30 days to cure a violation of any material provision of the Franchise Agreement, non-payment of amounts owed to Winmark or any applicable local advertising cooperative, failure to abide by Winmark's standards and requirements in operating the Store, an assignment of assets to creditors and the expiration or termination of the Store's lease.

	Provision	Section in Agreement (1)	Summary
h.	"Cause" defined – non-curable defaults	Sections 15(A) and (B); Section 3 of Software License Agreement	Franchise Agreement: Failure to open the Store within 12 months after you sign the Franchise Agreement, insolvency, conviction of felony or violation of a statute which harms the Store's reputation, failure to operate the Store for 7 consecutive days without Winmark's prior written consent (unless due to an act of God, war, strikes or riots), inform Winmark of your intent to permanently or indefinitely cease operating the Store, otherwise abandon the franchised business, intentionally falsify any information provided to Winmark, repeated defaults even if cured, defaults which cannot be cured, repeatedly deceives Store customers, defaults which impair the goodwill associated with Winmark's trademarks, uncured defaults in any other agreement with Winmark, our subsidiaries or affiliates, frequent and/or severe complaints from customers and/or employees, failure to fully cooperate and timely complete audit and violation of the in-term covenant not to compete. Software License Agreement: If the Franchise Agreement terminates, you breach any term of the Software License Agreement or you become insolvent.
i.	Your obligations on termination/non-renewal	Section 17; Section 3 of Software License Agreement	Franchise Agreement: Pay all amounts due Winmark, including the fees that would be owed through the end date of the Franchise Agreement's remaining term, return manuals and other materials to Winmark, disconnect the telephone number or assign it to Winmark, redecorate the Store premises, return or destroy all copies of the Proprietary Software, disconnect any Store-related Internet web site and remove all signs containing any Trademarks (also see r, below). Software License Agreement: All of your rights in the Proprietary Software terminate and you must return all copies of the Proprietary Software to Winmark.
j.	Assignment of contract by Winmark	Section 14(A); Section 8(C) of Software License Agreement	Assignee must fulfill Winmark's obligations under the agreement assigned.
k.	"Transfer" by you – defined	Section 14(C); Section 8(C) of Software License Agreement	Franchise Agreement: Includes any transfer of the Store, or its assets, your interest in the Franchise Agreement or any significant ("controlling interest") ownership change. Software License Agreement: You cannot transfer your interest in the Software License Agreement.

Provision		Section in Agreement (1)	Summary
l.	Winmark's approval of transfer by you	Section 14(C)	Winmark has the right to consent to all transfers of the Franchise Agreement but will not unreasonably withhold consent.
m.	Conditions for Winmark's approval of transfer	Section 14(C)	New franchisee must qualify and complete training, pay transfer fee, you must pay all amounts owed to Winmark and be in good standing, new franchisee assumes existing Agreement or (at Winmark's option) signs then-current agreement, Winmark has determined that the purchase price and payment terms will not adversely affect the new franchisee's operation of the Store, if the transfer is financed by you, you agree that all of the new franchisee's obligations under promissory notes, agreements or security interests in the Store are subordinate to the new franchisees obligation to pay fees owed to Winmark under the Franchise Agreement and you agree to observe all post-termination obligations under Franchise Agreement (also see r, below).
n.	Winmark's right of first refusal to acquire your business	Section 13	Winmark can match any offer for your business.
o.	Winmark's option to purchase your business	Not Applicable, except as indicated in n, above	
p.	Your death or disability	Section 13(B)	You can transfer stock to other shareholders without offering Winmark a right of first refusal; if assignee is your spouse or child, no transfer fee is required.
q.	Non-competition covenants during the term of the franchise	Section 18(A)	No direct or indirect involvement in any resale retail business involving the purchase and/or sale of used clothing and accessories other than the one authorized in the Franchise Agreement, without Winmark's prior written consent, subject to state law.
r.	Non-competition covenants after the franchise is terminated or expires	Sections 18(B) and (C)	No direct or indirect involvement, whether conducted in-person or on-line, in any resale retail business involving the purchase and/or sale of used clothing and accessories, for 2 years, which is located at the Franchised Location or any Plato's Closet® Store, or is located within or markets into a 10 mile radius of the Store or any other Plato's Closet® Store. If the franchisee is in breach of this provision, the non-competition period will be extended for a period of time equal to the time the franchisee operated a competing business, subject to state law.
s.	Modification of the agreement	Sections 3(C), 8(N) and 20(A) and (B)	No modifications generally, but Manuals, list of authorized Trademarks and required goods subject to change.

Provision		Section in Agreement (1)	Summary
t.	Integration/merger clause	Section 20(G); Section 8 of Software License Agreement	Only the terms of the Franchise Agreement and Software License Agreement are binding (subject to state law). Any other promises may not be enforceable. Nothing in the Franchise Agreement, Software License Agreement or any related document is intended to disclaim the representations made in this Franchise Disclosure Document.
u.	Dispute resolution by arbitration or mediation	Section 19(A); Section 5 of Software License Agreement	Franchise Agreement: Except for certain claims, all disputes must be arbitrated in Minneapolis, Minnesota (subject to state law). Software License Agreement: Winmark's liability for any claim related to any software or service provided will be limited to the lesser of Licensee's actual damage or loss or the initial fee paid for the software.
v.	Choice of forum	Sections 18(D) and 19; Section 8(A) of Software License Agreement	Franchise Agreement: All disputes that are subject to arbitration must be arbitrated in Minneapolis, Minnesota. If litigation is permitted, the sole forum for litigation arising under the Franchise Agreement, or any aspect of the relationship between Winmark and you will be the state or federal courts of Minnesota, with the understanding that Winmark may seek injunctive relief against you under the Franchise Agreement in the federal or state courts for the county in which the Store is located or wherever you are otherwise subject to personal jurisdiction (subject to state law). Software License Agreement: Any action related to the Software License Agreement may be brought in any court in Minneapolis, Minnesota (subject to state law).
w.	Choice of law	Section 20(D); Section 8 (A) of Software License Agreement	Franchise Agreement: Apply law of the state where the Store is located (subject to state law). Software License Agreement: Apply Minnesota law (subject to state law).

(1) Unless otherwise noted, section references are to the Franchise Agreement.

Item 18

PUBLIC FIGURES

Winmark currently does not use any public figure to promote its franchise, although Winmark reserves the right to engage a public figure for endorsements in the future. No public figure is involved in the management or control of Winmark.

<u>Item 19</u>

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 a financial performance representation titled "Plato's Closet® Statement of Average Annual Sales and Gross Profit." The gross profit figures in this Item 19 do reflect the cost of sales but do not reflect the operating expenses that must be deducted from the gross profit figures to obtain your net income or profit. The best source of cost and expenses data may be from franchisees and former franchisees, some of whom may be listed in Exhibit A.

PLATO'S CLOSET® STATEMENT
OF AVERAGE ANNUAL SALES AND GROSS PROFIT

The following statement of average annual sales and gross profit includes average gross sales and gross profit during the 12 month period ended December 27, 2025 as reported by the 492 of the 492 franchised Plato's Closet® Stores located in the United States and Canada that commenced operations during the years 1998 through 2024, and were not transferred during 2025. This represents a subset of the 526 Plato's Closet® Stores in the United States and Canada that were open and operating as of December 27, 2025. This statement includes information from only those Plato's Closet® Stores located in the United States and Canada that had been in operation by the same franchisee or owners for the 12-month period ended December 27, 2025. There are no material financial and operational characteristics of the U.S. Stores that differ materially from the Canadian Stores included in this financial performance representation. Canadian Stores are included in Item 19 because they are substantially similar to U.S. Stores in design and operation, franchisee obligations, square footage of Stores, inventory sourcing and franchisor obligations. No other Plato's Closet® Stores are included in this statement due to insufficient history of operations (not in operation for the 12-month period ended December 27, 2025 or transferred during this period). There were 492 of the 492 franchised Plato's Closet® Stores which had been in operation by the same franchisee or owners at least 12 months as of December 27, 2025. All 492 Stores are reflected in the average. This financial performance representation does not include information for the 34 Plato's Closet® Stores that opened or transferred in 2025. No Stores closed in 2025 after being opened less than 12 months.

Statement of average gross sales and gross profit for the 492 of the 492 franchised Plato's Closet® Stores for the fiscal year ended December 27, 2025, as reported by Plato's Closet® franchisees to Winmark:

Year Opened	# Stores Reported	# and % of Stores Attaining or Exceeding Average Gross Sales(1)	# and % of Stores Attaining or Exceeding Average Gross Profit(2)	2025 Average Gross Sales(3)	2025 Median Gross Sales	2025 Average Gross Profit(4) (5)	2025 Median Gross Profit	Average Gross Profit Percent-age(6)	Sales Range(7)
2024	29	6 / 21%	6 / 21%	1,099,714	1,037,885	698,095	666,458	63.48%	611,354 – 2,467,286
2023	34	4 / 12%	6 / 18%	1,059,653	1,014,363	679,044	645,534	64.08%	431,601 – 3,085,582
2022	34	8 / 24%	8 / 24%	1,131,235	1,021,724	716,410	635,608	63.33%	525,692 – 2,628,040
2021	31	10 / 32%	8 / 26%	1,235,325	1,139,975	785,963	734,942	63.62%	629,428 – 2,111,680
2020	14	5 / 36%	5 / 36%	1,222,464	1,226,276	772,489	775,947	63.19%	596,385 – 1,760,692
2019 & Prior	350	162 / 46%	165 / 47%	1,376,237	1,255,433	877,163	821,390	63.74%	226,706 – 3,849,512
TOTAL	492	195 / 40%	198 / 40%	1,307,875	1,206,301	833,084	764,012	63.70%	

(1) This percentage represents Stores Attaining or Exceeding Average Gross Sales as a percentage of Number of Stores Reported. This percentage is calculated based on the Total Store Average Gross Sales of the 492 of the 492 Stores reported ($1,307,875).

(2) This figure percentage represents Stores Attaining or Exceeding Average Gross Profit as a percentage of Number of Stores Reported. This percentage is calculated based on the Total Store Average Gross Profit of the 492 of the 492 Stores reported ($833,084).

(3) "Gross Sales" means all revenues the franchisee receives from the sale of goods and services, whether by cash or by check, credit card or trade, in connection with the store, less sales tax and customer refunds and returns.

(4) "Cost of Goods Sold" includes the costs and expenses related to retail items. This includes freight and shrinkage (loss of product due to theft, inventory adjustments, donations, etc.).

(5) The average gross profit equals gross sales less cost of goods sold. Average gross profit does not reflect any expenses related to the operation of a Plato's Closet® store other than the cost of goods sold.

(6) This figure represents average gross profit as a percentage of average gross sales.

(7) As reported by Music Go Round® franchisees to Winmark.

The statement of sales ranges by quartile for the 492 of the 492 franchised Plato's Closet® stores open at December 27, 2025 that had been in operation for at least 12 months by the same franchisee or owners for the 12 month period ended December 27, 2025 are as follows:

Quartile(1)	# of Stores	2025 Gross Sales Range by Quartile	2025 Quartile Average Gross Sales	2025 Quartile Median Gross Sales	# and % of Stores Attaining or Exceeding Quartile Average Gross Sales	2025 Quartile Average Gross Profit	2025 Quartile Median Gross Profit	# and % of Stores Attaining or Exceeding Quartile Average Gross Profit	Quartile Average Gross Profit Percent-age(2)
1st	123	1,567,973 – 3,849,512	2,033,682	1,965,122	50 / 41%	1,292,564	1,210,957	52 / 42%	63.56%
2nd	123	1,208,626 – 1,565,876	1,358,958	1,341,322	58 / 47%	864,335	848,764	51 / 41%	63.60%
3rd	123	956,880 – 1,203,977	1,085,306	1,086,551	63 / 51%	689,072	683,627	58 / 47%	63.49%
4th	123	226,706 – 942,657	753,552	775,090	69 / 56%	486,363	503,247	70 / 57%	64.54%

(1) "Quartile" refers to that portion of the total number of stores open that represents 25%. For example, the first quartile identifies those Stores that were in the top 25% of all stores in gross sales.

(2) This figure represents average gross profit as a percentage of average gross sales.

Based on information reported by the 492 of the 492 Plato's Closet® Stores which had been in operation by the same franchisee or owner for the 12 month period ended December 27, 2025, the following chart sets forth the number of Stores, Average and Median Gross Sales, the lowest and highest Gross Sales amount in each range and the percentage of total number of Stores that fell within certain ranges of Average Gross Sales for 2025:

2025 Range of Average Gross Sales	# of Stores falling within noted range	Average Gross Sales Stores within noted range	# and % of Stores attaining or exceeding Average Gross Sales Stores within noted range	Gross Sales for lowest Store within noted range	Gross Sales for highest Store within noted range	Median Gross Sales for Stores within noted range	% of total number of Stores (492) within noted range
0 - $250,000	1	226,706	1 / 100%	226,706	226,706	226,706	0.20%
$250,001 - $500,000	8	450,556	3 / 38%	431,601	499,907	439,805	1.63%
$500,001 - $1,000,000	130	803,891	70 / 54%	511,068	999,593	827,190	26.42%
$1,000,001 - $2,000,000	297	1,352,354	126 / 42%	1,001,477	1,984,922	1,281,251	60.37%
$2,000,001 - $3,000,000	51	2,287,702	22 / 43%	2,001,076	2,824,176	2,273,328	10.37%
>$3,000,000	5	3,363,061	2 / 40%	3,085,582	3,849,512	3,263,776	1.02%

These results relate to specific Plato's Closet® Stores located in the United States and Canada.

Some Stores have sold or earned these amounts. Your individual results may differ. There is no assurance that you will sell or earn as much.

Winmark has written substantiation in our possession to support the information appearing in this Item 19, and will make the written substantiation available to prospective franchisees upon reasonable request.

Other than the preceding financial performance representations, Winmark 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 Renae Gaudette, Chief Operating Officer at Winmark Corporation, 605 Highway 169 N, Suite 400, Minneapolis, MN 55441, 763/520-8500, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NUMBER 1
Systemwide Store Summary[1]
For Years 2023 to 2025

Store Type	Year	Stores at the Start of the Year	Stores at the End of the Year[2]	Net Change
Franchised	2023	500	506	+6
	2024	506	515	+9
	2025	515	526	+11
Company-Owned	2023	0	0	0
	2024	0	0	0
	2025	0	0	0
Total Stores	2023	500	506	+6
	2024	506	515	+9
	2025	515	526	+11

(1) The numbers do not include information for any other franchise programs offered by Winmark as described in Item 1. Store information for each of these franchise programs is disclosed in a separate disclosure document.

(2) The numbers are as of Winmark's fiscal year end for each of the last 3 years (December 30, 2023, December 28, 2024, and December 27, 2025).

TABLE NUMBER 2
Transfers of Stores From Franchisee to New Owners (Other than Winmark)
For Years 2023 to 2025

State	Year	Number of Transfers
Arkansas	2023	1
	2024	0
	2025	0
California	2023	1
	2024	1
	2025	2
Colorado	2023	1
	2024	0
	2025	2
Delaware	2023	1
	2024	0
	2025	0
Florida	2023	3
	2024	3
	2025	0
Georgia	2023	2
	2024	1
	2025	1
Illinois	2023	0
	2024	0
	2025	1
Kentucky	2023	0
	2024	0
	2025	1
Minnesota	2023	0
	2024	1
	2025	1
Mississippi	2023	0
	2024	1
	2025	1
Missouri	2023	0
	2024	1
	2025	0
New Jersey	2023	1
	2024	2
	2025	0

State	Year	Number of Transfers
New York	2023	5
	2024	0
	2025	0
North Carolina	2023	1
	2024	1
	2025	0
North Dakota	2023	0
	2024	1
	2025	1
Oregon	2023	0
	2024	1
	2025	0
Pennsylvania	2023	2
	2024	0
	2025	1
South Carolina	2023	1
	2024	1
	2025	0
Tennessee	2023	1
	2024	0
	2025	0
Texas	2023	1
	2024	0
	2025	2
Utah	2023	2
	2024	0
	2025	0
Virginia	2023	2
	2024	0
	2025	0
Washington	2023	0
	2024	1
	2025	1
Wisconsin	2023	1
	2024	0
	2025	0

State	Year	Number of Transfers
TOTAL U.S. ONLY	2023	26
	2024	15
	2025	14
Canada	2023	0
	2024	1
	2025	2
TOTAL U.S. AND CANADA	2023	26
	2024	16
	2025	16

TABLE NUMBER 3
Status of Franchised Stores[1]
For Years 2023 to 2025

State	Year	Stores at the Start of the Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Stores at the End of the Year[2]
Alabama	2023	9	0	0	0	0	0	9
	2024	9	0	1	0	0	0	8
	2025	8	0	0	0	0	0	8
Alaska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	7	1	0	0	0	0	8
	2024	8	1	0	0	0	0	9
	2025	9	1	0	0	0	0	10
Arkansas	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
California	2023	18	1	1	0	0	0	18
	2024	18	1	1	0	0	0	17
	2025	17	1	0	0	0	0	18
Colorado	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	1	0	0	0	9
Connecticut	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	2	0	0	0	0	8
Delaware	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

State	Year	Stores at the Start of the Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Stores at the End of the Year(2)
Florida	2023	40	2	0	0	0	0	42
	2024	42	0	0	0	0	0	42
	2025	42	1	0	0	0	0	43
Georgia	2023	18	0	0	0	0	0	18
	2024	18	0	0	0	0	0	18
	2025	18	0	1	0	0	0	17
Hawaii	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Idaho	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Illinois	2023	16	0	0	0	0	0	16
	2024	16	0	0	0	0	0	16
	2025	16	0	0	0	0	0	16
Indiana	2023	14	2	0	0	0	0	16
	2024	16	1	0	0	0	0	17
	2025	17	0	0	0	0	0	17
Iowa	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
Kansas	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Kentucky	2023	8	0	1	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
Louisiana	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Maine	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Massachusetts	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2

State	Year	Stores at the Start of the Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Stores at the End of the Year(2)
Michigan	2023	20	0	0	0	0	0	20
	2024	20	1	0	0	0	0	21
	2025	21	1	0	0	0	0	22
Minnesota	2023	12	0	0	0	0	0	12
	2024	12	1	0	0	0	0	13
	2025	13	0	0	0	0	0	13
Mississippi	2023	4	0	0	0	0	0	4
	2024	4	1	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Missouri	2023	12	1	0	0	0	0	13
	2024	13	0	0	0	0	0	13
	2025	13	0	0	0	0	0	13
Montana	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Nebraska	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Nevada	2023	4	0	1	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	0	0	0	0	4
New Hampshire	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New Jersey	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	0	7
New Mexico	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New York	2023	14	0	1	0	0	0	13
	2024	13	0	1	0	0	0	12
	2025	12	1	0	1	0	0	12
North Carolina	2023	21	0	1	0	0	0	20
	2024	20	1	0	0	0	0	21
	2025	21	1	0	0	0	0	22
North Dakota	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4

State	Year	Stores at the Start of the Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Stores at the End of the Year(2)
Ohio	2023	25	0	0	0	0	0	25
	2024	25	0	0	0	0	0	25
	2025	25	0	0	0	0	0	25
Oklahoma	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	1	0	0	0	4
Oregon	2023	4	1	0	0	0	0	5
	2024	5	0	1	0	0	0	4
	2025	4	0	0	0	0	0	4
Pennsylvania	2023	20	0	0	0	0	0	20
	2024	20	0	0	0	0	0	20
	2025	20	0	0	0	0	0	20
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
South Carolina	2023	10	0	0	0	0	0	10
	2024	10	1	0	0	0	0	11
	2025	11	0	0	0	0	0	11
South Dakota	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Tennessee	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	15
	2025	15	0	1	0	0	0	14
Texas	2023	45	1	0	0	0	0	46
	2024	46	0	1	0	0	0	45
	2025	45	0	2	0	0	0	43
Utah	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	0	6
	2025	6	0	0	0	0	0	6
Vermont	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Virginia	2023	18	0	0	0	0	0	18
	2024	18	1	0	0	0	0	19
	2025	19	1	0	0	0	0	20
Washington	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	1	0	0	0	0	9

State	Year	Stores at the Start of the Year	Stores Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Stores at the End of the Year(2)
West Virginia	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Wisconsin	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10
Wyoming	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
TOTAL U.S. ONLY	2023	461	9	5	0	0	0	465
	2024	465	10	5	0	0	0	470
	2025	470	13	6	1	0	0	476
Canada	2023	39	2	0	0	0	0	41
	2024	41	4	0	0	0	0	45
	2025	45	5	0	0	0	0	50
TOTAL U.S. AND CANADA	2023	500	11	5	0	0	0	506
	2024	506	14	5	0	0	0	515
	2025	515	18	6	1	0	0	526

(1) The numbers do not include information for any other franchise programs offered by Winmark as described in Item 1. Store information for each of these franchise programs is disclosed in a separate disclosure document.

The numbers are as of Winmark's fiscal year end for each of the last 3 years (December 30, 2023, December 28, 2024, and December 27, 2025).

TABLE NUMBER 4
Status of Company-Owned Stores
For Years 2023 to 2025

State	Year	Stores at the Start of the Year	Stores Opened	Store Reacquired From Franchisees	Stores Closed	Stores Sold to Franchisees	Stores at the End of the Year(1)
TOTAL	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0

(1) The numbers are as of Winmark's fiscal year end for each of the last 3 years (December 30, 2023, December 28, 2024, and December 27, 2025).

TABLE NUMBER 5
Projected Openings
As of December 27, 2025

State	Franchise Agreements Signed But Store Not Opened	Projected New Franchised Stores in the Next Fiscal Year	Projected New Company-Owned Stores in the Next Fiscal Year
Georgia	1	1	0
Minnesota	1	1	0
Mississippi	1	1	0
Nebraska	1	1	0
New York	1	1	0
North Carolina	1	1	0
Ohio	1	1	0
Oregon	1	1	0
Texas	2	2	0
TOTAL U.S. ONLY	10	10	0
Canada	10	10	0
TOTAL U.S. AND CANADA	20	20	0

A list of all Plato's Closet® franchises is included in the disclosure document as Exhibit A.

Included in this disclosure document as Exhibit B is the name, city and state, and business telephone number of every franchisee who had a store transferred, terminated, not renewed or who otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with Winmark within the 10-week period before the issuance date of this disclosure document.

If you buy a Plato's Closet® franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing their experiences as a franchisee in our franchise system.

The Plato's Closet® Franchisee Advisory Council is sponsored by us, but its members are nominated by franchisees. You can reach the organization at c/o Sarah Abbott, 1116 Henderson Drive, Jacksonville, North Carolina 28540, Email: mailto:smabiss@gmail.com, telephone – (910)333-0589. The following independent franchisee organization has been formed and asked to be included in this disclosure document: The Independent Association of Plato's Closet® Franchisees (PCFA), A Chapter of the American Association of Franchisees & Dealers, 276 Hazard Avenue, Suite 11, Enfield CT 06082, Phone: (619)860-1682, Fax: (866)855-1988, Email: PCFA@aafdchapters.org.

Item 21

FINANCIAL STATEMENTS

Winmark has a 52/53-week fiscal year that ends on the last Saturday in December. The following audited consolidated financial statements of Winmark are included in this disclosure document as Exhibit C: the consolidated balance sheets of Winmark as of December 27, 2025 and December 28, 2024, and the related consolidated statements of operations, shareholders' equity (deficit) and cash flows for each of the three years ended December 27, 2025, December 28, 2024, and December 30, 2023, together with the Report of Independent Registered Public Accounting Firm from Grant Thornton LLP dated February 25, 2026, relating to the aforementioned consolidated financial statements.

Item 22

CONTRACTS

Exhibit D - The Plato's Closet® Franchise Agreement (including Software License Agreement, Personal Guaranty and Additional Store Addendum) is attached to this disclosure document.

Exhibit E - The Winmark Bank Draft Authorization is attached to this disclosure document.

Exhibit F - The Franchisee Questionnaire is attached to this disclosure document.

Item 23

RECEIPTS

Attached as the last pages of this disclosure document are detachable Receipts.

EXHIBIT A

List of Stores

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
ALABAMA					
Schoenherr, Jerry	1550 Opelika Rd, Ste 13	Auburn	AL	36830	334-887-0151
Bishop, Brenda & Eric	1873 Gadsden Hwy	Birmingham	AL	35235	205-655-5870
Nguyen, Lan	2371 Murphy Mill Rd	Dothan	AL	36303	334-792-3010
Tresslar, Chris	1725 Montgomery Hwy, Ste 101	Hoover	AL	35244	205-444-1516
Bishop, Brenda & Eric	4851 Whitesburg Dr SE	Huntsville	AL	35802	256-213-9777
Bishop, Brenda & Eric	7696 Hwy 72 W Ste 320	Madison	AL	35757	256-721-2680
Bishop, Brenda & Eric	3690 Airport Blvd	Mobile	AL	36608	251-461-0704
Bishop, Brenda & Eric	2356 McFarland Blvd E, Ste 13	Tuscaloosa	AL	35404	205-342-0799
ALASKA					
Erickson, Virginia (Ghinger)	1201 W Northern Lights Blvd	Anchorage	AK	99503	907-770-7288
ALBERTA					
*Griffith, Susan	1010 Jensen Dr	Airdrie	AB	T4B 1P7	
Wittiger, Cynthia	3131 27th St NE	Calgary	AB	T1Y 7L5	587-393-6776
Griffith, Susan	10233 Elbow Dr SW	Calgary	AB	T2W 1E8	403-252-5374
Griffith, Susan	109-4625 Varsity Dr NW	Calgary	AB	T3A 0Z9	587-538-8337
Thompson, Laura	10834 170th Street NW	Edmonton	AB	T5S 2H7	780-244-2005
Thompson, Laura	5718 104 St NW	Edmonton	AB	T6H 2K2	780-761-1033
Thompson, Laura	15172 127th Street NW	Edmonton	AB	T6V 0C5	780-472-2605
Maguire, Lisa	11625 99 St, Unit 607	Grande Prairie	AB	T8V 6Z1	780-402-8419
*Thompson, Laura		Leduc	AB		
Simmerson, Michael	5001 19th St #870	Red Deer	AB	T4R 3R1	403-986-3100
Neumeier, Shawna	201 Kaska Road	Sherwood Park	AB	T8A 2J6	780-416-8480
Thompson, Laura	140 St. Matthews Ave, Unit 1	Spruce Grove	AB	T7X 3C7	587-461-2409
ARIZONA					
Leonard, Michael	1849 E Williams Field Rd, Suite D10	Gilbert	AZ	85295	480-687-7767
Smith, Matt	7530 W Bell Rd Ste 105	Glendale	AZ	85308	623-334-5212
Brown, Scott	4631 E. Cactus Rd, Ste 2C01-a	Phoenix	AZ	85032	602-788-1455
Billingsley, Lance	2460 W Happy Valley Rd., St 1159	Phoenix	AZ	85085	602-237-5165
DeLuca, Holly	1312 N Scottsdale Rd	Scottsdale	AZ	85257	480-699-6683
Ray, Chris	13276 N Prasada Pkwy	Surprise	AZ	85388	480-264-5994
Bowman, Callie	1840 E. Warner Road, Ste 131	Tempe	AZ	85284	480-478-8111
West, Shaughn	5616 E Broadway Blvd	Tucson	AZ	85711	520-777-4478
Martinez, Ben	7306 N Oracle Rd	Tucson	AZ	85704	520-207-9333
LaRocque, Lance	5373 S Calle Santa Cruz, #161	Tucson	AZ	85706	520-284-9244
ARKANSAS					
May, Nick	500 Amity Rd Ste 3	Conway	AR	72032	501-504-6900
Deal, Bob	3106 N College Ave	Fayetteville	AR	72701	479-251-1778
Deal, Bob	1312 Waldron Rd	Fort Smith	AR	72903	479-434-2888
Prater, Jordan	2600 Fair Park Blvd Ste A	Jonesboro	AR	72401	870-336-0313
Peterson, Renae	13000 Chenal Pkwy, Ste 110	Little Rock	AR	72211	501-400-8977
Gay, Leisa	2621 Lakewood Village Drive	North Little Rock	AR	72116	501-753-8560
Deal, Bob	4505 W Walnut St Ste 3	Rogers	AR	72756	479-372-4101
BRITISH COLUMBIA					
Allan, Kevin	34150 S Fraser Way, Unit 102B	Abbotsford	BC	V2S 2C6	604-744-2533
*Fischer, Michelle	45676 Yale Road #2	Chiliwack	BC	V4X 0B3	
*Clark, Michelle	805 Norte Dame Dr. Unit 105	Kamloops	BC	V2C 5N8	
Henderson, Bob	1782 Baron Road	Kelowna	BC	V1X 7G9	236-420-1069

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
*Tourney, Leanne		Langford	BC		
*Whittingham, Mike		Langley	BC		
Christy, Kyla	6461 Metral Dr, Unit 107	Nanaimo	BC	V9T 2L9	250-739-7928
*Collins, Antoinette		South Surrey	BC		
*Patel, Riddhi		Surrey	BC		
Broderick, Gord & MacEwan Ela	105-5460 Anderson Way	Vernon	BC	V1T 9V2	866-898-7515
CALIFORNIA					
Carter, Nile	390 N McKinley St Ste 108	Corona	CA	92879	951-520-1007
LaRocque, Lance	450 Fletcher Pkwy, Ste 101	El Cajon	CA	92020	619-334-7858
LaRocque, Lance	1134 W Valley Pkwy	Escondido	CA	92025	760-233-0002
Belleci, Andrew	1053 E Shaw Ave	Fresno	CA	93710	559-222-6700
Forsyth, Kim	12145 E Carson St	Hawaiian Gardens	CA	90716	562-916-7400
Belleci, Andrew	3250 Dale Road Ste H	Modesto	CA	95356	209-544-6700
Webster, Marcie	402 Lighthouse Ave	Monterey	CA	93940	831-641-9919
Webster, Marcie	156 Eureka Sq	Pacifica	CA	94044	650-733-4745
Webster, Marcie	4555 Hopyard Road, Ste C-26	Pleasanton	CA	94588	408-345-5114
Russo, Chris	9050 Fairway Drive, Ste 145	Roseville	CA	95610	916-899-5928
LaRocque, Lance	5943 Balboa Avenue	San Diego	CA	92111	858-268-5100
Webster, Marcie	5440 Thornwood Dr Unit H	San Jose	CA	95123	669-696-3423
Webster, Marcie	41 E 3rd Ave	San Mateo	CA	94401	650-343-5690
Forsyth, Kim	3814 S Bristol St	Santa Ana	CA	92704	714-549-8800
Webster, Marcie	1914 Mendocino Ave	Santa Rosa	CA	95401	707-566-8400
Bennett, Barbara	41377 Margarita Rd Ste 102	Temecula	CA	92591	951-296-0133
Waters, Theresa & Farantino, Ca	2041-A Harbison Drive	Vacaville	CA	95687	707-685-9828
Enroth, Rosanna	15216 Goldenwest St	Westminster	CA	92683	657-400-9414
COLORADO					
Lacy, Elizabeth	24300 E Smoky Hill Rd	Aurora	CO	80016	303-699-5337
Leitz, Jon	2510 Arapahoe Ave	Boulder	CO	80302	303-444-2274
Preston, Theresa	1747 Briargate Blvd	Colorado Springs	CO	80920	719-266-8122
Trujillo, Angelic	1485 S Colorado Blvd	Denver	CO	80222	303-782-4000
Jelinek, Renee	4372 S College Ave	Fort Collins	CO	80525	970-207-9890
Farver, Jill	4530 Centerplace Dr Ste 360	Greeley	CO	80634	970-352-5327
Biddle, Kyrie	8996 Bowles Ave, Suite G	Littleton	CO	80123	303-972-0293
Preston, Theresa	7600 E Park Meadows Dr, #700	Lone Tree	CO	80124	303-799-5814
Magee, Charlotte	7355 W 88th Ave	Westminster	CO	80021	303-431-0200
CONNECTICUT					
Bell, Derek	67 Newtown Rd, Unit 11	Danbury	CT	06810	203-917-4860
Gaer, Brian	10 Hazard Ave	Enfield	CT	06082	860-741-0439
Myers, Rick	2335 Dixwell Ave #6	Hamden	CT	06514	203-230-0022
Shouvlin, Joe	120 New Canaan Ave	Norwalk	CT	6850	203-286-6647
Gaer, Brian	575 Boston Post Rd	Orange	CT	06477	203-877-1114
Gaer, Brian	70 Buckland Rd	South Windsor	CT	06074	860-648-2125
Molnar, Michael	750 Queen St	Southington	CT	06489	860-620-6318
Gaer, Brian	1055B Silas Dean Hwy	Wethersfield	CT	06109	860-529-0870
DELAWARE					
Muniz, Grizel	1267 N Dupont Hwy	Dover	DE	19901	302-346-4687
Snyder, Richard	424 Suburban Dr	Newark	DE	19711	302-992-9798
FLORIDA					

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Weiss, Garth & Hiromi	924 W SR 436 Ste 1420	Altamonte Springs	FL	32714	321-594-5661
Mercado, Alejandra	9218 Glades Road	Boca Raton	FL	33434	561-392-7075
Ong, Chung	701 N Congress Ave Suite 3B	Boynton Beach	FL	33426	561-392-7075
Pastore, Skye	4516 SR 64 E	Bradenton	FL	34208	941-727-5100
Weaver, Jim	1957 W Lumsden Rd	Brandon	FL	33511	813-341-1991
Weiss, Kirstin	240 Citrus Tower Blvd, Ste C	Clermont	FL	34711	352-244-9195
Martin, Craig & Babette	9610 Westview Drive	Coral Springs	FL	33076	954-575-2274
Michaud, Michael	1808 W International Speedway #5(	Daytona Beach	FL	32114	386-258-5000
Bishop, Brenda & Eric	34904 Emerald Coast Pkwy	Destin	FL	32541	850-460-7744
Held, Janet	11621 S Cleveland Ave	Fort Myers	FL	33907	239-226-9131
Africk, Steve & Driscoll, Sean	3441B W University Ave	Gainesville	FL	32607	352-374-4402
Africk, Steve & Driscoll, Sean	6000 Lake Gray Blvd Unit 802A	Jacksonville	FL	32244	904-777-6989
Africk, Steve & Driscoll, Sean	11035 Philips Highway #1	Jacksonville	FL	32256	904-268-8700
Michaud, Michael	9400 Atlantic Blvd	Jacksonville	FL	32225	904-854-0123
Levy, Leslie	3289 NW Federal Hwy	Jensen Beach	FL	34957	772-336-3835
Hopes, Brittany	1624 W Osceola Pkwy	Kissimmee	FL	34741	407-870-0663
Weaver, Jim	4525 S Florida Ave Ste 10	Lakeland	FL	33813	863-648-0000
McLaren, Sean	10459 Ulmerton Rd	Largo	FL	33771	727-581-1001
Lozada, Jeanette	12547 Mirmar Parkway	Miramar	FL	33025	954-443-4414
Norris, Natalie	5369 Airport Pulling Rd	Naples	FL	34109	239-513-0134
Lohman, Mark	2701 SW College Rd Ste 303-1	Ocala	FL	34474	352-433-2600
Weiss, Kirstin	8891 W Colonial Dr	Ocoee	FL	34761	407-523-7907
Blaede, Myong & Jong, Eunhui	7677 S Orange Blossom Trail	Orlando	FL	32809	407-855-9950
Weiss, Garth & Hiromi	2912 E Colonial Dr	Orlando	FL	32803	407-898-2779
Caro, Chris	610 N Alafaya Trail Suite 102	Orlando	FL	32828	407-601-3017
Blaede, Myong & Jong, Eunhui	1977 Alafaya Trail, Ste 1051	Oviedo	FL	32765	407-706-0999
Curran, Marty & Lisa	2863 Northlake Blvd	Palm Beach Gardens	FL	33403	561-625-0059
Lansmann, Jenna	33211 US Hwy 19 N	Palm Harbor	FL	34684	727-789-6262
Linssen, Holly	660 West 23rd St, Unit #08	Panama City	FL	32405	850-481-1731
Bishop, Brenda & Eric	7171 N Davis Hwy Ste 210	Pensacola	FL	32504	850-912-6824
Mercado, Alejandra	7161 W Broward Blvd	Plantation	FL	33317	954-583-4778
Howard, Aren	1700 Tamiami Tr Unit D-4	Port Charlotte	FL	33948	941-883-6342
Thankappan, Unnikrishnan	9636 US Highway 19 N.	Port Richey	FL	34668	727-859-7879
Chantayan, Angelika	123 S State Rd 7 Ste 206	Royal Palm Beach	FL	33414	561-422-3838
Vandenberg, Rebecca	1726 Rinehart Rd Ste 104	Sanford	FL	32771	407-878-1704
McLaren, Sean	6513 S Tamiami Trl	Sarasota	FL	34231	941-966-3444
Camacho, Sandra	4329 US-19, Unit 703	Spring Hill	FL	34606	352-900-5352
Lansmann, Jenna	5543 Park St N	St Petersburg	FL	33709	727-317-2001
Bellomio, Shelby & Nalker, Kim	2020 W Pensacola Street Suite 220	Tallahassee	FL	32304	850-999-1557
Weaver, Jim	10009 N Dale Mabry Hwy	Tampa	FL	33618	813-968-8383
Weaver, Jim	3924 S Dale Mabry Hwy	Tampa	FL	33611	813-289-3333
Weaver, Jim	1926 Bruce B Downs Blvd	Wesley Chapel	FL	33544	813-994-7770
Botello, Margaret	1885 W New Haven Ave	West Melbourne	FL	32904	321-726-0076
GEORGIA					
Scott, Stacey	2800 Old Dawson Rd	Albany	GA	31707	229-435-8155
Johnson, Zach	3725 Atlanta Hwy	Athens	GA	30606	706-369-0920
Hibbert, Christopher	3480 Financial Ctr Way Ste K-910	Buford	GA	30519	678-546-6446
*Nguyen, Loan		Canton	GA		

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Schoenherr, Jerry	5592 Whitesville Rd Ste D	Columbus	GA	31904	706-494-8101
Davis, Leanna	655 Atlanta Road, Suite 507	Cumming	GA	30040	770-888-6828
Spartis, Allison	2862 Chapel Hill Rd, #14A	Douglasville	GA	30135	678-715-4433
Nguyen, Loan	3675 Satellite Blvd #130	Duluth	GA	30096	770-497-1115
Teter, Marla	104 Carrington Park Dr., Ste F	Gainesville	GA	30504	770-534-9500
Reese, Mike	7193 Mt Zion Blvd	Jonesboro	GA	30236	770-591-7797
De La Llama, Ryan	2700 Town Center Dr, Ste 128	Kennesaw	GA	30144	770-514-1902
Reese, Mike	7301 Stonecrest Concourse, Ste 121	Lithonia	GA	30038	678-526-9215
Reese, Mike	6255 Zebulon Rd, Ste 190	Macon	GA	31210	478-477-9779
Spartis, Allison	19-B Millard Farmer Industrial Blvd	Newnan	GA	30263	678-673-6031
Johnson, Jessica	10506 Alpharetta Hwy	Roswell	GA	30076	770-642-4255
Hibbert, Christopher	6601 Roswell Rd	Sandy Springs	GA	30328	404-255-5151
Hibbert, Christopher	1630 Scenic Hwy N Unit 7/SteF	Snellville	GA	30078	770-978-6401
Turner, Bryan	1591 Baytree Rd	Valdosta	GA	31602	229-245-5696
HAWAII					
Namba, Travis	1161 S Beretania St	Honolulu	HI	96814	808-523-8885
IDAHO					
Young, Jeff & Barney, Justin	8017 W Franklin Rd	Boise	ID	83709	208-377-9334
Fehrer, Cassie	2108 Caldwell Blvd, Ste 117	Nampa	ID	83651	208-475-4654
ILLINOIS					
Kline, Galen	1481 S Randall Rd	Algonquin	IL	60102	847-658-2600
Sanello, Delaney Ellis and Dennis	69 Randall Rd	Batavia	IL	60510	630-761-1700
Tresslar, Tim	1407 N Veteran's Pkwy Ste 1	Bloomington	IL	61704	309-662-9844
Tresslar, Tim	41 E Market View Dr	Champaign	IL	61820	217-366-8200
Krieger, Elaine	2372 Plainfield Rd	Crest Hill	IL	60403	815-744-0291
Hadfield, Pam	10850 Lincoln Trl Ste 14	Fairview Heights	IL	62208	618-397-9986
Krieger, Elaine	156 Army Trail Rd	Glendale Heights	IL	60139	630-307-9200
Toren, Tammy	4614 N Harlem Ave	Harwood Heights	IL	60706	708-867-2800
Kline, Galen	1420 S Milwaukee Ave	Libertyville	IL	60048	224-206-7370
Krieger, Elaine	572 S Route 59	Naperville	IL	60540	630-428-0900
Krieger, Elaine	70 Orland Sq	Orland Park	IL	60462	708-349-0800
Slifer, Barry	1405 W Glen	Peoria	IL	61614	309-685-8888
Cando, Janelle	588 S Perryville Rd	Rockford	IL	61108	815-226-9003
Toren, Tammy	1414 N Roselle Rd	Schaumburg	IL	60195	847-310-8433
Slifer, Barry	2333 W Monroe Ave	Springfield	IL	62704	217-698-8605
Krieger, Elaine	158 W. Roosevelt Road	Villa Park	IL	60181	630-833-0200
INDIANA					
Tresslar, Chris	9871 East US Hwy 36	Avon	IN	46123	317-220-8288
Tresslar, Chris	1145 S College Mall Rd	Bloomington	IN	47401	812-333-4442
Cox, Andrew	955 E Lewis & Clark Pkwy Suite 100	Clarksville	IN	47129	812-288-1002
Tresslar, Tim	673 N Green River Rd	Evansville	IN	47715	812-473-2445
Burtner, Kim	8680 E 96th St	Fishers	IN	46037	317-585-0868
Marquart, Angela	4718 Coldwater Rd	Fort Wayne	IN	46825	260-482-7003
Tresslar, Chris	7775 S US 31	Indianapolis	IN	46227	317-888-9998
Canada, Kathy & Mark	9391 E Washington St	Indianapolis	IN	46229	317-895-1930
Abner, Nathan	2152 E Blvd	Kokomo	IN	46902	765-450-7213
Brinn, Ben	3540 State Rd 38 E, Ste 503	Lafayette	IN	47905	765-449-1990
Cain, Sue	359 E 81st Ave	Merrillville	IN	46410	219-736-5300

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Tresslar, Tim	5942 Grape Rd	Mishawaka	IN	46545	574-243-9100
Pittman, Larry	829 E McGalliard Rd	Muncie	IN	47303	765-282-0567
Shellberg, David	4627 National Rd E	Richmond	IN	47374	765-488-0103
McKnight, Marnie	4848 US Hwy 41 S	Terre Haute	IN	47802	812-298-0006
Wendland, John	3125 Calumet Ave Unit 6	Valparaiso	IN	46383	219-465-1755
Brown, Whitney	6298 Mills Dr, Suite 200B	Whitestown	IN	46075	317-768-3122

IOWA					
Tresslar, Eric & Schuhmacher, Ky	1605 SE Delaware Ave	Ankeny	IA	50021	515-963-7651
Tresslar, Eric & Schuhmacher, Ky	406 Viking Plaza Dr., Ste 700	Cedar Falls	IA	50613	319-232-6282
Orvick, Matt	3645 1st Ave SE	Cedar Rapids	IA	52402	319-247-1821
Orvick, Matt	1801 2nd St, Suite 150	Coralville	IA	52241	319-351-3554
Weir, Alyson	5252 Elmore Ave, Ste A	Davenport	IA	52807	563-359-0390
Tresslar, Eric & Schuhmacher, Ky	806 Wacker Dr Ste 104	Dubuque	IA	52002	563-845-7782
Fitzer, Jackie & Albers, Amy	3021 Hamilton Blvd	Sioux City	IA	51104	712-258-9986
Olson, Kim & Steve	5550 Wild Rose Ln, Ste 120	W Des Moines	IA	50266	515-226-2323
KANSAS					
Bell, Barbara	1116 W 23rd St	Lawrence	KS	66046	785-832-2274
Moxley, Jill	6620 Johnson Dr	Mission	KS	66202	913-499-6431
Buckert, Kelly	11608 W 135th St	Overland Park	KS	66221	913-631-1000
Wells, David	2121 SW Fairlawn Plaza Dr	Topeka	KS	66614	816-408-3291
Dahl, Doug	8023 E Kellogg Dr	Wichita	KS	67207	316-681-2400
KENTUCKY					
Tresslar, Tim	2945 Scottsville Rd, Ste C21	Bowling Green	KY	42104	270-780-0095
Garrison, Crystal	1609 N. Dixie Hwy, Ste 104	Elizabethtown	KY	42701	270-360-8755
Finger, Becky	7941 Mall Rd	Florence	KY	41042	859-282-9800
Pemberton, Christopher	2220 Nicholasville Rd Ste 108	Lexington	KY	40503	859-278-6660
Cox, Andrew	4237A Outer Loop	Louisville	KY	40219	502-961-5992
Tresslar, Tim	4724 Fredrica St	Owensboro	KY	42301	270-689-9855
Craig, David	2909 James Sanders Blvd Ste B	Paducah	KY	42001	270-575-0506
LOUISIANA					
Finical, Tony & Julie	11112 Airline Hwy	Baton Rouge	LA	70816	225-293-4168
Manfre, Courtney	110 Tucker Dr, Suite 102	Lafayette	LA	70503	337-706-9425
Buller, Sadone	1776 W Prien Lake Road	Lake Charles	LA	70601	337-419-3888
Finical, Tony	1110 Pecanland Rd Ste 105	Monroe	LA	71203	318-816-5962
MAINE					
Epstein, Carol	333 Clark's Pond Pkwy, Unit 620	South Portland	ME	04106	207-253-2070
MANITOBA					
Roblin, Jason	1505 1st Street, Unit D	Brandon	MB	R7A 7G1	204-717-7526
Minville, Nathalie & Ducharme,	1094 Nairn Ave Unit A	Winnipeg	MB	R2L 0Y4	204-669-1043
Harder, Chantelle	1190 St James St, Unit 1	Winnipeg	MB	R3H 0L2	204-669-9994
MARYLAND					
Smith, Stephanie	5100 Buckeystown Pike Ste 162	Frederick	MD	21704	301-644-1190
Dube, Mark & Amber	30 Mountain Rd	Glen Burnie	MD	21061	410-595-5122
Skander, Dawed	1125 Maryland Ave	Hagerstown	MD	21740	301-665-1125
Harden, Jeff	1415 York Road	Lutherville	MD	21093	410-583-0590
MASSACHUSETTS					
Jain, Gagan	94-100 River St	Waltham	MA	02453	781-894-0600

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
White, Larry	1472 Riverdale St, Suite B	West Springfield	MA	01089	413-439-7475
MICHIGAN					
Santilli, Evi	6530 Allen Rd.	Allen Park	MI	48101	313-278-2300
Brown, Bob	860 W Eisenhower Pkwy	Ann Arbor	MI	48103	734-769-8500
Chesny, John	5424 Beckley Rd	Battle Creek	MI	49015	269-979-2533
Starks, Renee	8491 W Grand River Ave, Ste 550	Brighton	MI	48116	810-775-3136
Brown, Adam	44720 Ford Rd	Canton	MI	48187	734-459-5029
Brown, Bob	2825 E Grand River Ave	E Lansing	MI	48823	517-332-6622
Leja, Nicholas	3192 S Linden Rd	Flint	MI	48507	810-733-7720
Preston, Dan & Abby	2650 E Beltline Ave SE	Grand Rapids	MI	49546	616-957-6622
Preston, Dan & Abby	3845 Rivertown Pkwy SW, Ste 250	Grandville	MI	49418	616-530-6622
Bradford, Tab & Judy	3006 West Shore Drive	Holland	MI	49424	616-377-7344
Brown, Bob	1190 N West Ave	Jackson	MI	49202	517-998-6622
Brandt, Yolanda	32105 John R Rd	Madison Heights	MI	48071	248-585-9550
Bradford, Tab & Judy	5506 Harvey St #104	Muskegon	MI	49444	231-760-6443
Brown, Adam	43626 West Oaks Drive	Novi	MI	48377	248-374-8075
Brown, Bob	6414 S Westnedge Ave	Portage	MI	49002	269-327-6622
Thomas, Tina	3104 Walton Blvd	Rochester Hills	MI	48309	248-375-8838
Riney, Kim	5206 Bay Rd Suite E	Saginaw	MI	48604	989-791-0047
Starks, Renee	22105 Greater Mack	St Clair Shores	MI	48080	586-298-6750
Plamondon, Ian	1708 S Garfield Ave	Traverse City	MI	49686	231-943-1151
Leja, Nicholas	13287 Hall Road	Utica	MI	48315	586-997-5001
Bradford, Tab & Judy	3511 Alpine Avenue NW	Walker	MI	49544	616-980-2097
Brandt, Yolanda	5310 Dixie Hwy	Waterford	MI	48329	248-518-0277
MINNESOTA					
Greil, Caleb	4355 Pheasant Ridge Dr NE, Ste 124	Blaine	MN	55449	952-395-7741
Mrugala, Roger & Sue	14603 County Rd 11	Burnsville	MN	55337	952-431-8494
Tlougan, Michael	12940 Riverdale Dr NW	Coon Rapids	MN	55448	763-421-7880
Munson, Luann	1702 Miller Trunk Hwy, #105	Duluth	MN	55811	218-733-9455
*Wilson, Paula		Eagan	MN		
Rogers, Tyler	8431 Joiner Way	Eden Prairie	MN	55344	952-941-6200
Martini, Shelley	1880 Tailwind Dr, #600	Mankato	MN	56001	507-720-0335
Sakry, Angie	13608 80th Cir N	Maple Grove	MN	55369	763-416-8153
Anderson, Greta	1935 Beam Avenue, Suite 101	Maplewood	MN	55109	651-502-2921
Rogers, Tyler	12951 Ridgedale Dr	Minnetonka	MN	55305	952-512-3647
Rogers, Tyler	3444 55th St NW Unit 360	Rochester	MN	55901	507-281-3732
Lopez, Colten	1651 W County Rd C	Roseville	MN	55113	651-697-0267
Garden, Mollie	2720 W Division St	Saint Cloud	MN	56301	320-229-3818
Mrugala, Roger & Sue	10150 Hudson Rd, Suite 126	Woodbury	MN	55129	651-739-8737
MISSISSIPPI					
Stegall, Trudy	3661 Sangani Blvd	D'Iberville	MS	39540	228-392-6780
Roy, Aimee	4700 Hardy St, Suite BB	Hattiesburg	MS	39402	601-255-5296
Wilson, Kelly	2305 W Jackson Ave, Suite 205	Oxford	MS	38655	662-202-1945
Walker, Jimmy	1230 E County Line Rd, Ste D	Ridgeland	MS	39157	601-487-8207
Croom, Kristi	7090 Malco Blvd Ste 107	Southaven	MS	38671	662-349-6533
*Taylor, Amy		Starkville	MS		
MISSOURI					
Lowman, Rachelle	150 Cedar Tree Square	Belton	MO	64012	816-425-4305

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Teter, Marla	257 N Kings Highway	Cape Girardeau	MO	63701	573-803-4045
Lewis, Krisan	2609 E Broadway Ste 109	Columbia	MO	65201	573-817-8100
Feldman, Jason	8206 N Lindbergh Blvd	Florissant	MO	63031	314-837-3600
Dahl, Doug	1313 S Rangeline	Joplin	MO	64801	417-553-7774
Martin, Thomas	8557 N Oak Trafficway	Kansas City	MO	64155	816-420-8405
Elliott, Stacey	1170 NE Douglas St	Lees Summit	MO	64086	816-554-6888
Flora, Patrick	840 S 291 Hwy #270	Liberty	MO	64068	816-781-8260
Dyer, Scott and Tara	14206 Manchester Rd	Manchester	MO	63011	636-527-0899
Moore, John & Susan	236 Mid Rivers Ctr	Saint Peters	MO	63376	636-397-8336
Rose, Linda	1258 E Battlefield Rd	Springfield	MO	65804	417-886-7380
Dyer, Scott and Tara	36 Ronnies Plaza	St Louis	MO	63126	314-722-3170
Martin, Jill	1407 South Belt Highway, #10	St. Joseph	MO	64507	816-273-0003
MONTANA					
Acheson, John	2630 W Main, Suite #2	Bozeman	MT	59718	406-219-2120
NEBRASKA					
Sellon, Sharolyn	2525 Pine Lake Rd	Lincoln	NE	68512	402-420-2440
Erickson, Kimberly	14528 W Center Rd	Omaha	NE	68144	402-330-0303
*Erickson, Kimberly	5421 N. 90th Street, Suite 1	Omaha	NE	68134	
NEVADA					
Spencer, Elaine	1305 South Carson Street	Carson City	NV	89701	775-301-6822
Owens, Ben & LeAnn	605 Mall Ring Cir Ste 100	Henderson	NV	89014	702-547-4942
Saldana, Milagros	3145 N Rainbow Blvd	Las Vegas	NV	89108	702-915-7565
Schieve, Hillary	1535 S Virginia St	Reno	NV	89502	775-322-0110
NEW BRUNSWICK					
Branch, Sharon	47 A Consumers Dr	Saint John	NB	E2J 4Z7	506-652-1664
NEW HAMPSHIRE					
George, Paul	777 S Willow St Plaza	Manchester	NH	03103	603-518-5081
George, Paul	2800 Lafayette Rd	Portsmouth	NH	03801	603-431-5200
NEW JERSEY					
Thakkar, Goklesh	1450 Clements Bridge Rd	Deptford	NJ	08096	856-845-8110
Smith, Jessica	775 Rte 1 S Unit 5	Edison	NJ	08817	732-543-1458
Schmidt, Geoff, Kim & Erin	137 US Hwy 46	Fairfield	NJ	07004	973-287-6201
Farrell, Michele	2495 Brunswick Pike (Business Rt. 1	Lawrence Township	NJ	08648	609-285-2937
DuBarry, Thomas	1029 Rte 46	Ledgewood	NJ	07852	973-970-9828
Thakkar, Nishant	450 S Lenola Rd	Maple Shade	NJ	08052	856-234-8141
Hammad, Shereef	1421 Route 35 N., Unit 6	Middletown	NJ	07748	732-865-9412
NEW MEXICO					
Thain, John & Searcy, Jonathan	5000 Cutler Ave NE Ste C	Albuquerque	NM	87110	505-888-4444
Thain, John & Searcy, Jonathan	10701 Corrales Rd, Ste 19	Albuquerque	NM	87114	505-717-2435
NEW YORK					
*Schaller, Sarah		Bronxville	NY		
McMaster-Allendorph, Rhonda	800 Route 146, Ste 420	Clifton Park	NY	12065	518-280-4807
Michaud, Michael	6153 Jericho Tpk	Commack	NY	11725	631-486-7920
Zuber, Dana	9490 Transit Rd	East Amherst	NY	14051	716-580-3400
Clark, Jessica	830 Cty Rd 64, Big Flats Consumer S	Elmira	NY	14814	607 739-1086
King, Renee	106 Fairgrounds Memorial Pkwy, St	Ithaca	NY	14850	607-273-2700
Godfrey, Cassandra & Jeremy	8411 Seneca Turnpike	New Hartford	NY	13413	315-765-0410
Revak, Kimberly	1816 South Road	Poughkeepsie	NY	12601	845-632-1032

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Clark, Jessica	3333 W Henrietta Rd Ste 23	Rochester	NY	14623	585-424-4350
Clark, Jessica	2833 Ridge Rd W, Ste 4	Rochester	NY	14626	585-723-9660
Rolston, George	1708 Vestal Pkwy E	Vestal	NY	13850	607-239-4722
Clark, Jessica	30 Cobblestone Ct Dr	Victor	NY	14564	585 425-3808
Zuber, Dana	974 Union Road	West Seneca	NY	14224	716-677-6707
NORTH CAROLINA					
Brown, Ann	26 Westgate Pkwy Ste 210-026	Asheville	NC	28806	828-255-8622
Melton, Kevin	173 New Market Centre	Boone	NC	28607	828-386-1435
Watts, Debbie & Robert	111 Crossroads Blvd	Cary	NC	27518	919-851-9737
Farmer, David	10215A University City Blvd	Charlotte	NC	28213	704-717-2972
Farmer, David	9519 South Blvd., Ste A	Charlotte	NC	28273	704-817-9099
Barus, Dan	8128 Renaissance Pkwy #110	Durham	NC	27713	919-544-2661
Whaley, Karese	4550 Yadkin Rd	Fayetteville	NC	28303	910-867-8009
*Kornosky, Lauren		Garner	NC		
Mull, Karen	2020 E Franklin Blvd	Gastonia	NC	28052	704-396-6453
Milroy, Rena	2310 Battleground Ave Ste 116	Greensboro	NC	27408	336-282-0018
Tresslar, Colette & Nick	425-C Greenville Blvd SE	Greenville	NC	27858	252-756-9222
Newman, Bruce	2120A Hwy 70 SE	Hickory	NC	28602	828-304-0025
Milroy, Rena	274 Eastchester Dr #114	High Point	NC	27262	336-905-7344
Ogle, Katherine	7232 GB Alford Hwy	Holly Springs	NC	27540	919-285-2427
Farmer, Grayton	10035 Biddick Lane, Ste 110	Huntersville	NC	28078	704-237-4069
Abbott Biss, Sarah	1116 Henderson Dr	Jacksonville	NC	28540	910-333-0589
Farmer, David	10035 E. Independence Blvd.	Matthews	NC	28105	704-844-6744
Munir, Luqman	3203 W Hwy 74	Monroe	NC	28110	704-218-2972
Hathaway, Marcus	335 W Plaza Dr	Mooresville	NC	28117	704-230-0715
Watts, Debbie & Robert	6011 Poyner Village Pkwy	Raleigh	NC	27616	919-872-7544
Erwin, Daniel	7920 Skyland Ridge Pkwy	Raleigh	NC	27617	919-937-2207
Ellington, Ashley	4720 New Centre Dr Unit A	Wilmington	NC	28405	910-792-1572
Farmer, David	552 Hanes Mall Blvd	Winston Salem	NC	27103	336-659-0476
NORTH DAKOTA					
Poppe, Arlene	204 W Front Ave	Bismarck	ND	58504	701-250-1717
Fougner, Jared	2551 45th St SW Ste G	Fargo	ND	58104	701-356-3800
Waage, Becky	2500 Columbia Rd Ste F	Grand Forks	ND	58201	701-757-3100
Lebaron, April	1425 24th Ave SW	Minot	ND	58701	701-852-1030
NOVA SCOTIA					
Koelen, Sarah	900 Cole Harbour Rd, Unit 14	Dartmouth	NS	B2V 2A8	902-407-0556
*Somerville, Mike		Halifax	NS		
OHIO					
Finger, Becky	2750 N Fairfield Rd Ste C	Beavercreek	OH	45431	937-427-5224
Craig, Bill & Ellen	400 Boardman Poland Road	Boardman	OH	44512	330-729-9789
Schweier, Barb & Cotyk, Kimberl	4711 Dressler Rd NW	Canton	OH	44718	330-649-9033
Finger, Becky	8550 Beechmont Ave, Ste 1200	Cincinnati	OH	45255	513-474-9985
Finger, Becky	9148 Union Cemetery Rd	Cincinnati	OH	45249	513-697-1134
Finger, Becky	9676 Colerain Ave	Cincinnati	OH	45251	513-741-7892
Blum, Dennis	2608 Bethel Rd	Columbus	OH	43220	614-583-8888
Blum, Dennis	7525 Sawmill Rd	Columbus	OH	43235	614-764-7700
Minney, David	554 Howe Ave Unit 14-4/5	Cuyahoga Falls	OH	44221	330-940-9005
Teter, Amanda	1745 Tiffin Ave	Findlay	OH	45840	419-422-0700

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Blum, Dennis	2195 Stringtown Rd	Grove City	OH	43123	614-277-9663
Finger, Becky	8252 Old Troy Pike	Huber Heights	OH	45424	937-235-6347
Bruns, Blaire	5688 Mayfield Rd	Lyndhurst	OH	44124	440-919-0138
Esposito, Jennah & Tyler	787 N Lexington-Springmill Rd	Mansfield	OH	44906	419-709-9514
Rose, Maury	7600 Mentor Ave	Mentor	OH	44060	440-602-9790
Finger, Becky	8319 Springboro Pike	Miamisburg	OH	45342	937-312-9321
Craig, Rachel	5555 Youngstown Warren Road, Un	Niles	OH	44446	330-505-9479
Rose, Maury	4608 Great Northern Blvd	North Olmsted	OH	44070	440-801-9088
*Finger, Becky		Oakley	OH		
Blum, Dennis	144 W S Boundary St	Perrysburg	OH	43551	419-873-8600
Blum, Dennis	2087 St Rte 256 Ste C	Reynoldsburg	OH	43068	614-552-5050
Camp, Kristine	4315 Milan Rd	Sandusky	OH	44870	419-621-8000
D'Errico, Debbie	15151 Pearl Rd	Strongsville	OH	44136	440-878-5085
Blum, Dennis	5644 Monroe St	Sylvania	OH	43560	419-517-7700
Finger, Becky	7742 Dudley Dr	West Chester	OH	45069	513-860-3090
Blum, Dennis	591 S State St	Westerville	OH	43081	614-882-1818
OKLAHOMA					
Holler, Robert	4918 W Kenosha St	Broken Arrow	OK	74012	918-250-0290
Yanda, Martin	10400 S Western Ave Ste 3	Oklahoma City	OK	73139	405-237-3737
Landry, Jim	13850 N Pennsylvania Ave	Oklahoma City	OK	73134	405-749-2555
Brassard, Michael	6300 W Reno Ave Ste A	Oklahoma City	OK	73127	405-455-7558
ONTARIO					
Hoenisch, Lindsey	21 Commerce Park Dr	Barrie	ON	L4N 8X1	705-726-6982
Rosso, Lauren	370 Main Street N, Units 113-117	Brampton	ON	L6V 4A4	905 796 7209
Chow, Susan	327 King George Rd	Brantford	ON	N3R 5L9	519-757-0808
Wright, Karen	1505 Guelph Line Unit 10B	Burlington	ON	L7P 3B6	905-315-7474
Dzieduszycki, Lisa	580 Hespeler Rd	Cambridge	ON	N1R 6J8	519-267-6355
Terry, Elisabeth	170 Silvercreek Pkwy N Unit 7	Guelph	ON	N1H 7P7	519-836-8282
Wright, Karen	505 Rymal Rd E	Hamilton	ON	L8W 3X1	905-383-0505
MacLellan, Stacey and Mark	420 Hazeldean Road, Unit #2	Kanata	ON	K2L 4B2	613-836-7070
Walker, Carolyn	700 Strasburg Rd	Kitchener	ON	N2E 2M2	519-744-4404
Doerr, Scott	1071 Wellington Rd	London	ON	N6E 1W4	519-686-1557
Organ, Tara	1175 Hyde Park Road, Unit 3	London	ON	N6H 5K6	519-474-1605
Trypuc, Lindsey	1210 Castlemore Ave. Unit 7	Markham	ON	L6E 0H7	905-201-5050
Wright, Karen	55 Ontario St S, Unit 30B	Milton	ON	L9T 2M3	289-851-1441
Kovacs, Duff	2225 Dundas St E	Mississauga	ON	L4X 2X2	905-282-9969
Rosso, Lauren	6465 Millcreek Dr, Unit 100	Mississauga	ON	M9B 1B8	905-542-0888
Su, Annie	16655 Yonge St Unit 6	Newmarket	ON	L3X 1V6	905-853-8880
Kovacs, Duff	39 Orfus Road, Unit A3	North York	ON	M6A 1L7	416-782-0330
Walker, Carolyn	353 Iroquois Shore Rd 2B	Oakville	ON	L6H 1M3	905-849-6446
Sprysa, Kyle	2002 Mer Blue Road, Unit J0011	Orleans	ON	K4A 0G2	613-841-7878
Holman, Julian	1300 King St E	Oshawa	ON	L1H 8J4	905-728-2867
MacLellan, Stacey	1465 Merivale Rd, Unit 6	Ottawa	ON	K2E 5N9	613-825-2765
MacLellan, Stacey	1707-0709 St. Laurent Blvd	Ottawa	ON	K1G 3V4	613-260-5050
Holman, Julian	1755 Pickering Pkwy, Unit #B030B	Pickering	ON	L1V 6K5	905 428 2900
Trypuc, Mark	10775 Leslie St, Unit 402	Richmond Hill	ON	L4S 1N6	905-770-7000
Redpath-Moormann, Amanda &	210 Glendale Ave Suite A10	St Catharines	ON	L2T 3Y6	289-362-0256
Kovacs, Duff	2583 St. Clair Avenue West, Unit D4	Toronto	ON	M6N 4Z5	416-767-9969

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Trypuc, Lindsey	2650 Eglinton Ave E	Toronto	ON	M1K 2S3	416-267-5286
Rosso, Lauren	7887 Weston Rd	Vaughan	ON	L4L 1A6	905-856-2828
*Lake, Michael	15 Rice Road	Welland	ON	L3C 2V4	
Doerr, Scott	7555 Tecumseh Rd E	Windsor	ON	N8T 1G2	519-915-1083
OREGON					
Minshull, Anjelica	3831 SW 117th Ave.	Beaverton	OR	97005	503-617-9948
*Adams, Matthew	2681 Willamette St	Eugene	OR	97405	
Minshull, Anjelica	200 NW Burnside Rd	Gresham	OR	97030	503-786-9922
Bryan, Seth	3884 Center St	Salem	OR	97301	503-362-3778
Minshull, Anjelica	8485 SW Warm Springs St	Tualatin	OR	97062	503-594-4038
PENNSYLVANIA					
Simmons, Julie & Ryan	1922 Catasauqua Rd	Allentown	PA	18109	610-443-5033
Martin, Jamie	1025 Washington Pike	Bridgeville	PA	15017	412-257-5200
Topolski, Olivia	1991 Sproul Rd	Broomall	PA	19008	610-544-2801
Craig, Rachel	1000 Cranberry Square Dr	Cranberry Township	PA	16066	724-778-9994
Simmons, Julie & Ryan	930 Viewmont Drive	Dickson City	PA	18519	570-489-2500
Weldon, Larry & Kelly	7200 Peach St Unit 115	Erie	PA	16509	814-866-9822
Topolski, Carol	187 W Lincoln Hwy, Ste 200	Exton	PA	19341	610-524-6000
Bansal, Robin	467 Oxford Valley Rd	Fairless Hills	PA	19030	215-741-4411
Piper, Jason	1800 Greengate Center Circle	Greensburg	PA	15601	724-836-2280
Baker, Justin	4223 Union Deposit Rd	Harrisburg	PA	17111	717-307-9594
Bansal, Robin	1585 Bethlehem Pike	Hatfield	PA	19440	215-412-5555
Rantz, Yvonne	1567 Manheim Pike	Lancaster	PA	17601	717-617-2387
Baker, Justin	61 Gateway Dr, Ste B-105	Mechanicsburg	PA	17055	717-795-4400
Dangal, Thakur	308 Mall Blvd	Monroeville	PA	15146	412-372-2544
Duffy, Lois	27 Paoli Plz	Paoli	PA	19301	610-647-7788
Craig, Bill & Daniel	7219 McKnight Rd	Pittsburgh	PA	15237	412-358-0330
Weldon, Larry & Kelly	1526 N Atherton St	State College	PA	16803	814-234-3450
Simmons, Julie & Ryan	3320 Wilkes-Barre Twp Commons	Wilkes-Barre Townsh	PA	18702	570-862-4434
Bansal, Robin	3614 Welsh Rd	Willow Grove	PA	19090	215-659-1555
Rantz, Yvonne	1183 Berkshire Blvd.	Wyomissing	PA	19610	484-709-2812
RHODE ISLAND					
Gardner, Stephanie	1401 Douglas Ave, Ste 3	North Providence	RI	02904	401-537-7719
Moreland, Anthony	399 Bald Hill Rd	Warwick	RI	02886	401-732-4659
SASKATCHEWAN					
Pasieka, Chantal	450 Albert St N	Regina	SK	S4R 2N8	306-525-5111
Henderson, Cory & Lorie	331 A 105th St E	Saskatoon	SK	S7N 1Z4	306-974-3900
SOUTH CAROLINA					
Sims, JT	112 Station Dr Ste B-3	Anderson	SC	29621	864-224-8839
Stewart, Eric & Kha	1720 Sam Rittenberg Blvd	Charleston	SC	29407	843-718-0140
Justus, Greg	10248 Two Notch Rd	Columbia	SC	29229	803-509-8588
Holland, Jessica	7457 Patterson Road, Ste 111B	Columbia	SC	29209	803-708-0308
Mitchell, Merri	1150 Bower Pkwy Ste F7	Columbia	SC	29212	803-732-1061
Haney, Mari Kaye	2835 David H McLeod Blvd	Florence	SC	29501	843-407-7041
Garcia, Charles	621 Haywood Rd	Greenville	SC	29607	864-676-0522
Stewart, Eric & Kha	7800 Rivers Ave Ste 1290	N Charleston	SC	29406	843-277-2284
Stewart, Eric & Kha	1530 Meeting Blvd	Rock Hill	SC	29730	803-327-5304
Garcia, Charles	106-A Franklin Ave	Spartanburg	SC	29301	864-576-4750

Franchisee	Store Address	City	ST	Zip	Store Phone
Brown, Tiffany	2715 Beaver Run Blvd	Surfside Beach	SC	29575	843-650-5003
SOUTH DAKOTA					
Conry, Lindsy	1331 W Omaha St Ste 300	Rapid City	SD	57701	605-791-3888
Fitzer, Jackie	3109 W 41st St Suite 4	Sioux Falls	SD	57105	605-331-3555
TENNESSEE					
Brooks, Khalilah	835 Bell Rd	Antioch	TN	37013	615-717-0717
Miller, Glen	1731 Mallory Ln, Ste 107	Brentwood	TN	37027	615-645-2274
Morris, Kurtis	2200 Hamilton Pl Blvd, Ste 81	Chattanooga	TN	37421	423-855-0166
Mannen, Leslie	116 Morris Rd	Clarksvillle	TN	37040	931-542-9894
Croom, Kristi	1204 W Poplar Ave, Ste 101	Collierville	TN	38017	901-316-5606
Harris, Jeff	377 W. Jackson Street, Ste 5A	Cookeville	TN	38501	931-400-0667
Croom, Kristi	2200 N Germantown Pkwy, Ste 17	Cordova	TN	38016	901-386-0340
Croom, Kristi	169 Stonebrook Place Ste E	Jackson	TN	38305	731-300-3575
Griffith, Emily	1805 N Roan St	Johnson City	TN	37601	423-926-1118
Long, Kenny	1001 E Stone Dr Unit A	Kingsport	TN	37660	423-765-2733
McNitt, Todd	8078 Kingston Pike Suite 109	Knoxville	TN	37919	865-539-1786
Sanford, David	5016 Park Ave	Memphis	TN	38117	901-761-1616
Miller, Glen	429 N Thompson Lane	Murfreesboro	TN	37129	615-896-8511
Miller, Glen	72 White Bridge Rd	Nashville	TN	37205	615-353-5006
TEXAS					
Shewell, Lorie	3226 S Clack St, Ste E	Abilene	TX	79606	325-268-4221
Hayes, Shorty	4129 SW 34th Ave	Amarillo	TX	79109	806-418-2471
Miller, Jule' & Wilson, Rachel	5904 S Cooper St Ste 122	Arlington	TX	76017	817-466-4430
Brooks, Janelle	4539 Garth Rd, Suite 205	Baytown	TX	77521	832-695-3258
Green, Logan	4420 Dowlen Rd	Beaumont	TX	77706	409-363-5031
Hall, Richard	2710 N Josey Ln Ste 316	Carrollton	TX	75007	469-892-6974
Huggins, Joan	213 N Hwy 67 Ste 700A	Cedar Hill	TX	75104	972-293-8300
Fedora, Dawn	1104A Harvey Rd	College Station	TX	77840	979-694-8440
*Brassard, Michael Joseph	1128 West Davis Street	Conroe	TX	77301	
Warnock, Alicia & Jake	1350 Airline Rd	Corpus Christi	TX	78412	361-986-0033
Dearing, Chris	25430 NW Freeway, Ste A1	Cypress	TX	77429	281-213-2279
Dia, Tarik	8430 Abrams Rd Ste 320	Dallas	TX	75243	214-342-2204
Risinger, Dennis	725 S I-35E, Ste 152	Denton	TX	76205	940-566-6096
Moss, Jody	9507 Viscount Blvd	El Paso	TX	79925	915-599-8806
Casper, Bryan	3001 St Hwy 121 Ste 210	Euless	TX	76039	817-684-9800
Miller, Jule' & Wilson, Rachel	2311 Cross Timbers Rd Ste 317	Flower Mound	TX	75028	972-691-8988
Miller, Jule' & Wilson, Rachel	4625 Donnelly Ave, Ste 113	Fort Worth	TX	76107	817-731-9449
Sain, Tim & Kanda	9120 North Fwy Ste 230	Fort Worth	TX	76177	817-281-9995
Hall, Richard	7151 Preston Rd Ste 161 A	Frisco	TX	75034	214-872-2329
Abudaabes, Mousa	4430 Lavon Drive, Ste 374	Garland	TX	75040	469-395-0652
Whitton, Allison	7885 FM 1960 Rd W	Houston	TX	77070	281-807-9466
Whitton, Allison	10516 Old Katy Rd	Houston	TX	77043	713-464-5555
Whitton, Allison	3277 SW Freeway Ste C	Houston	TX	77027	713-592-0002
Amaro, Jessica	577 S Mason Rd	Katy	TX	77450	281-578-1487
Warnock, Alicia & Jake	3213 E Central Expressway, Ste 500	Killeen	TX	76543	254-245-9484
Zirschky, Julia	3096 N Eastman Rd, Ste 110	Longview	TX	75605	903-663-2340
Erculiani, Jeanne	4835 50th St	Lubbock	TX	79414	806-368-7992
Zirschky, Julia	2050 W University Dr #206	McKinney	TX	75071	214-544-7463

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Warnock, Alicia & Jake	1515 N Town East Blvd Ste 156	Mesquite	TX	75150	972-613-4333
Briseno, Mario	4400 N Midland Dr Ste 300	Midland	TX	79707	432-689-0009
Nunn, Klint and Julie	9515 Broadway St Ste 121	Pearland	TX	77584	281-485-4747
Malik, Humayun	3000 Custer Rd, Ste 150	Plano	TX	75075	972-633-0567
Champness, Lee Ann	26440 FM 1093	Richmond	TX	77406	281-265-1909
Tresslar, Chris	2000 IH 35 Ste L2	Round Rock	TX	78681	512-733-1919
Chung, Amy & Chang, Richard	5400 Brodie Ln Ste 240	S Austin	TX	78745	512-358-8888
Bloxham, Liberty	8331 State Hwy 151, Ste 105	San Antonio	TX	78245	210-680-0837
Van Dyke, Melanie	11851 Bandera Rd, Ste 112	San Antonio	TX	78023	210-372-1311
Leja, Nicholas	630 NW Loop 410, Ste 103	San Antonio	TX	78216	210-979-7711
*Schrantz, LeAndra		San Antonio	TX		
Garcia, Charles	900 Bugg Ln, Suite 140	San Marcos	TX	78666	512-878-0808
Irizarry, Wendy	17937 I-45 South Ste 127	Shenandoah	TX	77385	936-273-1611
Zirschky, Julia	8970 S Broadway Ave	Tyler	TX	75703	903-534-2956
Brooks, Janelle	4600 Franklin Ave #500	Waco	TX	76710	254-399-9600
Batten, Richard	325 Adams Dr, Ste #363	Weatherford	TX	76086	817-757-7121
Whitton, Allison	1013 Bay Area Blvd	Webster	TX	77598	281-488-3225
UTAH					
Paice, Brandon	273 W 500 S	Bountiful	UT	84010	801-298-1742
Cohen, Joshua	12198 S Factory Outlet Dr Ste 5	Draper	UT	84020	801-495-2337
Volz, Selina	545 W S Ring Rd	Layton	UT	84041	801-544-4706
Yates, Dayna	1114 N Main St	Logan	UT	84321	435-752-9940
Wangemann, Brittany	592 E University Pkwy	Orem	UT	84097	801-225-0075
Webster, Marcie	1913 W 4700 S	Taylorsville	UT	84129	801-968-0084
VERMONT					
Longshore, Stephanie	34 Taft Corners Shpg Ctr	Williston	VT	05495	802-878-0001
VIRGINIA					
Long, Kenny	1530 Euclid Ave	Bristol	VA	24201	276-494-0405
Campbell, H. Scott	1788 Rio Hill Ctr	Charlottesville	VA	22901	434-202-0144
Nelson, Sarah	625 Volvo Parkway	Chesapeake	VA	23320	757-416-7738
Saylor, Brandon & Griffen	4107 Portsmouth Blvd, Ste #113	Chesapeake	VA	23321	757-337-8337
Tefel, Christian	11930 Iron Bridge Plaza	Chester	VA	23831	804-524-4914
Toney, Charles	360 A Arbor Dr	Christiansburg	VA	24073	540-382-2102
Serbu, Murri	13005-S Lee Jackson Memorial Hwy	Fairfax	VA	22033	703-378-8485
Campbell, Harrill	1621 Carl D Silver Pkwy	Fredericksburg	VA	22401	540-786-0990
Nelson, Sarah	9691 West Broad St	Glen Allen	VA	23060	804-273-0834
DeGidio, Kevin	1790 E Market St Ste 42	Harrisonburg	VA	22801	540-432-8648
DeGidio, Kevin	1033B Woodberry Square Pl	Lynchburg	VA	24502	434-385-5130
Serbu, Murri	9688 Liberia Ave	Manassas	VA	20110	703-257-1400
Ngo, Joseph	7336 Bell Creek Rd	Mechanicsville	VA	23111	804-723-4512
Saylor, Griffen	12233 Jefferson Ave, Ste 8B	Newport News	VA	23602	757-877-1310
Nelson, Sarah	9762 Midlothian Tpke	Richmond	VA	23235	804-323-7711
Maes, Jessica	4086 Electric Road	Roanoke	VA	24018	540-265-1144
Klingner, Ronnie	45591 Dulles Eastern Plz Ste 138	Sterling	VA	20166	703-421-8470
Saylor, Brandon	2720 N Mall Dr Ste 164B	Virginia Beach	VA	23452	757-769-7284
Saylor, Jennifer	1234 Richmond Rd, Unit #7C	Williamsburg	VA	23185	757-991-1415
Clark, Paul	186 Kernstown Commons Blvd	Winchester	VA	22603	540-869-1392
WASHINGTON					

Plato's Closet
as of December 27, 2025

Franchisee	Store Address	City	ST	Zip	Store Phone
Southern II, Gregory	1313 156th Ave NE, Ste 290	Bellevue	WA	98007	425-362-6975
Young, Jeff & Ross, Scott	7303 W Canal Dr Suite B104	Kennewick	WA	99336	509-736-3600
Woodworth, Robert	18920 28th Ave W	Lynnwood	WA	98036	425-775-5868
Roman, Beth	8117 N Division St	Spokane	WA	99208	509-484-3700
Fuehr, Kris	15735 E Broadway Suite C1	Spokane Valley	WA	99037	509-924-5600
Jornlin, Nancy	2602 S 38th St, Suite B	Tacoma	WA	98409	253-301-4723
Woodworth, Robert	17570 Southcenter Pkwy	Tukwila	WA	98788	206-575-7778
Ross, Scott	2411 S 14th St	Union Gap	WA	98903	509-452-8244
Merkl, George	8101 NE Parkway Dr #C2	Vancouver	WA	98662	360-253-4129
WEST VIRGINIA					
Watson, Eric	3499 US Rte 60 S	Barboursville	WV	25504	304-955-4815
Martin, Jamie	6504 Mall Rd	Morgantown	WV	26501	304-983-6020
Martin, Jamie	204 Lakeview Center	Parkersburg	WV	26101	304-893-9970
Watson, Eric	40 Riverwalk Mall #38	South Charleston	WV	25303	304-205-7954
WISCONSIN					
Herron, Shane & Tammy	309 Mall Dr	Appleton	WI	54913	920-968-0381
Tresslar, Eric & Schuhmacher, Ky	16750 W Bluemound Rd	Brookfield	WI	53005	262-437-9134
Leitz, Jon	3561 Gateway Dr	Eau Claire	WI	54701	715-836-7800
Herron, Shane & Tammy	2605 S Oneida St, Ste 112	Green Bay	WI	54304	920-497-7700
Berden, Joshua	5020 S 74th St	Greenfield	WI	53220	414-763-7911
Tomashek, Andy & Kara	3133 St Hwy 16	LaCrosse	WI	54601	608-782-6822
Krause-Stetson, Diane	7968 Tree Lane	Madison	WI	53704	608-662-7410
Krause-Stetson, Diane	1601 Thierer Rd	Madison	WI	53704	608-241-9759
Davidson, Barbara (deceased)	9020 76th St, Suite C	Pleasant Prairie	WI	53158	262-925-6500
Jones, Brandon	225680 Rib Mountain Dr	Wausau	WI	54401	715-298-4084
WYOMING					
Ruyter, Naomi	275 S Montana Ave	Casper	WY	82609	307-337-1028
O'Donnell, Andrea	5116 Frontier Mall Dr #7	Cheyenne	WY	82009	307-514-0092

* Store Not Opened

EXHIBIT B

List of Terminated Franchises

PLATO'S CLOSET
LIST OF TERMINATED FRANCHISEES AS OF 12/27/2025 AND FRANCHISEES WHO HAVE NOT COMMUNICATED WITH WINMARK WITHIN THE 10-WEEK PERIOD BEFORE THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT

LAST NAME	FIRST NAME	HOME CITY	STATE/ PROV	LAST KNOWN BUSINESS PHONE	REASON
Dabbs	Denise	Bonsall	CA(1)	229-245-5696	Transferred
Giles	Jared	Corona	CA	951-296-0133	Transferred
Magee	Charlotte	Boulder	CO	303-972-0293	Transferred
VandenBurg	Debra & Daniel	Littleton	CO	303-699-5337	Transferred
Preston	Theresa	Wheat Ridge	CO	719-622-8933	Terminated
Willoughby	Margaret	Clarkston	GA	404-929-0224	Terminated
Jones	Brandon	Carmel	IN(2)	815-226-9003	Transferred
Smith	Cindy & Tim	Cottonport	LA(3)	903-255-7049	Terminated
Ribar	Traci	Shakopee	MN	651-697-0267	Transferred
Gartman	Amy	Pass Christian	MS	228-392-6780	Transferred
Dutille	Paul	Lexington	KY	859-278-6660	Transferred
Brizendine	Travis	Omaha	NE	travisbrizendine@gmail.com	Terminated*
Spadaro	Gary & Gina	Schenectady	NY	518-459-3104	Non-Renewal
Ronyak	Justin	Velva	ND	701-852-1030	Transferred
Keeler	Tammy	Oklahoma City	OK	405-321-7300	Terminated
Ashberry	Lynne	Barrie	ON	705-726-6982	Transferred
Gardner	David	Paris	ON	519-267-6355	Transferred
Bansal	Robin	Easton	PA	610-544-2801	Transferred
Martin	Jamie	Eighty Four	PA	785-787-3655	Terminated*
Dunlap	Kris	Hendersonville	TN	615-851-1101	Terminated
Whitton	Allison	Katy	TX	281-578-1487	Transferred#
Belleci	Andrew	Plano	TX(4)	707-566-8400	Transferred
Irizarry	Wendy	Spring	TX	832-644-5173	Terminated
Rhodes	Valerie	Valley	WA	509-484-3700	Transferred

(1) Store located in GA
(2) Store located in IL
(3) Store located in TX
(4) Store located in CA

*Store Never Opened
Franchisee transferred two stores in 2025

If you buy a Plato's Closet® franchise, your contact information may be disclosed to other buyers when you leave the System.

EXHIBIT C

Winmark's Audited Consolidated Financial Statements

GRANT THORNTON LLP
241 5th Avenue N., Suite 600
Minneapolis, MN 55401

D +1 612 332 0001
F +1 612 332 8361

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders
Winmark Corporation

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Winmark Corporation (a Minnesota corporation) and subsidiaries (the “Company”) as of December 27, 2025 and December 28, 2024, the related consolidated statements of operations, changes in shareholders’ equity (deficit), and cash flows for each of the three years in the period ended December 27, 2025, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 27, 2025 and December 28, 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 27, 2025, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 27, 2025, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 25, 2026 expressed an unqualified opinion.

Basis for opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters
Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involve our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

Grant Thornton LLP

We have served as the Company's auditor since 2006.

Minneapolis, Minnesota
February 25, 2026

WINMARK CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets

		December 27, 2025		December 28, 2024
ASSETS				
Current Assets:				
Cash and cash equivalents	$	10,295,700	$	12,189,800
Restricted cash		165,000		140,000
Receivables, less allowance for credit losses of $500 and $500		1,483,500		1,336,400
Income tax receivable		463,600		96,400
Inventories		362,500		397,600
Prepaid expenses		1,325,700		1,205,400
Total current assets		14,096,000		15,365,600
Property and equipment:				
Furniture and equipment		2,837,600		2,679,400
Building and building improvements		2,984,100		2,952,100
Less - accumulated depreciation and amortization		(4,602,700)		(4,212,100)
Property and equipment, net		1,219,000		1,419,400
Operating lease right of use asset		1,761,500		2,108,700
Intangible assets, net		2,286,300		2,640,300
Goodwill		607,500		607,500
Other assets		506,400		491,200
Deferred income taxes		4,407,400		4,211,800
	$	24,884,100	$	26,844,500
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)				
Current Liabilities:				
Accounts payable	$	1,673,900	$	1,562,000
Accrued liabilities		2,324,800		1,866,200
Deferred revenue		1,667,300		1,659,700
Total current liabilities		5,666,000		5,087,900
Long-term Liabilities:				
Line of credit/Term loan		30,000,000		30,000,000
Notes payable, net of unamortized debt issuance costs of $39,000 and $57,200		29,961,000		29,942,800
Deferred revenue		8,350,100		8,027,600
Operating lease liabilities		2,414,200		3,092,800
Other liabilities		2,175,200		1,739,500
Total long-term liabilities		72,900,500		72,802,700
Shareholders' Equity (Deficit):				
Common stock, no par value, 10,000,000 shares authorized, 3,571,861 and 3,539,744 shares issued and outstanding		19,612,800		14,790,500
Retained earnings (accumulated deficit)		(73,295,200)		(65,836,600)
Total shareholders' equity (deficit)		(53,682,400)		(51,046,100)
	$	24,884,100	$	26,844,500

The accompanying notes are an integral part of these consolidated financial statements.

WINMARK CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations

	Fiscal Year Ended		
	December 27, 2025	December 28, 2024	December 30, 2023
Revenue:			
Royalties	$ 76,352,800	$ 72,198,500	$ 70,230,700
Leasing income	2,631,800	1,811,800	4,766,200
Merchandise sales	3,282,800	3,601,300	4,761,100
Franchise fees	1,525,800	1,545,600	1,512,000
Other	2,262,500	2,131,900	1,973,500
Total revenue	86,055,700	81,289,100	83,243,500
Cost of merchandise sold	3,104,400	3,379,200	4,461,500
Leasing expense	—	36,600	398,300
Provision for credit losses	—	(1,500)	(5,600)
Selling, general and administrative expenses	28,357,400	24,944,200	25,108,700
Income from operations	54,593,900	52,930,600	53,280,600
Interest expense	(2,446,800)	(2,856,900)	(3,091,000)
Interest and other income	988,500	1,150,300	1,171,700
Income before income taxes	53,135,600	51,224,000	51,361,300
Provision for income taxes	(11,481,500)	(11,269,800)	(11,183,200)
Net income	$ 41,654,100	$ 39,954,200	$ 40,178,100
Earnings per share - basic	$ 11.73	$ 11.36	$ 11.55
Earnings per share - diluted	$ 11.30	$ 10.89	$ 11.04
Weighted average shares outstanding - basic	3,549,753	3,516,122	3,479,936
Weighted average shares outstanding - diluted	3,685,457	3,667,479	3,640,524

The accompanying notes are an integral part of these consolidated financial statements.

WINMARK CORPORATION AND SUBSIDIARIES
Consolidated Statements of Shareholders' Equity (Deficit)
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023

	Common Stock		Retained Earnings (Accumulated Deficit)	Total
	Shares	Amount		
BALANCE, December 31, 2022	3,459,673	$ 1,806,700	$ (63,438,800)	$ (61,632,100)
Repurchase of common stock	—	—	—	—
Stock options exercised	37,304	4,009,700	—	4,009,700
Compensation expense relating to stock options	—	1,952,400	—	1,952,400
Cash dividends	—	—	(43,664,200)	(43,664,200)
Comprehensive income (Net income)	—	—	40,178,100	40,178,100
BALANCE, December 30, 2023	3,496,977	7,768,800	(66,924,900)	(59,156,100)
Repurchase of common stock	—	—	—	—
Stock options exercised	42,767	5,033,700	—	5,033,700
Compensation expense relating to stock options	—	1,988,000	—	1,988,000
Cash dividends	—	—	(38,865,900)	(38,865,900)
Comprehensive income (Net income)	—	—	39,954,200	39,954,200
BALANCE, December 28, 2024	3,539,744	14,790,500	(65,836,600)	(51,046,100)
Repurchase of common stock	(7,944)	(2,418,700)	—	(2,418,700)
Stock options exercised	40,061	4,957,800	—	4,957,800
Compensation expense relating to stock options	—	2,283,200	—	2,283,200
Cash dividends	—	—	(49,112,700)	(49,112,700)
Comprehensive income (Net income)	—	—	41,654,100	41,654,100
BALANCE, December 27, 2025	3,571,861	$ 19,612,800	$ (73,295,200)	$ (53,682,400)

The accompanying notes are an integral part of these consolidated financial statements.

WINMARK CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	Year Ended		
	December 27, 2025	**December 28, 2024**	**December 30, 2023**
OPERATING ACTIVITIES:			
Net income	$ 41,654,100	$ 39,954,200	$ 40,178,100
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation of property and equipment	392,700	445,300	418,700
Amortization of intangible assets	354,000	354,000	354,000
Provision for credit losses	—	(1,500)	(5,600)
Compensation expense related to stock options	2,283,200	1,988,000	1,952,400
Deferred income taxes	(195,600)	(159,400)	(512,000)
Operating lease right of use asset amortization	347,300	317,100	290,100
Tax benefits on exercised stock options	1,619,000	1,307,700	1,138,500
Change in operating assets and liabilities:			
Receivables	(147,100)	138,900	(36,700)
Principal collections on lease receivables	—	104,700	556,000
Income tax receivable/payable	(1,986,200)	(1,372,800)	(611,200)
Inventories	35,100	(11,500)	384,500
Prepaid expenses	(120,300)	186,700	(81,700)
Other assets	(15,200)	(19,900)	(41,600)
Accounts payable	111,800	(157,400)	(402,600)
Accrued and other liabilities	233,900	(1,251,900)	(16,900)
Rents received in advance and security deposits	—	(28,000)	(275,200)
Deferred revenue	330,100	363,700	705,500
Net cash provided by operating activities	44,896,800	42,157,900	43,994,300
INVESTING ACTIVITIES:			
Purchase of property and equipment	(192,300)	(194,900)	(383,900)
Net cash used for investing activities	(192,300)	(194,900)	(383,900)
FINANCING ACTIVITIES:			
Payments on notes payable	—	(9,187,500)	(4,250,000)
Repurchases of common stock	(2,418,700)	—	—
Proceeds from exercises of stock options	4,957,800	5,033,700	4,009,700
Dividends paid	(49,112,700)	(38,865,900)	(43,664,200)
Net cash used for financing activities	(46,573,600)	(43,019,700)	(43,904,500)
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(1,869,100)	(1,056,700)	(294,100)
Cash, cash equivalents and restricted cash, beginning of period	12,329,800	13,386,500	13,680,600
Cash, cash equivalents and restricted cash, end of period	$ 10,460,700	$ 12,329,800	$ 13,386,500
SUPPLEMENTAL DISCLOSURES:			
Cash paid for interest	$ 2,415,700	$ 2,851,000	$ 3,049,400
Cash paid for income taxes	$ 11,814,700	$ 11,168,700	$ 10,874,300

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the Consolidated Balance Sheets to the total of the same amounts shown above:

	Year Ended		
	December 27, 2025	**December 28, 2024**	**December 30, 2023**
Cash and cash equivalents	$ 10,295,700	$ 12,189,800	$ 13,361,500
Restricted cash	165,000	140,000	25,000
Total cash, cash equivalents and restricted cash	$ 10,460,700	$ 12,329,800	$ 13,386,500

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization and Business:

Winmark Corporation and subsidiaries (the Company) offers licenses to operate franchises using the service marks Plato's Closet®, Once Upon A Child®, Play It Again Sports®, Style Encore® and Music Go Round®. In addition, the Company sells point-of-sale system hardware to its franchisees and certain merchandise to its Play It Again Sports franchisees. The Company also operates a middle-market equipment leasing business under the Winmark Capital® mark. The Company has a 52/53-week fiscal year that ends on the last Saturday in December. Fiscal year 2025, 2024 and 2023 were 52-week fiscal years.

2. Significant Accounting Policies:

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Winmark Capital Corporation, Wirth Business Credit, Inc. and Grow Biz Games, Inc. All material inter-company transactions have been eliminated in consolidation.

Cash Equivalents

Cash equivalents consist of highly liquid investments with an original maturity of three months or less when purchased. Cash equivalents are stated at cost, which approximates fair value. As of December 27, 2025 and December 28, 2024, the Company had $191,500 and $73,800, respectively, of cash located in Canadian banks. The Company holds its cash and cash equivalents with financial institutions and at times, such balances may be in excess of insurance limits.

Receivables

The beginning balance at December 31, 2023 for accounts receivable arising from contracts with customers was $1,475,300 with ending balances included in "Receivables, net" in the Consolidated Balance Sheets.

The Company provides an allowance for credit losses on trade receivables. The allowance for credit losses was $500 and $500 at December 27, 2025 and December 28, 2024 respectively. If receivables in excess of the provided allowance are determined uncollectible, they are charged to expense in the year the determination is made. Trade receivables are written off when they become uncollectible (which generally occurs when the franchise terminates and there is no reasonable expectation of collection), and payments subsequently received on such receivable are credited to the allowance for credit losses. Historically, receivables balances written off have not exceeded allowances provided.

Restricted Cash

The Company is required by certain states to maintain initial franchise fees in a restricted bank account until the franchise opens. Cash held in escrow totaled $165,000 and $140,000 at December 27, 2025 and December 28, 2024, respectively.

Leasing Operations

The Company uses the direct finance method of accounting to record income from direct financing leases. At the inception of a lease, the Company records the minimum future lease payments receivable, the estimated residual value of the leased equipment and the unearned lease income. Initial direct costs related to lease originations are deferred as part of the investment and amortized over the lease term. Unearned lease income is the amount by which the total lease receivable plus the estimated residual value exceeds the cost of the equipment.

Leasing Income Recognition

Leasing income for direct financing leases is recognized under the effective interest method. The effective interest method of income recognition applies a constant rate of interest equal to the internal rate of return on the lease.

For sales-type leases in which the equipment has a fair value greater or less than its carrying amount, selling profit/loss is recognized at commencement. For subsequent periods or for leases in which the equipment's fair value is equal to its carrying amount, the recording of income is consistent with the accounting for a direct financing lease.

For leases that are accounted for as operating leases, income is recognized on a straight-line basis when payments under the lease contract are due.

Generally, when a lease is more than 90 days delinquent (when more than three monthly payments are owed), the lease is classified as being on non-accrual and the Company stops recognizing leasing income on that date. Payments received on leases in non-accrual status generally reduce the lease receivable. Leases on non-accrual status remain classified as such until there is sustained payment performance that, in the Company's judgment, would indicate that all contractual amounts will be collected in full.

Leasing Expense

Leasing expense includes the cost of financing equipment purchases, the cost of equipment sales as well as depreciation expense for operating lease assets.

Lease Residual Values

Residual values reflect the estimated amounts to be received at lease termination from sales or other dispositions of leased equipment to unrelated parties. The leased equipment residual values are based on the Company's best estimate.

Allowance for Credit Losses

The Company maintains an allowance for credit losses at an amount that it believes to be sufficient to absorb losses inherent in its existing lease portfolio as of the reporting dates. Leases are collectively evaluated for potential loss. The Company's methodology for determining the allowance for credit losses includes consideration of the level of delinquencies and non-accrual leases, historical net charge-off amounts and review of any significant concentrations.

A provision is charged against earnings to maintain the allowance for credit losses at the appropriate level. If the actual results are different from the Company's estimates, results could be different. The Company's policy is to charge-off against the allowance the estimated unrecoverable portion of accounts once they reach 121 days delinquent.

Inventories

The Company values its inventories at the lower of cost, as determined by the weighted average cost method, and net realizable values. Inventory consists of computer hardware and related accessories, all of which is finished goods merchandise held for resale.

Impairment of Long-lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount of the asset exceeds expected undiscounted future cash flows, the Company measures the amount of impairment by comparing the carrying amount of the asset to its fair value.

Property and Equipment

Property and equipment is stated at cost. Depreciation and amortization for financial reporting purposes is provided on the straight-line method. Estimated useful lives used in calculating depreciation and amortization are: three to five years for computer and peripheral equipment, five to seven years for furniture and equipment and the shorter of the lease term or useful life for leasehold improvements. Major repairs, refurbishments and improvements which significantly extend the useful lives of the related assets are capitalized. Maintenance and repairs, supplies and accessories are charged to expense as incurred.

Intangible Assets

Intangible assets are amortized over the estimated useful life on a straight line basis. The Company reviews its intangible assets for impairment at its fiscal year end or whenever events or changes in circumstances indicate that there has been impairment in the value of its intangible assets. No impairment was noted during fiscal years ended 2025, 2024, and 2023. Intangible assets of $2.3 million and $2.6 million in the consolidated balance sheets at December 27, 2025 and December 28, 2024, respectively, are all attributable to the franchising segment.

Goodwill

The Company reviews its goodwill for impairment at its fiscal year end or whenever events or changes in circumstances indicate that there has been impairment in the value of its goodwill. No impairment was noted during fiscal years ended 2025, 2024 and 2023. Goodwill of $0.6 million in the consolidated balance sheets at December 27, 2025 and December 28, 2024 is all attributable to the franchising segment.

Use of Estimates

The preparation of financial statements in conformity with generally accepted U.S. accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The ultimate results could differ from those estimates.

Advertising

Advertising costs are charged to selling, general and administrative expenses as incurred. Advertising costs were $0.8 million, $0.6 million and $0.7 million for fiscal years 2025, 2024 and 2023, respectively.

Accounting for Stock-Based Compensation

The Company recognizes the cost of all share-based payments to employees, including grants of employee stock options, in the consolidated financial statements based on the grant date fair value of those awards. This cost is recognized over the period for which an employee is required to provide service in exchange for the award.

The Company estimates the fair value of options granted using the Black-Scholes option valuation model. The Company estimates the volatility of its common stock at the date of grant based on its historical volatility rate. The Company's decision to use historical volatility was based upon the lack of actively traded options on its common stock. The Company estimates the expected term based upon historical option exercises. The risk-free interest rate assumption is based on observed interest rates for the expected term. The Company uses historical data to estimate pre-vesting option forfeitures and record share-based compensation expense only for those awards that are expected to vest. For options granted, the Company amortizes the fair value on a straight-line basis. All options are amortized over the vesting periods, which are generally four years beginning from the date of grant.

Revenue Recognition – Franchising

The following is a description of the principal sources of revenue for the company's franchising segment. The Company's performance obligations under franchise agreements consist of (a) a franchise license, including a license to use one of our brands, (b) a point-of-sale software license, (c) initial services, such as pre-opening training and marketing support, and (d) ongoing services, such as marketing services and operational support. These performance obligations are highly interrelated so we do not consider them to be individually distinct and therefore account for them under ASC 606 as a single performance obligation, which is satisfied by providing a right to use our intellectual property over the estimated life of the franchise. The disaggregation of the Company's franchise revenue is presented within the Revenue lines of the Consolidated Statements of Operations with the amounts included in Revenue: Other delineated below.

Royalties

The Company collects royalties from each retail franchise based upon a percentage of retail sales. The Company recognizes royalties at the time the underlying sales occur.

Merchandise Sales

Merchandise sales include the sale of point-of-sale technology equipment to franchisees and the sale of a limited amount of sporting goods to certain Play It Again Sports franchisees. Merchandise sales, which includes shipping and handling charges, are recognized at a point in time when the product has been shipped to the franchisee. Shipping and handling costs associated with outbound freight are accounted for as a fulfillment cost and included in cost of merchandise sold.

Franchise Fees

The Company collects initial franchise fees when franchise agreements are signed. The Company recognizes franchise fee revenue over the estimated life of the franchise, beginning with the opening of the franchise, which is when the Company has performed substantially all initial services required by the franchise agreement and the franchisee benefits from the rights afforded by the franchise agreement. The Company had deferred franchise fee revenue of $7.9 million and $7.5 million at December 27, 2025 and December 28, 2024, respectively.

Marketing Fees

Marketing fee revenue is included in the Revenue: Other line of the Consolidated Statements of Operations. The Company bills and collects annual marketing fees from its franchisees at various times throughout the year. The Company recognizes marketing fee revenue on a straight line basis over the franchise duration. The Company recognized $1.9 million, $1.8 million and $1.6 million in marketing fee revenue for each of the fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023, respectively.

Software License Fees

Software license fee revenue is included in the Revenue: Other line of the Consolidated Statements of Operations. The Company bills and collects software license fees from its franchisees when the point-of-sale system is provided to the franchisee. The Company recognizes software license fee revenue on a straight line basis over the franchise duration. The Company recognized $0.4 million, $0.4 million and $0.4 million in software license fee revenue for each of the fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023, respectively. The Company had deferred software license fees of $1.9 million and $1.9 million at December 27, 2025 and December 28, 2024, respectively.

Contract Liabilities

The Company's contract liabilities for its franchise revenues consist of deferred revenue associated with franchise fees and software license fees described above.

Commission Fees

The Company capitalizes incremental commission fees paid as a result of obtaining franchise agreement contracts. Capitalized commission fees of $0.6 million and $0.6 million are outstanding at December 27, 2025 and December 28, 2024, respectively and are included in Prepaid expenses and Other assets in the Consolidated Balance Sheets.

Capitalized commission fees are amortized over the life of the franchise and are included in selling, general and administrative expenses. During the fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023, the Company recognized $120,100, $114,700 and $109,700 of commission fee expense, respectively.

Income Taxes

The Company accounts for incomes taxes under the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits in income tax expense.

Sales Tax

The Company's accounting policy is to present taxes collected from customers and remitted to government authorities on a net basis.

Earnings Per Share

The Company calculates earnings per share by dividing net income by the weighted average number of shares of common stock outstanding to arrive at the Earnings Per Share — Basic. The Company calculates Earnings Per Share — Diluted by dividing net income by the weighted average number of shares of common stock and dilutive stock equivalents from the potential exercise of stock options using the treasury stock method.

The following table sets forth the presentation of shares outstanding used in the calculation of basic and diluted earnings per share ("EPS"):

	Year Ended		
	December 27, 2025	**December 28, 2024**	**December 30, 2023**
Denominator for basic EPS — weighted average common shares	3,549,753	3,516,122	3,479,936
Dilutive shares associated with option plans	135,704	151,357	160,588
Denominator for diluted EPS — weighted average common shares and dilutive potential common shares	3,685,457	3,667,479	3,640,524
Options excluded from EPS calculation — anti-dilutive	14,789	7,578	2,913

Fair Value Measurements

The Company defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company uses three levels of inputs to measure fair value:

- Level 1 — quoted prices in active markets for identical assets and liabilities.
- Level 2 — observable inputs other than quoted prices in active markets for identical assets and liabilities.
- Level 3 — unobservable inputs in which there is little or no market data available, which require the reporting entity to develop its own assumptions.

Due to their nature, the carrying value of cash equivalents, receivables, payables and debt obligations approximates fair value.

Recently Issued Accounting Pronouncements

Disaggregation – Income Statement Expenses – In November 2024, the Financial Accounting Standards Board ("FASB") issued guidance requiring additional disclosure of the nature of expenses included in the income statement in response to requests from investors for more information about an entity's expenses. The new standard requires disclosures about specific types of expenses included in the expense captions presented on the face of the income statement as disclosures about selling expenses. The guidance is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. The requirements will be applied prospectively with the option for retrospective application. Early adoption is permitted. The Company is currently evaluating the impact this new guidance will have on its financial statements and disclosures.

Recently Adopted Accounting Pronouncements

Improvements to Income Tax Disclosures – In December 2023, the FASB issued guidance that expands income tax disclosures for public entities, including requiring enhanced disclosures related to the rate reconciliation and income taxes paid information. The guidance is effective for annual disclosures for fiscal years beginning after December 15, 2024, with early adoption permitted. The guidance should be applied on a prospective basis, with retrospective application to all prior periods presented in the financial statements permitted. The Company adopted this guidance for the December 27, 2025 reporting period, with required disclosures included in Footnote 11, Income Taxes, applied on a retrospective basis.

Reclassifications

Certain reclassifications of previously reported amounts have been made to conform to the current year presentation. Such reclassifications did not impact net income or shareholders' equity (deficit) as previously reported.

3. Leasing Operations:

In May 2021, the Company made the decision to no longer solicit new leasing customers in its middle-market leasing business and to pursue an orderly run-off of this leasing portfolio. As of December 27, 2025, the run-off of the portfolio was completed and the Company no longer has any leasing customers or leased assets.

Investment in leasing operations consists of the following:

	December 27, 2025	December 28, 2024
Operating leases:		
Operating lease assets	$ —	$ 543,800
Less accumulated depreciation and amortization	—	(543,800)
Net investment in operating leases	$ —	$ —

As of December 28, 2024, no customers had leased assets totaling more than 10% of the Company's total assets.

The Company's key credit quality indicator for its investment in direct financing and sales-type leases is the status of the lease, defined as accruing or non-accrual. Leases that are accruing income are considered to have a lower risk of loss. Non-accrual leases are those that the Company believes have a higher risk of loss. The Company experienced no credit losses in its lease portfolio during the fiscal years ended December 27, 2025, December 28, 2024, and December 30, 2023. At December 27, 2025, no leases remained in the portfolio.

Leasing income as presented on the Consolidated Statements of Operations consists of the following:

	Year Ended December 27, 2025	Year Ended December 28, 2024	Year Ended December 30, 2023
Interest income on direct financing and sales-type leases	$ —	$ 6,700	$ 246,200
Selling profit at commencement of sales-type leases	—	—	94,900
Operating lease income	171,000	1,023,400	2,999,400
Income on sales of equipment under lease	322,600	391,800	834,500
Other	2,138,200	389,900	591,200
Leasing income	$ 2,631,800	$ 1,811,800	$ 4,766,200

4. Receivables:

The Company's current receivables consisted of the following:

	December 27, 2025	December 28, 2024
Trade	$ 101,100	$ 71,100
Royalty	1,279,600	1,219,700
Other	102,800	45,600
	$ 1,483,500	$ 1,336,400

As part of its normal operating procedures, the Company requires Standby Letters of Credit as collateral for a portion of its trade receivables.

5. Intangible Assets:

In June 2022, Winmark terminated an agreement that contained the rights for eleven Play It Again Sports stores to operate separately from Winmark's franchise system. In terminating the agreement, which included $3.54 million of consideration paid by Winmark, Winmark reacquired the franchise rights to these eleven stores. Upon termination of the agreement, individual franchise agreements were signed for these eleven stores, each with an initial term of ten years. Intangible assets consist of these reacquired franchise rights. The Company amortizes the fair value of the reacquired franchise rights over the contract term of the franchise. The Company recognized $354,000 of amortization expense for each of the years ended December 27, 2025 and December 28, 2024, respectively.

Intangible assets consist of the following:

	December 27, 2025	December 28, 2024
Reacquired franchise rights	$ 3,540,000	$ 3,540,000
Accumulated amortization	(1,253,700)	(899,700)
	$ 2,286,300	$ 2,640,300

The following table illustrates future amortization to be expensed for the next five fiscal years and fiscal years thereafter related to reacquired franchise rights as of December 27, 2025.

Amortization expected to be expensed in	Amount
2026	$ 354,000
2027	354,000
2028	354,000
2029	354,000
2030	354,000
Thereafter	516,300
	$ 2,286,300

6. Shareholders' Equity (Deficit):

Dividends

In 2025, the Company declared and paid quarterly cash dividends totaling $3.78 per share ($13.4 million) and a $10.00 per share special cash dividend. The special dividend paid in 2025 totaled $35.7 million and was paid by cash on hand.

In 2024, the Company declared and paid quarterly cash dividends totaling $3.50 per share ($12.3 million) and a $7.50 per share special cash dividend. The special dividend paid in 2024 totaled $26.5 million and was paid by cash on hand.

In 2023, the Company declared and paid quarterly cash dividends totaling $3.10 per share ($10.8 million) and a $9.40 per share special cash dividend. The special dividend paid in 2023 totaled $32.9 million and was paid by cash on hand.

Repurchase of Common Stock

In 2025, the Company purchased 7,944 shares of our common stock for an aggregate purchase price of $2.4 million.

Under the Board of Directors' authorization, as of December 27, 2025 the Company has the ability to repurchase an additional 70,656 shares of its common stock. Repurchases may be made from time to time at prevailing prices, subject to certain restrictions on volume, pricing and timing.

Stock Option Plans and Stock-Based Compensation

The Company had authorized up to 700,000 shares of common stock for granting either non-qualified or incentive stock options to officers and key employees under the Company's 2010 Stock Option Plan (the "2010 Plan"). The 2010 Plan expired on February 24, 2020. The Company had also sponsored a Stock Option Plan for Nonemployee Directors (the "Nonemployee Directors Plan"), which had reserved a total of 350,000 shares for issuance to directors of the Company who are not employees.

At the April 29, 2020 Annual Shareholders Meeting, the Company's shareholders approved a new stock option plan, the 2020 Stock Option Plan (the "2020 Plan"). The 2020 Plan (as described more completely in the Company's definitive Proxy Statement filed with the United States Securities and Exchange Commission on March 10, 2020) provides for the issuance of up to 100,000 shares of common stock plus (i) the number of common stock authorized and unissued under the 2010 Plan (as of April 29, 2020, 125,465 shares), and (ii) the number of shares of common stock authorized and unissued under the Nonemployee Director Plan (as of April 29, 2020, 24,500 shares) in the form of either non-qualified or incentive stock option grants. At the April 24, 2024 Annual Shareholders meeting, the Company's shareholders approved an increase in the number of shares of common stock available for granting either non-qualified or incentive stock options to officers and key employees under the Company's 2020 Stock Option Plan (the "2020 Plan") by 100,000 shares. Participants in the 2020 Plan may include employees, officers, directors, consultants and advisors of the Company.

Grants under the 2020 Plan are (as they were under the 2010 Plan and Nonemployee Directors Plan) made by the Compensation Committee of the Board of Directors at a price of not less than 100% of the fair market value on the date of grant. If an incentive stock option is granted to an individual who owns more than 10% of the voting rights of the Company's common stock, the option exercise price may not be less than 110% of the fair market value on the date of grant. The term of the options may not exceed 10 years, except in the case of non-qualified stock options, whereby the terms are established by the Compensation Committee. Options may be exercisable in whole or in installments, as determined by the Compensation Committee.

Stock option activity under the 2010 Plan, 2020 Plan and Nonemployee Directors Plan (collectively, the "Option Plans") as of December 27, 2025 was as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Intrinsic Value
Outstanding, December 31, 2022	361,628	$ 164.70		
Granted	21,320	328.68		
Exercised	(37,304)	107.49		
Forfeited	(3,752)	204.26		
Outstanding, December 30, 2023	341,892	180.73		
Granted	25,300	377.63		
Exercised	(42,767)	117.70		
Forfeited	(4,581)	239.61		
Outstanding, December 28, 2024	319,844	203.89		
Granted	36,384	416.63		
Exercised	(40,061)	123.76		
Forfeited	(1,165)	301.01		
Outstanding, December 27, 2025	315,002	$ 238.30	5.67	$ 55,004,400
Exercisable, December 27, 2025	235,968	$ 197.25	4.70	$ 50,283,900

The fair value of options granted under the Option Plans during 2025, 2024 and 2023 were estimated on the date of the grant using the Black-Scholes option pricing model with the following weighted average assumptions and results:

	Year Ended		
	December 27, 2025	December 28, 2024	December 30, 2023
Risk free interest rate	3.97 %	4.34 %	3.88 %
Expected life (years)	6.5	6.0	6.0
Expected volatility	30.55 %	29.13 %	28.10 %
Dividend yield	2.65 %	2.84 %	2.94 %
Option fair value	$ 115.99	$ 98.64	$ 79.88

The total intrinsic value of options exercised during 2025, 2024 and 2023 was $11.9 million, $11.3 million and $9.2 million, respectively. The total fair value of shares vested during 2025, 2024 and 2023 was $11.7 million, $11.1 million and $11.7 million, respectively.

All unexercised options at December 27, 2025 have an exercise price equal to the fair market value on the date of the grant.

Compensation expense of $2,283,300, $1,988,000 and $1,952,400 relating to the vested portion of the fair value of stock options granted was expensed to “Selling, General and Administrative Expenses” in 2025, 2024 and 2023, respectively. As of December 27, 2025, the Company had $6.2 million of total unrecognized compensation expense related to stock options that is expected to be recognized over the remaining weighted average vesting period of approximately 3.2 years.

7. Debt:

Line of Credit/Term Loan

The Company has a Line of Credit with CIBC Bank USA (the “Line of Credit”) that provides for a $20.0 million revolving loan facility and a $30.0 million delayed draw term facility.The termination date for revolving loans under the Line of Credit is April 12, 2027, and the final maturity of all delayed draw loans under the Line of Credit is April 12, 2029 (with all payments of principal due on such date).

As of December 27, 2025, there were no revolving loans outstanding under the Line of Credit, leaving $20.0 million available for additional revolving borrowings. As of December 27, 2025, the Company had delayed draw term loan borrowings totaling $30.0 million under the Line of Credit bearing interest ranging from 4.60% to 4.75%.

The Line of Credit has been and will continue to be used for general corporate purposes. The Line of Credit is secured by a lien against substantially all of the Company’s assets, contains customary financial conditions and covenants, and requires maintenance of minimum levels of debt service coverage and maximum levels of leverage (all as defined within the Line of Credit). As of December 27, 2025, the Company was in compliance with all of its financial covenants.

The Line of Credit allows the Company to choose between two interest rate options in connection with its borrowings on revolving loans. The interest rate options are the Base Rate (as defined) and the SOFR Rate (as defined) plus an applicable margin of 0% and 1.75%, respectively. Interest periods for SOFR borrowings can be one month. The Line of Credit also provides for non-utilization fees of 0.25% per annum on the daily average of the unused revolving loan commitment.

Notes Payable

The Company has a Note Agreement (the ”Note Agreement”) with PGIM, Inc. (formerly Prudential Investment Management, Inc.) (collectively, “Prudential”).

As of December 27, 2025, the Company had aggregate principal outstanding of $30.0 million under the Note Agreement; consisting of the principal outstanding from the $30.0 million Series C notes issued in September 2021.

The final maturity of the Series C notes is 7 years from the issuance date. For the Series C notes, interest at a rate of 3.18% per annum on the outstanding principal balance is payable quarterly until the principal is paid in full. The Series Series C notes may be prepaid, at the option of the Company, in whole or in part (in a minimum amount of $1.0 million), but prepayments require payment of a Yield Maintenance Amount, as defined in the Note Agreement.

The Company’s obligations under the Note Agreement are secured by a lien against substantially all of the Company’s assets (as the notes rank pari passu with the Line of Credit), and the Note Agreement contains customary financial conditions and covenants, and requires maintenance of minimum levels of fixed charge coverage and maximum levels of leverage (all as defined within the Note Agreement). As of December 27, 2025, the Company was in compliance with all of its financial covenants.

In connection with the Note Agreement, the Company incurred debt issuance costs, of which unamortized amounts are presented as a direct deduction from the carrying amount of the related liability.

The Company had a Private Shelf Agreement (the “Shelf Agreement”) with Prudential that permitted the Company, for a period of three years from April 2022 and subject to customary conditions, to issue up to $100.0 million of privately negotiated senior notes, reduced by the amount of notes already outstanding under the existing Prudential Note Agreement. The Shelf Agreement expired in April of 2025 and was not extended or replaced. No notes were issued under the agreement.

As of December 27, 2025, required payments of the notes payable and term loans for each of the next five years and thereafter are as follows:

	Notes Payable	Term Loans
2026	$ —	$ —
2027	—	—
2028	30,000,000	—
2029	—	30,000,000
2030	—	—
Thereafter	—	—
Total	$ 30,000,000	$ 30,000,000

8. Accrued Liabilities:

Accrued liabilities at December 27, 2025 and December 28, 2024 are as follows:

	December 27, 2025	December 28, 2024
Accrued compensation and benefits	$ 887,200	$ 592,900
Operating lease liability	697,700	641,900
Accrued interest	164,900	167,700
Accrued purchases of goods and services	465,400	239,900
Other	109,600	223,800
	$ 2,324,800	$ 1,866,200

9. Contract Liabilities:

The Company's contract liabilities for its franchise revenues consist of deferred revenue associated with franchise fees and software license fees. The table below presents the activity of the current and noncurrent deferred franchise revenue during fiscal years 2025 and 2024, respectively:

	December 27, 2025	December 28, 2024
Balance at beginning of period	$ 9,687,300	$ 9,323,600
Franchise and software license fees collected from franchisees, excluding amount earned as revenue during the period	2,102,900	2,046,900
Fees earned that were included in the balance at the beginning of the period	(1,772,800)	(1,683,200)
Balance at end of period	$ 10,017,400	$ 9,687,300

The following table illustrates future estimated revenue to be recognized for the next five fiscal years and fiscal years thereafter related to performance obligations that are unsatisfied (or partially unsatisfied) as of December 27, 2025:

Contract Liabilities expected to be recognized in	Amount
2026	$ 1,667,300
2027	1,492,600
2028	1,323,100
2029	1,174,800
2030	1,061,200
Thereafter	3,298,400
	$ 10,017,400

We have applied the optional exemption, as provided for under ASC Topic 606, *Revenue from Contracts with Customers*, which allows us to not disclose the transaction price allocated to unsatisfied performance obligations when the transaction price is a sales-based royalty.

10. Operating Leases:

As of December 27, 2025, the Company leases its Minnesota corporate headquarters in a facility with an operating lease that expires in December 2029. Our lease includes both lease (fixed payments including rent) and non-lease components (common area or other maintenance costs and taxes) which are accounted for as a single lease component as we have elected the practical expedient to group lease and non-lease components for all leases. The lease provides us the option to extend the lease for two additional five year periods. The lease renewal option is at our sole discretion; therefore, the renewals to extend the lease term are not included in our right of use asset and lease liabilities as they are not reasonably certain of exercise. The weighted average remaining lease term for this lease is 4.0 years and the discount rate is 5.5%. As our lease does not provide an implicit rate, we use our incremental borrowing rate based on the information available at the lease commencement date in determining the present value of the lease payments. The Company recognized $1,038,300, $1,067,400 and $1,171,100 of rent expense for the periods ended December 27, 2025, December 28, 2024 and December 30, 2023, respectively.

Maturities of operating lease liabilities is as follows as of December 27, 2025:

Operating Lease Liabilities expected to be recognized in	Amount
2026	$ 828,200
2027	851,100
2028	874,600
2029	898,700
2030	—
Thereafter	—
Total lease payments	3,452,600
Less imputed interest	(359,700)
Present value of lease liabilities	$ 3,092,900

Of the $3.1 million operating lease liability outstanding at December 27, 2025, $0.7 million is included in Accrued liabilities in the Current liabilities section of the Consolidated Balance Sheets.

For leases that contain predetermined fixed escalations of the minimum rent, we recognize the related rent expense on a straight-line basis from the date we take possession of the property to the end of the initial lease term. We record any difference between the straight-line rent amounts and amounts payable under the leases as an adjustment to the amortization of the operating lease right of use asset and operating lease liabilities.

Cash or lease incentives received upon entering into certain leases ("tenant allowances") are recognized on a straight-line basis as a reduction to rent from the date we take possession of the property through the end of the initial lease term. In 2019, we recorded a $2.1 million tenant allowance for non-cash landlord leasehold improvements received as a reduction to the operating lease right of use asset. The reduction in rent also causes a reduction in the amortization of the operating lease right of use asset through the end of the initial lease term.

The Company's policy for leases with a term of twelve months or less is to exclude these short-term leases from our right of use asset and lease liabilities.

Supplemental cash flow information related to our operating leases is as follows for the periods ended December 27, 2025 and December 28, 2024:

	Year Ended	
	December 27, 2025	December 28, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flow outflow from operating leases	$ 806,000	$ 784,400

11. Income Taxes:

Income from continuing operations before income taxes included the following components:

	Year Ended December 27, 2025	Year Ended December 28, 2024	Year Ended December 30, 2023
Domestic	$ 45,313,700	$ 43,982,300	$ 44,672,200
Foreign	7,821,900	7,241,700	6,689,100
Income from continuing operations before taxes	$ 53,135,600	$ 51,224,000	$ 51,361,300

Income tax expense in the accompanying consolidated financial statements differed from the expected expense as follows:

	Year Ended					
	December 27, 2025 (1)		December 28, 2024 (2)		December 30, 2023 (3)	
	Amount	Percent	Amount	Percent	Amount	Percent
U.S. Federal income tax expense at statutory rate	$ 11,158,500	21.0 %	$ 10,757,000	21.0 %	$ 10,785,900	21.0 %
Increase (decrease) attributed to:						
State and local income taxes	1,326,300	2.4	1,294,200	2.5	1,293,500	2.7
Foreign tax effects						
Canada:						
Withholding tax	759,500	1.4	706,100	1.4	665,200	1.3
Effect of cross-border tax laws	(369,400)	(0.7)	(360,900)	(0.7)	(369,000)	(0.7)
Tax credits						
Foreign tax credits	(759,500)	(1.4)	(706,100)	(1.4)	(665,200)	(1.3)
Changes in valuation allowances	374,500	0.7	180,000	0.4	(485,700)	(0.9)
Nontaxable or nondeductible items						
Stock compensation	(1,384,500)	(2.6)	(1,109,200)	(2.2)	(958,800)	(1.9)
Other	252,500	0.5	242,900	0.5	245,600	0.5
Changes in unrecognized tax benefits	186,500	0.4	258,500	0.5	240,100	0.5
Other reconciling items	(62,900)	(0.1)	7,300	—	431,600	0.8
Total income tax expense, Effective income tax rate	$ 11,481,500	21.6 %	$ 11,269,800	22.0 %	$ 11,183,200	22.0 %

(1) In 2025, state taxes in Minnesota, Pennsylvania, California, Illinois, Wisconsin, and Michigan made up the majority (greater than 50%) of the tax effect in the state and local income taxes category.
(2) In 2024, state taxes in Minnesota, Pennsylvania, California, Illinois, Wisconsin, Michigan, and Florida made up the majority (greater than 50%) of the tax effect in the state and local income taxes category.
(3) In 2023, state taxes in Minnesota, Pennsylvania, California, Illinois, Wisconsin, and Michigan made up the majority (greater than 50%) of the tax effect in the state and local income taxes category.

Income taxes paid were as follows:

	Year Ended December 27, 2025	Year Ended December 28, 2024	Year Ended December 30, 2023
Federal	$ 9,322,900	$ 8,900,000	$ 8,670,000
State(1)	1,732,300	1,562,700	1,539,100
Foreign			
Canada	759,500	706,000	665,200
Total income taxes paid	$ 11,814,700	$ 11,168,700	$ 10,874,300

(1) Income taxes paid (net of refunds) did not exceed five percent of total income taxes paid (net of refunds) in any one jurisdiction in 2025, 2024, or 2023.

Components of the provision for income taxes are as follows:

	Year Ended		
	December 27, 2025	December 28, 2024	December 30, 2023
Current:			
Federal	$ 9,382,500	$ 8,840,600	$ 9,237,600
State	1,734,300	2,025,500	1,883,900
Foreign	560,300	563,000	573,800
Current provision	11,677,100	11,429,100	11,695,300
Deferred:			
Federal	(122,800)	(108,900)	(504,700)
State	(72,800)	(50,400)	(7,400)
Deferred provision	(195,600)	(159,300)	(512,100)
Total provision for income taxes	$ 11,481,500	$ 11,269,800	$ 11,183,200

The tax effects of temporary differences that give rise to the net deferred income tax assets and liabilities are presented below:

	December 27, 2025	December 28, 2024
Deferred tax assets:		
Accounts receivable and lease reserves	$ 100	$ 100
Non-qualified stock option expense	2,222,100	1,942,000
Deferred revenue	1,800,000	1,728,100
Trademarks	41,400	40,200
Lease revenue and initial direct costs	—	21,300
Foreign tax credits	761,600	597,300
Operating lease liabilities	735,500	884,500
Other	468,900	348,300
Valuation allowance	(923,600)	(530,000)
Total deferred tax assets	5,106,000	5,031,800
Deferred tax liabilities:		
Depreciation and amortization	(699,500)	(820,000)
Total deferred tax liabilities	(699,500)	(820,000)
Total net deferred tax assets	$ 4,406,500	$ 4,211,800

The Company has assessed its taxable earnings history and prospective future taxable income. Based upon this assessment, the Company has determined that it is more likely than not that its deferred tax assets will be realized in future periods and no valuation allowance is necessary, except for the deferred tax assets related to the foreign tax credits and non-qualified stock option expense. The foreign tax credits will expire after 10 years. As a result, valuation allowances of $923,600 and $530,000 as of December 27, 2025 and December 28, 2024, respectively, have been recorded.

The amount of unrecognized tax benefits, including interest and penalties, as of December 27, 2025 and December 28, 2024, was $1,893,200 and $1,663,400, respectively, primarily for potential state taxes. All of these unrecognized tax benefits, if recognized, would impact the effective tax rate.

The Company recognizes interest accrued related to unrecognized tax benefits and penalties as income tax expense for all periods presented. The Company had accrued approximately $448,700 and $369,100 for the payment of interest and penalties at December 27, 2025 and December 28, 2024, respectively.

The following table summarizes the activity related to the Company's unrecognized tax benefits:

	Total
Balance at December 30, 2023	$ 1,083,100
Increases related to current year tax positions	283,100
Expiration of the statute of limitations for the assessment of taxes	(71,900)
Balance at December 28, 2024	1,294,300
Increases related to current year tax positions	282,300
Expiration of the statute of limitations for the assessment of taxes	(132,300)
Balance at December 27, 2025	$ 1,444,300

The Company and its subsidiaries file income tax returns in the U.S. federal, numerous state and certain foreign jurisdictions. With few exceptions, we are no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2021. The Internal Revenue Service concluded its examination of our U.S. federal tax return for the 2022 tax year in 2025. We expect various statutes of limitation to expire during the next 12 months. Due to the uncertain response of taxing authorities, a range of outcomes cannot be reasonably estimated at this time.

12. Commitments and Contingencies:

Employee Benefit Plan

The Company provides a 401(k) Savings Incentive Plan which covers substantially all employees. The plan provides for matching contributions and optional profit-sharing contributions at the discretion of the Board of Directors. Employee contributions are fully vested; matching and profit sharing contributions are subject to a five-year service vesting schedule. Company contributions to the plan for 2025, 2024 and 2023 were $369,800, $364,900 and $371,200, respectively.

Litigation

From time to time, the Company is exposed to asserted and unasserted legal claims encountered in the normal course of business. Management believes that the ultimate resolution of these matters will not have a material adverse effect on the consolidated financial position or results of operations of the Company.

13. Segment Reporting:

The Company currently has one reportable business segment, franchising, and one non-reportable operating segment. The franchising segment franchises value-oriented retail store concepts that buy, sell and trade merchandise. The non-reportable operating segment includes the Company's equipment leasing business. Segment reporting is intended to give financial statement users a better view of how the Company manages and evaluates its businesses. The Company's CODM is its Chief Executive Officer. Our CODM primarily reviews revenue and income from operations for purposes of allocating resources and evaluating financial performance. Expenses are reviewed on a consolidated basis. The Company's internal management reporting is the basis for the information disclosed for its operating segments. The following tables summarize financial information by segment and provide a reconciliation of segment contribution to income from operations:

	Year ended		
	December 27, 2025	**December 28, 2024**	**December 30, 2023**
Revenue:			
Franchising	$ 83,423,900	$ 79,477,300	$ 78,477,300
Other	2,631,800	1,811,800	4,766,200
Total revenue	$ 86,055,700	$ 81,289,100	$ 83,243,500
Franchising segment operating expenses:			
Merchandise COGS	$ 3,104,400	$ 3,379,200	$ 4,461,500
Selling, general and administrative expenses	28,262,100	24,504,800	24,639,900
Total franchising segment expenses	$ 31,366,500	$ 27,884,000	$ 29,101,400
Reconciliation to operating income:			
Franchising segment income from operations	$ 52,057,400	$ 51,593,300	$ 49,375,900
Other operating segment income from operations	2,536,500	1,337,300	3,904,700
Total income from operations	$ 54,593,900	$ 52,930,600	$ 53,280,600
Depreciation and amortization:			
Franchising	$ 746,700	$ 715,500	$ 646,900
Other	—	83,800	125,800
Total depreciation and amortization	$ 746,700	$ 799,300	$ 772,700

	As of	
	December 27, 2025	**December 28, 2024**
Identifiable assets:		
Franchising	$ 7,457,700	$ 7,289,500
Other	—	19,400
Unallocated	17,426,400	19,535,600
Total	$ 24,884,100	$ 26,844,500

Revenues are all generated from United States operations other than franchising revenues from Canadian operations of $7.8 million, $7.3 million and $6.8 million in each of fiscal 2025, 2024 and 2023, respectively. All long-lived assets are located within the United States.

EXHIBIT D

Plato's Closet® Franchise Agreement (and exhibits)

PLATO'S CLOSET®

FRANCHISE AGREEMENT

BETWEEN

WINMARK CORPORATION
605 Highway 169 N, Suite 400
Minneapolis, Minnesota 55441
(763) 520-8500

AND

____

____

____
Name(s) of Franchisee

____
Street

____
City State Zip Code

(_____)________________________________
Area Code Telephone

FRANCHISED LOCATION:

____
Street

____
City State Zip Code

(_____)________________________________
Area Code Telephone

PLATO'S CLOSET®

FRANCHISE AGREEMENT

INDEX

PLATO'S CLOSET®

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT is made and entered into this _______ day of ______________, 20__, by and between WINMARK CORPORATION, a Minnesota corporation ("Franchisor"), and ________________________________ ("Franchisee").

BACKGROUND:

A. Franchisor franchises teen and young adult clothing resale stores known as "Plato's Closet" stores ("Plato's Closet® Stores") which feature quality used teen and young adult clothing and quality used and new accessories. Franchisor uses and licenses certain trademarks, including "Plato's Closet," and may hereafter adopt, use and license additional or substitute trademarks, service marks, logos and commercial symbols in connection with the operation of Plato's Closet® Stores (collectively, the "Marks"). Plato's Closet® Stores use Franchisor's methods, procedures, standards, specifications and the Marks (all of which are collectively referred to as the "Business System"), which Franchisor may periodically improve, further develop or otherwise modify.

B. Franchisee has had an adequate opportunity to be thoroughly advised of the provisions of this Agreement and Franchisor's Disclosure Document and has had sufficient time and opportunity to evaluate and investigate the Business System and the procedures and financial requirements associated with the Business System as well as the competitive market in which it operates.

C. Franchisee desires to operate a "Plato's Closet" Store which will conform to the uniform requirements and quality standards of the Business System.

AGREEMENTS:

The Franchisor and Franchisee agree as follows:

1. GRANT OF FRANCHISE; FRANCHISED LOCATION

A. Grant of Franchise. Subject to the provisions stated below, Franchisor grants to Franchisee a personal and non-exclusive license and franchise to operate a Plato's Closet® Store using the Marks as designated by Franchisor from time to time (the "Store") in conformity with Franchisor's Business System at a location within the development area specified in Exhibit A attached hereto. The specified area identified in Exhibit A is referred to as the "Development Area." Franchisee will operate the Store under the Business System in strict compliance with the provisions of this Agreement and only at a location within the Development Area approved by Franchisor (the "Franchised Location").

B. Franchisee's Protected Area; Rights Reserved By Franchisor. During the term of this Agreement, Franchisor will not establish for its own account or franchise others the right to operate a Plato's Closet® Store from a permanent location within the area specified in Exhibit A. The exclusive area identified in Exhibit A, which includes the Development Area, is referred to as the "Exclusive Territory." Franchisee understands, however, that Franchisor, its affiliates or their licensees may sell any products or services under trademarks or other commercial symbols other than the Marks inside or outside of the Exclusive Territory. Notwithstanding anything provided for in this Agreement, Franchisor, its affiliates or their licensees also may sell products or services under the Marks inside or outside of the Exclusive Territory: through other channels of distribution, including the Internet (or any similar form of electronic commerce developed in the future) as long as such activities are not for the sole benefit of Franchisor but provide some benefit to Plato's Closet®

franchisees in general. The rights and privileges granted to Franchisee under this Agreement are personal in nature, and may not be used at any location other than the Franchised Location. Franchisee will not relocate the Store without Franchisor's prior written consent and will not open any other Plato's Closet® Store in the Exclusive Territory. Franchisee will not have the right to subfranchise or sublicense any of its rights under this Agreement. Franchisee will not use the Franchised Location for any purposes other than the operation of a Plato's Closet® Store. Termination or expiration of this Agreement shall constitute a termination or expiration of the rights and license granted herein to Franchisee.

2. TERM OF FRANCHISE; RENEWAL RIGHTS

A. Term. The term of this Agreement will be for ten (10) years commencing on the date of this Agreement, unless terminated sooner in accordance with the terms hereof.

B. Renewal. Franchisee will have the right to renew its Plato's Closet® franchise for the Franchised Location for continuing ten (10) year terms, provided Franchisee meets the following conditions:

1. Franchisee has given Franchisor written notice at least one hundred eighty (180) days before the end of the term of this Agreement of its intention to renew;

2. Franchisee has complied with all of the material provisions of this Agreement, including the payment of all monetary obligations owed by Franchisee to Franchisor and its affiliates and suppliers, has complied with Franchisor's material operating and quality standards and procedures during the term of the Franchise Agreement and meets all current brand standards;

3. Franchisee has at its expense made such reasonable capital expenditures necessary to remodel, modernize and redecorate the Store premises and to replace and modernize the supplies, fixtures, and equipment used in Franchisee's business so that Franchisee's business reflects the then-current physical appearance of new Plato's Closet® Stores and meets all current brand standards;

4. Franchisee has paid a Renewal Fee of Ten Thousand Dollars ($10,000) to Franchisor at least thirty (30) days before the expiration of the initial (and any renewal) term of this Agreement;

5. Franchisee, at Franchisor's option, executes the Franchise Agreement then being used by Franchisor, provided, however, that Franchisee will be required to pay the Renewal Fee in lieu of the Initial Franchise Fee stated in such Franchise Agreement, and that such Franchise Agreement may not contain any further rights of renewal, but may contain royalty rates and advertising contributions (which may be different than those contained in this Agreement), and an altered Exclusive Territory; and

6. Franchisee is able to secure a renewal or extension of the lease for the Franchised Location or is able to secure a new location within the Development Area which has been accepted by Franchisor, such acceptance not to be unreasonably withheld.

3. OWNERSHIP AND USE OF MARKS

A. Ownership. Franchisor is the exclusive owner of all right, title and interest in and to the Marks and Business System, and all past, present or future goodwill of Franchisee's Plato's Closet® Store and of the business conducted at the Franchised Location that is associated with or attributable to the Marks. Franchisee's use of the Marks and the Business System will inure to the benefit of Franchisor. Franchisee disclaims all right, title and interest in or to such goodwill and the Marks and the Business System, and acknowledges and agrees that such goodwill and the Marks and the Business System are the exclusive property of Franchisor. Any and all improvements, ideas and additions by Franchisee relating to the Marks or Business System, any new trademarks, service marks, logos or commercial symbols relating to the Franchised Location, and any suggestions, comments or other feedback relating to the Business Systems (collectively, "Improvements") will become the sole property of Franchisor, without liability or compensation to Franchisee, and Franchisor shall have the exclusive right to register and protect all Improvements in its name. Franchisee will execute any document required by Franchisor to transfer or assign any Improvements to Franchisor.

B. Use. Franchisee's right to use and identify with the Marks and Business System applies only to the operation of the Store at the Franchised Location and exists concurrently with the term of this Agreement and only so long as Franchisee is in complete compliance with Franchisor's quality and operating standards. Franchisee will have the right to use the Marks and Business System only in the manner Franchisor directs and approves in writing. Franchisee will not have or acquire any rights in any of the Marks or Business System other than the right of use as governed by this Agreement. If, in the judgment of Franchisor, Franchisee's acts infringe upon or harm the goodwill, standards of uniformity or quality, or business standing associated with the Marks and Business System, Franchisee will immediately, upon written notice from Franchisor, modify or discontinue its use of the Marks and Business System in the manner Franchisor directs in writing. Franchisee will not during or after the term of this Agreement do anything directly or indirectly which would infringe upon, harm, mislead or contest Franchisor's rights in the Marks or Business System, or the goodwill associated with the Marks or the Business System. Franchisee cannot advertise any liquidation or going-out-of-business sales or similar types of activity.

C. Promotion. Franchisee will operate the Store so that it is clearly identified and advertised as a Plato's Closet® Store. The style, form and use of the words "Plato's Closet" in any advertising, written materials or supplies must, however, have Franchisor's prior written approval, which approval will not be unreasonably withheld. Franchisee will use the name "Plato's Closet" and the other Marks which now or hereafter may form a part of the Business System, on all paper supplies, business cards, letterhead, envelopes, uniforms, advertising materials, signs or other articles in the identical combination and manner as Franchisor may require in writing. Franchisee will comply with all trademark, trade name, service mark and copyright notice marking requirements.

D. Identity. Franchisee will not use the words "Plato's Closet" in its corporate or partnership name. Franchisee will clearly indicate on its business checks, purchase orders, business cards, receipts, promotional materials and other written materials that Franchisee is the owner of the Store and that Franchisee is a Plato's Closet® franchisee. Franchisee will display a sign which is clearly visible to the general public indicating that the Store is independently owned and operated.

E. Substitutions. If at any time Franchisor determines it advisable or necessary, Franchisee will, upon receiving written notice from the Franchisor, immediately, at is expense, make such changes and amendments or discontinuation of or to any or all of the Marks as Franchisor may require. Franchisee will not make any changes, amendments or discontinuations of or to the use of any of the Marks and Business System unless directed by Franchisor in writing.

F. Litigation. Franchisee will not, without Franchisor's prior written consent, defend or enforce any of the Marks in any court or other proceedings for or against imitation, infringement, any claim of prior use, or for any other allegation. Franchisee will, however, immediately notify Franchisor of any claims or complaints made against Franchisee respecting the Marks and will, at its expense, cooperate in all respects with Franchisor in any court or other proceedings involving the Marks. Franchisor will pay the cost and expense of all litigation Franchisor incurs, including attorneys' fees, specifically relating to the Marks. Franchisor and its legal counsel will have the right to control and conduct any litigation relating to the Marks.

G. Crisis Communication. Franchisor will have the sole and absolute discretion to determine what steps will be taken in instances of a crisis that impacts the Plato's Closet® brand and may cause harm or injury to the Plato's Closet® Marks, Business System, reputation or image.

H. Affixing Notice. Franchisee hereby covenants and agrees that it will affix in a conspicuous location in or upon the Franchised Location, a sign containing a form of notice substantially in the following form, or such other form as Franchisor may require:

> "We are pleased to inform you that this is an independent locally owned and operated franchise business."

4. INITIAL FRANCHISE FEE

Franchisee will pay Franchisor a non-refundable Initial Franchise Fee of Twenty-Five Thousand Dollars ($25,000), which will be fully earned and payable on the date of this Agreement. The Initial Fee payable by Franchisee is payment to Franchisor for the costs that it will incur to get Franchisee into business including costs Franchisor incurs for training, site evaluation, business overhead costs, travel costs, and for the other initial services Franchisor provides hereunder.

5. CONTINUING FEE

A. Continuing Fee. Franchisee will, for the term of this Agreement, pay to Franchisor a Continuing Fee equal to five percent (5%) of Franchisee's Gross Sales (as defined below). Franchisee's obligation to pay Franchisor the Continuing Fee under the terms of this Agreement will remain in full force and effect until this Agreement has expired or is terminated or transferred under the provisions herein.

B. Payment. Franchisee will sign electronic transfer of funds authorizations, and/or other documents or instruments as Franchisor designates or Franchisor's bank requires for Franchisor to draw on Franchisee's account, so that Franchisor may electronically collect (draft on Franchisee's account by electronic withdrawal) the Continuing Fees due from Franchisee under Section 5(A) of this Agreement or other fees due from Franchisee to Franchisor. Franchisee will report to Franchisor (in a form and by a method designated by Franchisor) on or before Wednesday of each week its Gross Sales for the previous week. A week is defined as Sunday through Saturday. For the purpose of clarification, the form and method of reporting the Gross Sales (and other) information may include Franchisor's weekly electronic retrieval of this information directly from Franchisee's POS System. If Franchisee does not report its Gross Sales on a timely basis using the form and method designated by Franchisor, Franchisor may estimate Franchisee's Gross Sales and prepare an estimate of Continuing Fees owed for that week. On Thursday of each week, Franchisor will electronically collect from Franchisee all Continuing Fees due for the previous week as described above. Franchisee shall thereafter maintain a balance in its account sufficient to allow Franchisor to collect the amounts owed to Franchisor when due. Franchisee agrees that Franchisor has the right to require Franchisee to pay by electronic transfer of funds regardless of whether Franchisor imposes the same requirement on other franchisees. Any unpaid Continuing Fee or other amounts past due and owing to Franchisor will bear interest at the rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less. Franchisee will pay Franchisor for any and all costs Franchisor incurs in collecting any unpaid and past due Continuing Fees, including reasonable attorneys' fees.

C. Gross Sales. The term "Gross Sales" means the total amount of all revenues Franchisee receives from the sale of goods and services, whether for cash or by check, credit card or trade, in connection with the Store, less customer refunds and returns. Gross Sales will include any sales permitted through the Internet and wholesale transactions involving any party other than a Plato's Closet® franchisee who is in good standing with Franchisor. Gross Sales will not include sales tax collected from customers and actually paid to appropriate tax authorities.

6. ADVERTISING AND MARKETING

A. Cooperative Advertising. Franchisee will participate in, support and contribute a proportionate share, but no more than an amount equal to six percent (6%) of the Gross Sales for the Store (reduced by the percentage of Gross Sales the Store paid as an Advertising Fee to Franchisor under Section 6(D) below), of the cost of cooperative advertising programs either designated by Franchisor or approved by a majority of the advertising cooperative membership (provided a majority includes at least two (2) unaffiliated franchisees); provided however, Franchisees required contribution will not be less than 0.5% of Gross Sales, regardless of any vote or bylaw of the cooperative. Franchisor reserves the right to designate advertising cooperative markets, to establish advertising cooperatives and to establish the bylaws, policies and other rules under which such cooperatives will operate. If an advertising cooperative is formed and Franchisee does not participate, Franchisee is still obligated to pay the advertising cooperative fees required of members and to abide with the cooperative's bylaws, policies and other rules.

B. Local Marketing Expenditures. To the extent Franchisee's annual contributions to cooperative advertising programs described in Section 6(A) above and Advertising Fees described in Section 6(D) below are less than the minimum contribution of six percent (6%) of the Gross Sales for the Store, or if the Franchisee cannot participate in any regional cooperative advertising program because such a program has not been established in Franchisee's geographic area, Franchisee will then be obligated to conduct advertising and marketing activities in Franchisee's local geographic area; provided that Franchisee's local marketing activities will not reduce, eliminate or otherwise impact Franchisee's obligations under Section 6(A) above and Section 6(D) below. Franchisee's local marketing expenditures will include advertising, merchandising, sales promotion and other forms of marketing at the local level. On or before January 31 of each year, Franchisee will provide Franchisor with an accounting of the monies that it has spent for approved regional cooperative advertising and local marketing for the preceding calendar year (January through December). If Franchisee has failed to spend at least six percent (6%) of its Gross Sales for a calendar year on Advertising Fees (as described in Section 6(D) below), approved regional cooperative advertising (as described in Section 6(A) above) and local marketing (as described in this Section 6(B) above), as applicable, Franchisee may be required to deposit with Franchisor the difference between what it should have spent for advertising and marketing during the calendar year and what it actually spent for advertising and marketing during the calendar year. Franchisor will deposit any advertising fees that should have been paid by Franchisee for the year into the Ad Fund and spend it for any type of advertising or marketing that Franchisor deems appropriate for Franchisee's business, although Franchisor will use reasonable efforts to spend such remaining amount in Franchisee's local geographic area.

C. Marketing Fee. In addition to Franchisee's local advertising obligations described in Section 6(B) above, Franchisee will pay to Franchisor an annual Marketing Fee of One Thousand Five Hundred Dollars ($1,500) which will be payable on the first day of January of each year. Franchisee's initial payment will be prorated based on the effective date of the Franchise Agreement and invoiced immediately. Franchisor may, with a minimum of sixty (60) days' prior written notice, increase the yearly Marketing Fee. Said fee will not increase more than $1,000 during the term of this Agreement. Franchisor will use the Marketing Fee to conduct advertising research and public relations campaigns, develop websites and other online media programs, develop marketing materials such as television, radio, Internet, social and print advertising production and promotional materials for use in each franchisee's local market, and implement advertising and marketing campaigns.

D. North American Ad Fund. Franchisee acknowledges and agrees that as the Plato's Closet® franchise system continues to expand and mature, it will be necessary to revise Franchisee's advertising obligations. Franchisee further acknowledges that Franchisor has implemented a North American Ad Fund ("Ad Fund") for all Plato's Closet® franchisees in the United States and Canada. As a result, effective July 1, 2026, Franchisee will pay Franchisor an "Advertising Fee" equal to two percent (2%) of Franchisee's Gross Sales. Franchisee must spend a minimum of six percent (6%) of Gross Sales on advertising and marketing as follows: (i) the Advertising Fee in the percentage of Gross Sales designated by Franchisor under this Section 6(D); and (ii) the remaining four percent (4%) of Gross Sales on approved regional cooperative advertising and local marketing (as described in Sections 6(A) and 6(B) above). Franchisee may spend more than six percent (6%) of Gross Sales on advertising and marketing. The Advertising Fee will be calculated weekly based on the sales reports submitted for the Store, as described in Section 5(B) above. Franchisor may, with a minimum of sixty (60) days' prior written notice, adjust the frequency and/or amount of the Advertising Fee (up to three percent (3%) of Franchisee's Gross Sales), and/or modify the frequency and/or minimum amounts Franchisee must spend on approved regional cooperative advertising and local marketing under Sections 6(A) and 6(B) above. All Advertising Fees will be placed in the Ad Fund administered and managed by Franchisor. Franchisee acknowledges and agrees that the Ad Fund is not a trust or escrow account, Franchisor has no fiduciary obligation to Franchisee or any other Plato's Closet franchisee with respect to the Ad Fund, and Franchisor is not required to segregate the Advertising Fees and other funds it receives into a separate restricted account. Reasonable disbursements from the Ad Fund may be made solely for the payment of expenses incurred in connection with the general promotion of the Marks and the Business System, including the cost of formulating, developing and implementing advertising and promotional campaigns; and the reasonable costs of administering the Ad Fund, including accounting and other professional expenses and the actual costs of salaries and fringe benefits paid to Franchisor's employees or contractors engaged in administration of the Ad Fund. Although Franchisor will strive to manage the Ad Fund in such a manner that benefits franchisees uniformly, taking into account regional and/or local advertising costs and forms of media available, Franchisor cannot insure that any individual franchisee will benefit directly or on a pro-rata basis from the future placement of any such advertising in its local market. Without limiting the generality of the foregoing, Franchisor is under no obligation to administer or distribute the Ad Fund according to any particular geographic area or territory, whether in Canada, the United States, or otherwise, and furthermore is under no obligation to do so within the Exclusive Territory. Franchisor shall determine the methods of advertising, media employed and contents, terms and conditions of advertising campaigns and promotional programs. Franchisor will provide Franchisee an annual unaudited statement of the receipts and disbursements of the Ad Fund. Franchisor may spend, on behalf of the Ad Fund, in any fiscal year, an amount that is greater or less than the aggregate contribution of all Plato's Closet® stores to the Ad Fund in that year. Any Ad Fund contributions Franchisor collects but does not spend in any fiscal year will be carried forward to the next fiscal year. If Franchisor incurs Ad Fund expenses in excess of Ad Fund contributions it collects during any fiscal year, Franchisor will carry those expenses forward and pay them using Ad Fund contributions it collects during the next fiscal year. Franchisor or its affiliates may make loans to the Ad Fund bearing interest to cover any deficits of the Ad Fund and cause the Ad Fund to invest any surplus for future use by the Ad Fund. If Franchisor or its affiliates make a loan to the Ad Fund, Franchisor may use any subsequent contributions to the Ad Fund to pay back the loan and any interest. Franchisor may, with a minimum of sixty (60) days' prior written notice, modify or discontinue the Ad Fund, however, Franchisor will not discontinue the Ad Fund for any reason until all the monies in the Ad Fund have been expended.

E. Approved Advertising and Marketing Materials. Franchisee will use only approved advertising and marketing materials. If Franchisee desires to use any unapproved advertising or promotional materials bearing the name "Plato's Closet" or other Marks, Franchisee must obtain written approval from Franchisor before using any such materials.

F. Promotion. Franchisee will use its best efforts to promote and advertise its Plato's Closet® business and will participate in all advertising and promotional programs Franchisor establishes. Franchisee will participate, at its own expense, in the Plato's Closet® national (electronic) gift card program and approved e-mail marketing, SMS and loyalty programs. Franchisee will have the right to advertise and sell its products at whatever prices Franchisee determines.

G. Media Placement. Franchisee will use the approved vendors designated by Franchisor for broadcast media placement, online and social advertising for its pre-opening and first year marketing activities.

7. FRANCHISOR'S OBLIGATIONS

A. Location. Franchisor will provide Franchisee with assistance respecting site location and evaluation for the Store to ensure consistency with the Business System standards. Franchisee acknowledges that any assistance (including site selection and project oversight) provided by Franchisor or its nominee in relation to the selection or development of the Store is only for the purpose of determining compliance with the Business System standards and does not constitute a representation, warranty, or guarantee, express, implied or collateral, regarding the choice and location of the Store, that the development of the Store is free of error, nor that the franchised business is likely to achieve any level of volume, profit or success.

B. Lay-Out and Design. Franchisee shall construct and equip the Store in accordance with the timetable or schedule specified by, and in conformity with the standard layout plans, specifications and motif provided by Franchisor. Following receipt of such materials from Franchisor, the responsibility and cost of customizing specific plans, specifications and drawings to the Store (upon prior approval of Franchisor) and all costs and expenses pertaining to the construction and equipping of the Store shall be borne exclusively by Franchisee. Franchisor shall have the right to inspect the construction and development of the Store at all reasonable times to ensure conformity with applicable standards.

C. Equipment, Supplies and Inventory. Franchisee agrees to use in the operation of the franchised business only those service providers (including accounting service providers), manufacturers, brands or types of fixtures, equipment (including computer, cash register system), and signs that Franchisor will designate and approve. Franchisee may purchase approved brands or types of fixtures, equipment and signs only from suppliers approved by Franchisor, which may include Franchisor or its affiliates. Franchisee further agrees to place or display at the Store (interior and exterior) only such signs, emblems, lettering, logos and display materials that are from time to time approved in writing by Franchisor, which approval may be given or withheld by Franchisor.

D. Training. Franchisor will, at its expense, provide a two-part training program in Minneapolis, Minnesota, online, or at such other location Franchisor designates to educate, familiarize and acquaint Franchisee with the business of operating a Plato's Closet® Store. The first session of the training program will include instruction on general business issues related to the ownership of a privately-owned retail business, such as, by way of example only, real estate matters, business plan development, inventory management, point-of-sales systems, used product purchasing, Franchisor's preferred vendor program, and other topics Franchisor may select. The period of this session will be at Franchisor's discretion but generally will be for not less than four (4) days and will be scheduled by Franchisor. The second session of the training program may include instruction on sales and marketing, inventory purchasing, computer operation, store management and other topics Franchisor may select. The period of this session will be at Franchisor's discretion but generally will be for at least five (5) days and will be scheduled by Franchisor. Franchisee (or such other trainees required by Franchisor) must successfully complete both sessions of the training program. If Franchisee (or such other trainees required by Franchisor) fails to successfully complete both sessions, he/she will not be permitted or authorized to manage Franchisee's business and Franchisor may terminate this Agreement pursuant to Section 15. Franchisee will be responsible for travel costs, room and board, the salaries, fringe benefits and other expenses Franchisee and its employees and designated trainees incur in attending both sessions of the training program.

E. Opening Assistance. Franchisor will assist in scheduling the opening of the Store. Franchisee will not open or commence business operations until Franchisee has received written approval from Franchisor. Franchisor's approval may be withheld if Franchisee fails to meet minimum inventory requirements, training and/or marketing requirements or brand standards established by Franchisor. Franchisor will, at no charge, provide pre-opening assistance prior to Franchisee's Store opening. Franchisor will also provide assistance with the store opening around the time of grand opening.

F. Operations Manual. Franchisor will provide Franchisee with an electronic copy of the Operations Manual and one or more other confidential manuals (collectively, the "Manuals") wherein Franchisor will describe its operational policies, standards, requirements and practices as such things are modified and amended by Franchisor from time to time. The Manuals may also include computer software, information available on an Internet/Extranet site and other electronic media that Franchisor may change from time to time. Franchisee will comply with all provisions of the Manuals. Franchisor reserves the right to revise the Manuals at any time.

G. Additional Initial Assistance. Franchisor will assist Franchisee in the development of a business plan. Franchisor and Franchisee may also agree that Franchisor provide management assistance and other services, in addition to the usual initial assistance and supervision Franchisor provides to all franchisees, for additional agreed upon compensation.

H. Ongoing Assistance. During the operation of Franchisee's business, Franchisor will: (1) inspect the Store as often as Franchisor deems necessary and provide written reports to Franchisee on operations; (2) provide, upon the written request of Franchisee, advisory services pertaining to operation of Franchisee's business; (3) periodically make available to Franchisee all changes, improvements and additions to the Business System to the same extent as made available to other franchisees; (4) provide Franchisee with all supplements and modifications to the Manuals; and (5) develop advertising and marketing materials. Any evaluation or inspection Franchisor conducts is not intended to exercise, and does not constitute, control over Franchisee's day-to-day operation of the Business or to assume any responsibility for Franchisee's obligations under this Agreement.

8. OPERATION OF THE FRANCHISEE'S BUSINESS

The Marks and Business System licensed to Franchisee represent valuable goodwill distinctive of Franchisor's business and reputation. Franchisor will periodically develop uniform standards of quality and service regarding the business operations of the Store so as to protect (for the benefit of all franchisees and Franchisor) the distinction, valuable goodwill and uniformity represented and symbolized by the Marks and Business System. To ensure that all franchisees will maintain the uniform requirements and quality standards for goods and services associated with the Plato's Closet® Stores and with the Marks and Business System, Franchisee will maintain the uniformity and quality standards Franchisor reasonably requires for all products and services and agrees to the following provisions:

A. Managerial Responsibility. During the term of this Agreement, the parties who have signed this Agreement on behalf of Franchisee will personally manage and operate Franchisee's business and will not, without Franchisor's prior written consent, delegate its authority and responsibility with respect to management and operation. If Franchisee is a corporate entity or a partnership, one individual will retain at least fifty percent (50%) of the equity and voting interest in such corporation or partnership and will be obligated to personally manage and operate the Franchisee's business.

B. Design and Appearance of Premises. The design and appearance of the exterior and interior of the Store, including signage, are part of the Business System. It is essential to the integrity of Franchisor's Business System that as great a degree of uniformity as possible be maintained among the various premises of Plato's Closet® franchisees. Without limitation to anything provided for in this Agreement, Franchisee agrees that: (1) no alteration or addition will be made to the premises without Franchisor's prior written consent; (2) the painting and decor will be maintained in such manner and form as Franchisor may require; (3) Franchisee will follow Franchisor's instructions with respect to layout and character of interior fixtures and furnishings; and (4) only such signs, emblems, logos, lettering, and artwork as Franchisor may require or periodically provide will be displayed on the Store premises. Franchisee must follow Franchisor's current standards regarding the design and appearance of the premises.

C. General Operation. Franchisee will use the Marks and Business System in strict compliance with the standards, operating procedures, specifications, requirements and instructions required of all Plato's Closet® franchisees, which Franchisor may periodically amend and supplement. Any required standards exist to protect Franchisor's interests in the Business System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The required standards generally will be set forth in the Operations Manual or other written materials. The Operations Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative, provided Franchisee meets and complies with the required standards. In other instances, no suitable alternative may exist. In order to protect Franchisor's interests in the Business System and Marks, Franchisor reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

D. Products and Services. Franchisee will sell only those categories of products and services Franchisor approves in writing and will offer for sale all categories of products and services required by Franchisor from time to time. Franchisee will conform to all quality and customer service standards Franchisor requires in writing. Franchisee will purchase only such types, models or brands of fixtures, furniture, equipment, signs and supplies that Franchisor approves for Plato's Closet® as meeting its specifications and standards, including specifications and standards for quality, design, warranties, appearance, function and performance. Franchisee acknowledges and agrees that such items shall be purchased only from sources, manufacturers or suppliers approved in writing by Franchisor (which sources or suppliers may include Franchisor or affiliates of Franchisor). FRANCHISOR DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE IN CONNECTION WITH FRANCHISOR'S (AND/OR AN AFFILIATE'S) SALE OF ANY GOODS, EQUIPMENT, FURNITURE, SIGNS OR SUPPLIES TO FRANCHISEE. Franchisee agrees that neither Franchisee nor any entity Franchisee or its owners have a direct or indirect ownership in may act as, or be engaged as, a vendor, supplier, or service provider to the Store or any other Plato's Closet® Store, or to the Plato's Closet® system. Franchisee agrees to execute any and all documents Franchisor reasonably requests, including letters of credit, security agreements, and financing statements, to provide collateral for amounts due to Franchisor for purchases of inventory and other items used in Franchisee's business. Franchisor's approval is not required with respect to quality used teen and young adult clothing and related accessories Franchisee purchases from its customers, provided, however, that Franchisee may not sell or offer for sale any goods which would be determined unsafe upon reasonable inspection. Furthermore, Franchisee may not sell or offer for sale any new apparel. Franchisee may, however, offer for sale new accessories from Franchisor approved suppliers only.

E. Maintenance of Premises; Modernization. Franchisee will, at its expense, repair, paint and keep in an attractive, clean and sanitary condition the interior and exterior of the Store premises. Franchisee will ensure that all equipment will be kept in good working order and will meet Franchisor's quality standards. Franchisee will periodically make capital expenditures to remodel, modernize and redecorate the Store and to replace and modernize the furniture, fixtures, signs, supplies and equipment used in the Store so that the Store will reflect the then-current physical appearance of new Plato's Closet® Stores. All remodeling, modernization or redecoration of the Store must be done pursuant to Franchisor's then-current standards and specifications and only with Franchisor's prior written approval. Franchisee agrees to commence remodeling activities within ninety (90) days after written notice from Franchisor, although Franchisee will not be required to remodel, modernize and redecorate the Store more than once every five (5) years during the term of this Agreement.

F. Compliance with Laws. Franchisee will, at its expense, comply with all applicable local, state, federal and municipal laws, ordinances, rules and regulations pertaining to the operation of the Store, including any and all licensing and bonding requirements, as well as Americans with Disabilities Act ("ADA"), the Gramm-Leach-Bliley Act, the Fair Credit Reporting Act ("FCRA"), the Telephone Consumer Protection Act ("TCPA"), the Fair and Accurate Credit Transactions Act ("FACTA"), and the National Automated Clearinghouse Association ("NACHA") and associated regulations (collectively "Privacy Laws"). No music, videos or television may be played in the Store unless the appropriate licenses are obtained. As stated in Section 8(I), below, participation in the Plato's Closet® approved licensed music program is mandatory. Franchisee must comply with any applicable secondhand dealer laws or ordinances. In addition, to become knowledgeable regarding new or pending laws and other issues that may affect the operation of its business, Franchisee must join and maintain a membership in the state retailer's association where the Store is located.

If the California Consumer Privacy Act ("CCPA"), Cal. Civ. Code § 1798.100, *et seq.*, or any federal or state privacy law applies to the Franchised Business, whenever and to the extent Franchisee operates as a "Service Provider" under the CCPA or in a similar capacity under any federal or state privacy law, Franchisee represents, warrants, and covenants that:

1. Franchisee will not sell, make available or otherwise disclose any Customer Information to any third party for valuable consideration;

2. Franchisee will retain, use, or disclose Customer Information only for the specific purpose of performing the services specified in this Agreement, and not any commercial or noncommercial purpose other than providing the services specified in this Agreement;

3. Franchisee will not retain, use, or disclose Customer Information outside of the direct business relationship between Franchisee and Franchisor;

4. Franchisee will delete any Customer Information upon Franchisor's request unless Franchisee can prove that such request is subject to an exception under applicable law; and

Franchisee certifies that it understands the restrictions in Paragraphs 1-4 of this section and will comply with them. Franchisee also acknowledges and agrees that Franchisor may modify the restrictions by written notice to Franchisee, including adding other similar privacy restrictions that may be required under other state or federal privacy laws.

G. Payment of Liabilities. Franchisee will timely pay all of its obligations and liabilities due and payable to Franchisor, suppliers, lessors and creditors.

H. Taxes. Franchisee will promptly pay all federal, state and local taxes arising out of the operation of Franchisee's business. Franchisor will not be liable for these or any other taxes and Franchisee will indemnify Franchisor for any such taxes that may be assessed or levied against Franchisor which arise or result from Franchisee's business.

I. Standardization. Franchisee will require its employees to wear such uniforms as Franchisor may designate and will comply with such programs of standardization as Franchisor may periodically develop to promote the common business image and to protect the goodwill associated with the Marks and Business System. Franchisee will participate in the Plato's Closet® approved licensed music program.

J. Personnel. Franchisee will, at all times when open for business, have a person designated as a management person on duty who will be responsible for the business operations of Franchisee's business. Franchisee will employ and maintain a sufficient number of adequately trained and competent employees to provide efficient service to Franchisee's customers. Franchisee's employees will not be deemed to be Franchisor's employees for any purpose whatsoever, and nothing in any aspect of the Business System or the Marks in any way shifts any employee or employment related responsibility from Franchisee to Franchisor. Franchisee alone is responsible for hiring, firing, training, setting hours for and supervising all employees.

K. Hours of Operation. Franchisee's Store will be open for business seven (7) days a week. Franchisee's minimum hours of operation shall be M-Sat. 10:00 a.m. to 9:00 p.m. and Sun. 11:00 a.m. to 6:00 p.m. Franchisee may choose to be open additional hours. Franchisee will purchase items from its customers during all hours that it is open for business. The minimum hours of operation may be periodically amended by Franchisor and/or updated in the Operations Manual.

L. Additional Training Seminars. Franchisor may periodically conduct refresher courses, seminars and other programs for all Plato's Closet® franchisees. Franchisee and/or its employees will be required to attend any such programs and will be responsible for any expenses incurred by them in attending such programs including the cost of transportation, lodging, meals and any wages.

M. Photographs. Franchisor will have the right to photograph the Store premises and, with prior written consent, Store employees at all reasonable times.

N. Operations Manual. To protect Franchisor's reputation and goodwill and to maintain uniform operating standards under the Marks and Business System, Franchisee will conduct its business according to Franchisor's Operations Manual and other confidential Manuals provided by Franchisor. Franchisee will receive an electronic or hard copy of each Manual. Franchisee will treat each Manual as confidential, and will use all reasonable efforts to maintain the Operations Manual as secret and confidential. The Manuals will remain Franchisor's sole property. Franchisor may periodically revise the contents of the Manuals. Franchisee agrees to comply with each new or changed standard. Franchisee will insure that its copy of each Manual is kept current. In the event of any dispute as to the contents of any Manual, the terms of the master copy of such Franchisor maintains will control. At Franchisor's option, Franchisor may post some or all of the Operations Manual and other confidential Manuals and materials on the Extranet to which Franchisee will have access. Any passwords or other digital identifications necessary to access the Operation Manual on the Extranet will be deemed secret and confidential. It is Franchisee's obligation to monitor and access the Extranet for any updates to the Operating Manual or system standards.

O. Lease. Franchisee's lease or sublease for the Store premises must be reviewed by Franchisor before its execution. Franchisee must provide Franchisor with an executed copy of any lease for the Store. Franchisor makes no guarantees concerning the success of the Store located on any site consented to by Franchisor. Franchisor recommends that Franchisee employ an independent real estate broker to assist Franchisee in locating a suitable site and negotiating a lease for such site. Franchisee's lease must contain provisions requiring that: (i) so long as this Agreement remains in effect, the premises will be used only for a Plato's Closet® business; (ii) the landlord will provide Franchisor written notice of any Franchisee default and/or right to cure; and (iii) upon termination of this Agreement or the Lease, Franchisee must remove, at its sole expense, all signs and materials bearing the name "Plato's Closet" and other Marks.

P. Point-of-Sale System. Franchisee will utilize in the Store the point-of-sale system (the "POS System") which Franchisor has developed and/or selected for the Business System, including all future updates, supplements and modifications. The POS System developed for use in Franchisee's business will include a proprietary software program owned by Franchisor (the "Proprietary Software"). Franchisee must license the Proprietary Software from Franchisor, which software will remain the confidential property of Franchisor. Franchisee and Franchisor will enter into Franchisor's standard form of Software License Agreement attached hereto as Exhibit B ("the Software License Agreement") in connection with Franchisee's use of such software. Franchisor reserves the right to assign its rights, title and interest in the Proprietary Software or the Software License Agreement to a third party designated by Franchisor. In such event, Franchisee may be required to enter into a separate software license agreement specified by the third-party supplier of the Proprietary Software. Franchisor also may access information and data produced by Franchisee's POS System. As further described in Section 5(B), Franchisor has the right to use the information obtained from Franchisee's POS System to determine the weekly amounts owed for Continuing Fees or other fees that are calculated using Gross Sales. The computer hardware component of the POS System must conform with specifications Franchisor develops and must be configured as a package unit as Franchisor designates. The POS System includes one dedicated business server with a minimum of three desktop computers. The computer hardware component of the POS System must be purchased and configured through Franchisor. Franchisee will be required to utilize and, at Franchisor's discretion, pay for all future updates, supplements and modifications to the POS System. Franchisee may be required to update its POS System every five (5) years or less, depending on updates in technology and Franchisor's current standards. Franchisee will also be required to pay the Software Fee described in Section 1.E.6 of the Software License Agreement for ongoing maintenance and repairs, upgrades, support and other services related to the POS System. It is Franchisee's responsibility to make sure that Franchisee is in compliance with all laws that are applicable to the POS System or other technology used in the operation of Franchisee's Business, including all data protection or security laws as well as PCI compliance.

Q. Technology Fee. Franchisor reserves the right to charge a periodic technology fee for technology-related services provided by Franchisor including, without limitation, services related to Franchisor's extranet platform, current and future training platforms, and current and future social and digital media management platforms. Franchisor will provide Franchisee with a minimum of sixty (60) days' prior written notice before establishing such fee. If a technology fee is established, Franchisor may, with a minimum of sixty (60) days' prior written notice, subsequently change the frequency and/or the amount of the technology fee. Further, if a technology fee is established, it will be subject to an annual increase of ten percent (10%). Adjustments will be compounded annually and cumulative, which may result in increases in any given year of greater than ten percent (10%) to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented.

R. Participation in Internet Website. Franchisee must have high speed Internet access from the Store and an e-mail address. Franchisor will include Franchisee in the store location section of Franchisor's website www.platoscloset.com at no charge as part of Franchisee's marketing fund. Franchisor will establish the rules from time to time under which franchisees will establish their own website or separately use the Internet, and Franchisee shall be required to strictly abide by all such rules and follow the then current form of Internet Code of Conduct. Franchisee is required to have a Store website and will pay all expenses associated with the development and operation of the website for Franchisee's individual Store. Franchisor will, at its discretion, determine the content and use of the platoscloset.com website, and the core brand content and design of the franchisee store website templates. Franchisor will retain all rights relating to the platoscloset.com website and the individual stores' website template and domain name(s) (URL) and may alter or terminate the websites upon thirty (30) days' notice to Franchisee. Franchisee's general conduct on the Internet and specifically its use of the Marks on the Internet (including the domain name and any other Marks Franchisor may develop as a result of participation on the Internet) will be subject to the provisions of this Agreement and regulated by the Internet Code of Conduct or similar document. Franchisee acknowledges that certain information obtained through its participation in the Plato's Closet® Internet and Extranet websites may be considered Confidential Information (as defined in Section 9 below), including access codes and identification codes. Franchisee's right to maintain any website used in operating the Store, participate in the Plato's Closet® Internet or Extranet sites or otherwise use the Marks or Business System on the Internet will terminate when this Agreement expires or terminates. It is Franchisee's responsibility to ensure that its website and other web content complies with all applicable provisions of the current Web Content Accessibility Guidelines ("WCAG") and/or related laws.

S. Credit Card Processing. At all times, Franchisee must maintain credit-card relationships with the credit and debit card issuers or sponsors, check or credit verification services, financial-center services and electronic funds transfer systems that Franchisor designates, and Franchisee must not use any such services or providers that Franchisor has not approved in writing. Franchisor has the right to modify its requirements and designate additional approved or required methods of payments and vendors for processing such payments. Franchisee must comply with all Franchisor and vendor credit card policies. In addition, Franchisee must comply with the Payment Card Industry Data Security Standards ("PCI DSS") as they may be revised and modified by the Payment Card Industry Security Standards Council or its successor organization, FACTA and any other card payment standards Franchisor may specify.

9. CONFIDENTIAL INFORMATION

A. Non-Disclosure of Confidential Information. Franchisee and those individuals who have signed the Personal Guaranty attached hereto as Exhibit C agree to use and permit the use of Franchisor's Confidential Information (as defined below) solely in connection with the operation of the Store. Franchisee and Personal Guarantors further agree that they will never, during the initial term or any renewal term of this Agreement, or any time after this or any renewal Franchise Agreement expires or terminates, or Franchisee's rights under this Agreement or any renewal Franchise Agreement are assigned or terminated, divulge or use any of Franchisor's Confidential Information for the benefit of any third party (including any person, business entity or enterprise of any type or nature), nor will Franchisee or Personal Guarantors directly or indirectly aid such third party to imitate, duplicate or "reverse engineer" any of Franchisor's Confidential Information. "Confidential Information" means all information, knowledge, trade secrets or know-how utilized by the Business System or which otherwise concerns Franchisee's or Franchisor's systems of operation, programs, services, products, customers, practices, materials, books, records, manuals, computer files, databases or software. Confidential Information includes (without limitation): all elements of the Business System and all products, services, equipment, technologies, policies, standards, requirements, criteria and procedures that now or in the future are part of the Business System; Franchisor's Operations Manual (including supplements to the Manual); all specifications, sources of supply, all procedures, systems, techniques and activities employed by Franchisor or Franchisee in the offer and sale of products and or services at the Store; all pricing paradigms established by Franchisor or by Franchisee; all of Franchisor's and/or Franchisee's sources (or prospective sources) of supply and all information pertaining to same (including wholesale pricing structures, the contents of sourcing agreements and identity of suppliers); Franchisor's specifications, and Franchisee's final plans, for the construction, build-out, design, renovation, décor, equipment, signage, furniture, fixtures and trade dress elements of the Store; the identity of, and all information relating to, the computer and POS hardware and software utilized by Franchisor and Franchisee; all information pertaining to Franchisor's and Franchisee's advertising, marketing, promotion and merchandising campaigns, activities, materials, specifications and procedures; all customer lists, customer data and other records generated and/or otherwise maintained by the Store; Franchisor's Internet Code of Conduct, social media policy, internet/web protocols, procedures and content; Franchisor's training and other instruction programs and materials; all communications between Franchisor and Franchisee (including the financial and other reports Franchisee is required to submit to Franchisor under the Agreement); additions to, deletions from and modifications and variations of the components of the Business System and all other information, knowledge and know-how which Franchisor and its affiliates, now or in the future, designate as confidential.

Confidential Information will not, however, include information which Franchisee and Personal Guarantors can demonstrate came to their attention before Franchisor disclosed it to Franchisee (unless illegally or improperly procured by Franchisee or its Personal Guarantors before Franchisor's disclosure) or which, at or after the time of disclosure, has become a part of the public domain through publication or communication by others, but not through any act of Franchisee or Personal Guarantors.

Except as authorized in this Agreement, Franchisee and Personal Guarantors agree never to copy, duplicate, record or otherwise reproduce any of the Confidential Information, in whole or in part; otherwise share it with any other third party individual or entity; store it in a computer or other electronic format; or otherwise make it available to any third party by any other means whatsoever. For the avoidance of doubt, Franchisee and Personal Guarantors may not use Confidential Information for the purpose of machine learning, augmented human intelligence development, training any artificial intelligence ("AI") model, algorithm improvement, or similar data aggregation activities without the express written consent of Franchisor. Such uses shall not be deemed related to the performance of this Agreement and are expressly prohibited. Franchisee and Personal Guarantors shall not, without prior written consent by Franchisor, input any Confidential Information into any generative AI platform, or disclose such information to any provider or source of generative AI services. Franchisee and Personal Guarantors shall opt out of allowing any provider or source of generative AI to utilize Confidential Information for training of any AI model or for other purposes. Upon the expiration or termination of this Agreement, Franchisee and Personal Guarantors agree to return to Franchisor such Confidential Information as Franchisor requests (including customer lists and records; all training materials and other instructional content; financial and non-financial books and records; the Manual; and, computer databases, software and manuals) which are then in Franchisee's or Personal Guarantor's possession, or upon Franchisor's request, destroy all or certain Confidential Information and certify such destruction to Franchisor. It is specifically understood that all customer lists or information adduced by the Store is Franchisor's property, not the property of Franchisee or Personal Guarantors. Franchisor may use this information to market to Franchisee's customers during and after the term of the Franchise Agreement. Franchisee will execute any document required by Franchisor to ensure that Franchisor will have access to that information.

Franchisee and Personal Guarantors must only divulge such Confidential Information to Franchisee's operational personnel as is necessary for each to perform his/her functions and then only on a "need to know" basis. Franchisee and Personal Guarantors agree to take all necessary precautions to ensure that these individuals maintain the Confidential Information in confidence and comply with the confidentiality provisions of this Agreement. Franchisee's agreement to procure execution of a Confidentiality/Non-Competition Agreement from certain of Franchisee's owners, management and staff is set forth before in Section 9(B) of this Agreement.

B. Confidentiality/Non-Competition Agreements. All of Franchisee's employees who have managerial duties with respect to the Store and who have access to confidential information of Franchisor, as well as all corporate officers, directors and shareholders if Franchisee is a corporation (all partners if Franchisee is a partnership), must sign Confidentiality/Non-Competition Agreements in a form satisfactory to Franchisor, agreeing to maintain the confidentiality, during the course of their agreement and thereafter, of all information Franchisor copyrights or designates as confidential and proprietary. Copies of the executed agreements will be provided to Franchisor upon request.

Franchisee agrees to vigorously and vigilantly prosecute to the fullest extent permitted by law breaches of any Confidentiality/Non-Competition Agreement executed pursuant to this provision, and acknowledge Franchisor's right, to be exercised as Franchisor alone determines, to enforce the terms of any such executed Confidentiality/Non-competition Agreement. If the substantive provisions of the Confidentiality/Non-Competition Agreement have been breached by an individual employed, engaged or otherwise serving the Store who has not executed a Confidentiality/Non-Competition Agreement Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law.

10. INSURANCE; BONDING

A. Insurance. Franchisee will obtain and maintain in force (under policies of insurance issued by a carrier that is rated A- or better by AM Best) and pay the premiums for public liability insurance with products/completed operations coverage and premises liability of no less than $1,000,000 per occurrence and $2,000,000 in the aggregate, and other insurance in such types and amounts as Franchisor may reasonably require. Such insurance policies will expressly protect both Franchisee and Franchisor and will require the insurer to defend both Franchisee and Franchisor in any action. In addition, each such insurance policy must name Franchisor as an additional insured, and provide that such policy will not be canceled, amended or modified except upon thirty (30) days' prior written notice to Franchisor. On an annual basis and upon

Franchisor's request, Franchisee will furnish to Franchisor endorsements or other proof of insurance Franchisor requires evidencing that Franchisee has obtained and is maintaining in force all required insurance policies. Maintenance of the insurance requirement will not relieve Franchisee of the obligations of indemnification stated in Section 11 below. If Franchisee fails to obtain or maintain in force any insurance as required by this Section or to furnish any endorsements or other proof of insurance Franchisor requires hereunder, Franchisor may, in addition to all other available remedies, obtain such insurance or endorsements or proof of insurance, and Franchisee will promptly reimburse Franchisor for all insurance premiums and other costs incurred in obtaining such insurance or endorsements or other proof of insurance. Franchisor recommends that Franchisee obtain employment practices liability insurance with a minimum limit of $250,000 and a cyber liability/data breach policy with a minimum limit of $50,000.

B. Bonding. Franchisee will comply with any and all bonding requirements which may be applicable to its Plato's Closet® business.

11. INDEPENDENT CONTRACTORS; INDEMNIFICATION

Franchisor and Franchisee are independent contractors. Neither Franchisor nor Franchisee will make any agreements, representations or warranties in the name of or for the other or that their relationship is other than franchisor and franchisee. Neither Franchisor nor Franchisee will be obligated by or have any liability under any agreements, representations or warranties made by the other. Franchisee alone will be responsible for all loss or damage arising out of or relating to the operation of Franchisee's business or arising out of the acts or omissions of Franchisee or any of its agents, employees or contractors in connection with the preparation and sale of products by Franchisee, and for all claims for damage to property or for injury or death of any persons directly or indirectly resulting therefrom. Franchisee acknowledges that the customer list of all retail or commercial customers shall be the sole and exclusive property of Franchisor and that Franchisee shall have no ownership rights or interest in the customer list. Franchisee will indemnify Franchisor against and will reimburse Franchisor for all obligations and damages arising out of the operation of Franchisee's business, including all costs Franchisor reasonably incurs in the defense of any such claim brought against it or in any action in which it is named as a party (including reasonable attorneys' fees), including any claims brought against it related to Franchisee's violations of Privacy Laws. Franchisor will have the right to defend any such claim against it. Franchisor will indemnify Franchisee against and reimburse Franchisee for any obligations or liability for damages attributable to agreements, representations or warranties of Franchisor, or caused by Franchisor's negligence or willful action, and for costs Franchisee reasonably incurs in the defense of any such claim brought against it or in any action in which it is named as a party, provided that Franchisor will have the right to participate in and, to the extent Franchisor deems necessary, to control any litigation or proceeding which might result in liability of or expense to Franchisee subject to such indemnification. The indemnities and assumptions of liabilities and obligations stated in this Agreement will continue in full force and effect following the expiration, termination or a transfer of this Agreement.

Nothing in this Agreement may be construed to create a partnership, joint venture, agency, employment or fiduciary relationship of any kind. None of Franchisee's employees will be considered to be Franchisor's employees. Neither Franchisee nor any of Franchisee's employees whose compensation is paid by Franchisee may in any way, directly or indirectly, expressly or by implication, be construed to be an employee of Franchisor for any purpose, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any city, state or federal governmental agency. Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee will alone exercise day-to-day control over all operations, activities and elements of the Store. Franchisee is solely responsible for the safety and well-being of Franchisee's employees and the customers of the Store. Franchisee acknowledges and agrees that the various requirements, prohibitions, specifications and procedures of the Business System which Franchisee is required to comply with under this Agreement, whether set forth in the Manual or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the

Store, which Franchisee alone controls, but only constitute standards Franchisee must adhere to when exercising control of the day-to-day operations of the Store. Franchisee may not, without Franchisor's written approval, have any power to obligate Franchisor for any expense, liabilities or other obligations, other than specifically provided in this Agreement.

12. SALES REPORTS, FINANCIAL STATEMENTS AND AUDIT RIGHTS

A. Sales Reports. Franchisee will maintain an accurate written record of daily Gross Sales and will deliver to Franchisor a statement of the weekly Gross Sales of Franchisee's business using such forms and methods as Franchisor may require. The weekly statement of Gross Sales must be provided to Franchisor on or before Wednesday of each week for the preceding week. Franchisor reserves the right to modify or substitute the required forms and methods and impose additional recordkeeping procedures.

B. Financial Statements. Franchisee will maintain complete and accurate financial books and records for the franchised business in accordance with generally accepted accounting principles and Franchisor's standards. Franchisee will, at its expense, use one of the approved suppliers designated by Franchisor for accounting and bookkeeping services related to the operation of the franchised business. Franchisee also will, at its expense, provide Franchisor with quarterly and annual financial statements and such other financial reports as Franchisor specifies, prepared and delivered through such accounting systems or service provider(s), using the forms, chart of accounts, and reporting formats Franchisor requires. All financial information must be prepared and maintained in a manner that permits Franchisor to reasonably review and verify Franchisee's financial performance, Gross Sales, and compliance with this Agreement. Franchisee will comply with any reasonable procedures Franchisor establishes from time to time regarding the transmission, availability, and standardization of financial information. Franchisee will deliver the quarterly financial information to Franchisor by the thirtieth (30th) day of the month following the end of the preceding quarter and the annual financial statement must be provided on or before March 1 of each year for the preceding calendar year. Franchisee hereby authorizes Franchisor to collect the financial information described above in this Section 12(B) from Franchisee's approved accounting services supplier if Franchisee fails to provide this financial information in a timely manner under the terms of this Agreement.

C. Audit Rights. Franchisee will make all of its financial books and records (including the tax returns of Franchisee, its Personal Guarantors, and its shareholders) available to Franchisor or its designated representative at all reasonable times for review and audit by Franchisor or its designee. Franchisee will keep its financial books and records for each fiscal and calendar year in a secure place and will make them available for audit by Franchisor for at least five (5) years. If an audit conducted by Franchisor results in a determination that the Continuing Fees or other amounts paid to Franchisor are deficient (underpaid) by more than two percent (2%), Franchisee will pay Franchisor for the reasonable costs and expenses that it has incurred as a result of the audit. If pursuant to audits, the Continuing Fees have been deficient by more than two percent (2%) twice or more within any five (5) year period, this will be considered a material breach of this Agreement. In addition, Franchisee's failure to fully cooperate and timely complete the audit procedures is a material breach of the Franchise Agreement and Franchisee will pay all of Franchisor's costs and expenses Franchisor incurs resulting from Franchisee's lack of cooperation and untimeliness.

13. FRANCHISOR'S RIGHT OF FIRST REFUSAL TO PURCHASE

A. Restrictions. Franchisee will not sell, assign, trade, transfer, lease, sublease, or otherwise dispose of: (1) any interest in or any part of the Franchised Location or this Agreement, or (2) any controlling interest (whether through one or more related transactions) in Franchisee's business or the assets of Franchisee's business to any third party, without first offering the same to Franchisor in writing, at the same price and on the same terms as stated in the proposed third-party offer. Franchisee's written offer to Franchisor must contain all material provisions of the proposed sale or transfer. Upon Franchisor's receipt of written notice specifying the proposed price and terms of a proposed sale or transfer of Franchisee's business or interest therein, Franchisor will give Franchisee written notice within ten (10) business days thereafter if Franchisor has an interest in negotiating to purchase the business or interest being offered according to the proposed terms. If Franchisor commences negotiations to purchase Franchisee's business or interest therein as described herein, Franchisee may not sell the business or interest being offered to a third party for at least thirty (30) days or until Franchisor and Franchisee agree in writing that the negotiations have terminated, whichever comes first. If Franchisor waives its right to purchase, Franchisee may complete the sale or transfer of the business or interest therein according to the terms described in the written notice to Franchisor but not upon more favorable terms. Any such sale, transfer or assignment to a third party is subject to the provisions stated in Section 14 of this Agreement. Franchisor's nonacceptance of Franchisee's written offer will not affect or change Franchisee's obligations under this Agreement.

B. Corporate Franchisee. If Franchisee is a corporation, the shareholders cannot sell, assign, pledge or otherwise dispose of a controlling interest in the capital stock of Franchisee ("Capital Stock") (except to immediate family members of the controlling shareholder(s) or to a trust established for their benefit) until the Capital Stock has been first offered to Franchisor in writing under the same terms and conditions offered to any third party. A shareholder of Franchisee may, however, bequeath, sell, assign, trade or transfer his/her Capital Stock to the other shareholders of Franchisee corporation because of death or permanent disability without first offering it to Franchisor, provided Franchisee provides Franchisor with written notice of all such transactions. All shares of Capital Stock issued by Franchisee's corporation to its shareholders must bear the following legend on the reverse side of each issued and outstanding stock certificate:

> The shares of capital stock represented by this certificate are subject to a written Franchise Agreement which grants Winmark Corporation a right of first refusal to purchase these shares of capital stock from the shareholder.

Nothing in this Section will be construed as prohibiting the shares of Capital Stock of a corporate Franchisee from being pledged as security to an institutional lender who has provided financing to or for the Store; provided the institutional lender accepts such security interest subject to Franchisor's reasonable conditions.

14. ASSIGNMENT OF FRANCHISE AGREEMENT

A. By Franchisor. A sale, transfer or assignment by Franchisor of its interest in the Business System or the Marks or any parts thereof, and/or in the sale, transfer or assignment by Franchisor of this Agreement or any interest therein, may be completed without the consent of Franchisee. To the extent that the purchaser or transferee shall assume the covenants and obligations of Franchisor under this Agreement, Franchisor shall thereupon and without further agreement, be freed and relieved of all liability with respect to such covenants and obligations. Franchisee acknowledges that nothing in this Agreement shall prevent Franchisor from granting security over any of its assets, including the Marks and any other intellectual property, on terms required by any secured party from time to time, and Franchisee further acknowledges that any such secured party or any agents acting on behalf of such secured party shall not have any obligations to Franchisee by reasons only of such security interest.

B. Corporate Franchisee. This Agreement may be transferred or assigned by Franchisee to a corporation which is owned or controlled by Franchisee, provided Franchisee and all other shareholders of the assignee corporation owning at least ten percent (10%) of the Capital Stock thereof sign the Personal Guaranty attached hereto as Exhibit C and agree to be bound by the provisions of this Agreement. Franchisee will give Franchisor fifteen (15) days written notice before the proposed date of assignment or transfer of this Agreement to a corporation owned or controlled by Franchisee; however, the transfer or assignment of this Agreement will not be valid or effective until Franchisor has received the legal documents which its legal counsel deems necessary to properly document such transfer or assignment.

C. Conditions to Other Transfer or Assignment. Franchisee (and its partners and shareholders, if any) will not transfer (whether voluntary or involuntary), assign or otherwise dispose of, in one or more transactions, Franchisee's business, the Franchised Location, substantially all or all of the assets of Franchisee's business, this Agreement or any controlling interest in Franchisee (a "controlling" interest will include a proposed transfer of fifty percent (50%) or more of the Capital Stock of a corporate Franchisee) without Franchisor's prior written consent, except to trusts established for Franchisee's benefit. Franchisor will not unreasonably withhold its consent to a transfer, subject to any or all of the following conditions described below which Franchisor may deem necessary:

1. All of Franchisee's accrued monetary obligations to Franchisor and suppliers will have been satisfied, and Franchisee is not in default under this Agreement;

2. Franchisee executes a written agreement in a form satisfactory to Franchisor, in which Franchisee covenants to observe all applicable post-term obligations and covenants contained in this Agreement;

3. The transferee-franchisee enters into a written agreement in a form satisfactory to Franchisor assuming and agreeing to discharge all of Franchisee's obligations and covenants under this Agreement for the remainder of its term or, at Franchisor's option, executes Franchisor's then-current standard form of franchise agreement which may not contain any further rights of renewal, but may contain royalty rates and advertising contributions (which may be different than those contained in this Agreement), and an altered Exclusive Territory;

4. The transferee-franchisee is not a competitor of Franchisor or the Business system and is approved by Franchisor and demonstrates to Franchisor's satisfaction that he/she meets Franchisor's managerial, financial, and business standards for new franchisees, possesses a good business reputation and credit rating, and has the aptitude and ability to conduct the franchised business. Franchisee understands that Franchisor may communicate directly with the transferee-franchisee during the transfer process to respond to inquiries, as well as to ensure that the transferee-franchisee meets Franchisor's qualifications;

5. While Franchisor does not determine the purchase price, Franchisor has determined that the purchase price and payment terms will not adversely affect the transferee-franchisee's operation of the Store;

6. If Franchisee finances any part of the purchase price, Franchisee agrees that all of the transferee-franchisee's obligations under any promissory notes, agreements or security interests reserved in the Store are subordinate to the transferee-franchisee's obligations to pay Continuing Fees, Marketing Fees and any other amounts due to Franchisor under the Franchise Agreement;

7. The transferee-franchisee successfully completes Franchisor's training program; and

8. Franchisee pays Franchisor a transfer fee of Ten Thousand Dollars ($10,000) for the costs Franchisor incurs, including the costs of any required training. There will be no transfer fee payable for transfers to immediate family members (i.e.: spouse or children).

15. FRANCHISOR'S TERMINATION RIGHTS

A. Grounds. Franchisee will be in default, and Franchisor may, at its option, terminate this Agreement, as provided herein, if: (1) Franchisee fails to open and commence operations of the Store at such time as the premises are ready for occupancy or within twelve (12) months of the execution of this Agreement, whichever occurs first; (2) Franchisee violates any material provision or obligation of this Agreement; (3) Franchisee or any of its managers, directors, officers or majority shareholders are convicted of, or plead guilty to or no contest to (a) a charge of violating any law which adversely impacts upon the reputation of the franchised business or (b) any felony; (4) Franchisee fails to conform to the material requirements of the Business System or the material standards of uniformity and quality for the products and services Franchisor has established in connection with the Business System; (5) Franchisee fails to timely pay Continuing Fees, Marketing or Advertising Fees, buying group (inventory) obligations or any other obligations or liabilities due and owing to Franchisor or fails to timely pay any advertising cooperative obligations; (6) Franchisee is insolvent within the meaning of any applicable state or federal law; (7) Franchisee makes an assignment for the benefit of creditors or enters into any similar arrangement for the disposition of its assets for the benefit of creditors; (8) Franchisee (a) fails to operate the Store for seven (7) consecutive days without Franchisor's prior written consent unless due to an act of God, war, strikes or riots, (b) informs Franchisor of Franchisee's intent to permanently or indefinitely cease operating the Store, or (c) otherwise abandons the franchised business; (9) Franchisee is involved in any act or conduct which materially impairs the goodwill associated with the name "Plato's Closet" or any of the Marks or the Business System; (10) Franchisee's lease for the Store premises expires or is terminated for any reason (unless Franchisee receives Franchisor's written consent and relocates within the Development Area to a site approved by Franchisor within sixty (60) days thereafter and Franchisee signs a new lease in compliance with Section 8(O)); (11) Franchisee defaults in any other agreement with Franchisor, its subsidiaries or affiliates, and does not cure such default in accordance with the terms of such other agreement; (12) Franchisee receives frequent and/or severe complaints from customers and/or employees concerning the Store; (13) Franchisee fails to fully cooperate and timely complete any audit authorized by Franchisor; or (14) Franchisee violates the in-term covenant not to compete.

B. Procedure. Except as described below, Franchisee will have thirty (30) days, or such longer period as applicable law may require, after its receipt from Franchisor of a written Notice of Termination within which to remedy any default hereunder, and to provide evidence thereof to Franchisor. If Franchisee fails to correct the alleged default within that time (or such longer period of time as applicable law may require), this Agreement will terminate without further notice to Franchisee effective immediately when the thirty (30) day period (or such longer period as applicable law may require) expires. Franchisor may terminate this Agreement immediately upon delivery of written notice to Franchisee, with no opportunity to cure, if the termination results from any of the following: (1) Franchisee repeatedly fails to comply with one or more material requirements of this Agreement; (2) the nature of Franchisee's breach makes it not curable; (3) Franchisee willfully and repeatedly deceives customers relative to the source, nature or quality of goods sold; (4) any default under items (1), (3), (6), (8), (9), (11), (12), (13) or (14) in Section 15(A) above; or (5) Franchisee willfully and materially falsifies any report, statement, or other written data furnished to Franchisor either during the franchise application process or after Franchisee is awarded a franchise. For purposes of Section 15(B)(1) of the Franchise Agreement, the word "repeatedly" means Franchisee's failure, on two or more separate occurrences during any twenty-four (24) month period, to comply with one or more material requirements of the Franchise Agreement, even if the default is subsequently cured within the applicable time period. Any report submitted pursuant to Section 12 will be conclusively deemed to be materially false if it understates Gross Sales by more than four percent (4%).

C. Applicable Law. If the provisions of this Section 15 are inconsistent with applicable law, the applicable law will apply.

16. FRANCHISEE'S TERMINATION RIGHTS; NOTICE REQUIRED

A. Termination. Franchisee may terminate this Agreement if Franchisor violates any material obligation of Franchisor to Franchisee and fails to cure such violation within thirty (30) days after Franchisor's receipt of written notice from Franchisee; provided, however, that Franchisee is in substantial compliance with the Agreement at the time of giving such notice of termination. Franchisee's written notice will identify the violation and demand that it be cured.

B. Required Notice. A party must give the other party written notice of an alleged default under or violation of this Agreement after it has knowledge of, determines, or is of the opinion that there has been an alleged default under or violation of this Agreement. If there is failure to give written notice of an alleged default under this Agreement within one (1) year from the date that the nonbreaching party has knowledge of, determines or is of the opinion that there has been an alleged default, the alleged default will be deemed to be approved and waived, and the alleged default or violation will not be deemed to be a default under or violation of this Agreement.

17. FRANCHISEE'S OBLIGATIONS UPON TERMINATION

A. Post-Term Duties. If this Agreement is terminated for any reason, Franchisee will: (1) within five (5) days after termination, pay all amounts due and owing to Franchisor or suppliers under this Agreement, including the fees that would be owed through the end date of this Agreement's remaining term; (2) return to Franchisor by first class prepaid United States mail the Manuals and any other manuals, advertising materials, and all other printed materials relating to the operation of the franchised business; (3) assign to Franchisor or, at Franchisor's discretion, disconnect the telephone number for the Store; and (4) remove all signs and other materials bearing the name "Plato's Closet" and other Marks; (5) comply with all post-termination obligations under the Software License Agreement, including the return of all copies of Franchisor's proprietary software; (6) disconnect any Internet websites, including social media accounts, Franchisee has established in connection with Franchisee's operation of the Store; and (7) comply with all other applicable provisions of this Agreement, including the non-compete provisions. Upon termination of this Franchise Agreement for any reason, Franchisee's right to use the name "Plato's Closet" and the other Marks and the Business System will immediately terminate. If Franchisee fails to remove all signs and other materials bearing the Marks, Franchisor may do so at Franchisee's expense.

B. Redecoration. If this Agreement is terminated for any reason, and Franchisee either remains in possession of the Franchised Location to operate a separate business not in violation of Section 18 below or enters into an agreement with a third party to allow such third party to directly operate a business at the Franchised location, Franchisee will, at its expense, modify both the exterior and interior appearance of the business premises so that they will be easily distinguished from the appearance as a Plato's Closet® Store. At a minimum, such changes and modifications to the premises will include: (1) repainting the premises with totally different colors; (2) removing all signs and other materials bearing the name "Plato's Closet" and other Marks; (3) removing from the premises all fixtures which are indicative of Plato's Closet® Stores; (4) discontinuing use of the approved employee uniforms and refraining from using any uniforms which are confusingly similar; and (5) discontinuing use of all packaging and confidential information regarding the operation of the Store.

18. FRANCHISEE'S COVENANTS NOT TO COMPETE

A. During Term. During the term of the Franchise Agreement, Franchisee will receive proprietary information, materials and trade secrets specifically geared to and utilized in the retail resale business operations for all of Franchisor's franchised brands. To protect the valuable proprietary information and prevent Franchisee from using that information to operate a business that competes with any of Franchisor's clothing brands, Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) will not, during the term of this Agreement, on their own account or as an employee, agent, consultant, partner, officer, director, or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, conduct, engage in, be connected with, have any interest in, or assist any person or entity engaged in any resale retail business not offered by Winmark Corporation involving the purchase and/or sale of used clothing and accessories, without Franchisor's prior written consent**.**

B. After Termination. Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) will not, directly or indirectly, for a period of two (2) years after this Agreement expires or is terminated (except for a termination as a result of a Franchisor's breach), on their own account or as an employee, consultant, partner, officer, director, or shareholder of any other person, firm, entity, partnership or corporation, own, operate, lease, franchise, finance, lend, sell to, conduct, engage in, be connected with, have any interest in or assist any person or entity engaged in any resale retail business not offered by Winmark Corporation, whether conducted in-person or on-line, involving the purchase and/or sale of used clothing and accessories located at the Franchised Location or any Plato's Closet® Store, or is located within or markets into a ten (10) mile radius of the Franchised Location or any Plato's Closet® Store. Franchisee expressly agrees that the two (2) year period and the ten (10) mile radius are the reasonable and necessary time and distance needed to protect Franchisor if this Agreement expires or is terminated for any reason.

C. Extension During Breach. Franchisee (and all Personal Guarantors and owners of all or part of Franchisee) acknowledge and agree that the two (2) year non-competition period set forth in Section 18(B) above will be extended for a period of time equal to the time during which the Franchisee is in breach of any of the provisions of Section 18(B).

D. Injunctive Relief. Franchisee agrees that damages alone cannot adequately compensate Franchisor if there is a violation of these noncompetition covenants, and Franchisee stipulates that Franchisor would be irreparably harmed by such a violation and that preliminary and permanent injunctive relief is essential and must be entered for the protection of Franchisor. Preliminary and permanent injunctive relief will be entered by a court of competent jurisdiction enforcing the noncompetition covenants without Franchisor posting any bond or security, in addition to all other remedies that may be available to Franchisor at equity or law.

E. Other Franchisor Brands. The non-competition covenants in Sections 18(A) and 18(B) shall not preclude Franchisee from owning or operating a Once Upon A Child® or Style Encore® store provided that Franchisee's ownership or operation of such store fully complies with the Franchise Agreement between Franchisor and Franchisee for such store.

19. ARBITRATION; ENFORCEMENT

A. Arbitration Process. Except to the extent Franchisor elects to enforce the provisions of this Agreement by judicial process and injunction as provided pursuant to Section 19(D), all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) will be settled by arbitration in Minneapolis, Minnesota pursuant to the Federal Arbitration Act. The arbitrator(s) will have a minimum of five (5) years' experience in franchising or distribution law and will have the right to award any type of relief except as limited by Section 19(C). The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such Rules are not inconsistent with the provisions of this arbitration provision. The decision of the arbitrator(s) will be final and binding on all parties. Claims in arbitration of different parties may not be joined. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, Franchisee and Franchisor will fully perform their respective obligations under this Agreement.

B. Additional Proceedings. If, after Franchisor or Franchisee institutes an arbitration proceeding, one or the other asserts a claim, counterclaim or defense, the subject matter of which, under statute or current judicial decision is nonarbitrable for public policy reasons, the party against whom the claim, counterclaim or defense is asserted may elect to proceed with the arbitration of all arbitrable claims, counterclaims or defenses or to proceed to litigate all claims, counterclaims or defenses in a court having competent jurisdiction.

C. Punitive Damages. Franchisor and Franchisee acknowledge that judgment upon an arbitration award may be entered in any court of competent jurisdiction and will be binding, final and nonappealable. Franchisor and Franchisee (and their respective owners and guarantors, if applicable) agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of a dispute between them, each will be limited to the recovery of actual damages sustained by it.

D. Enforcement of Franchise Agreement. Notwithstanding the other provisions of this Section 19, Franchisee recognizes that the failure of a single franchisee to comply with the terms of its Plato's Closet® franchise agreement would cause irreparable harm to Franchisor or to some or all other Plato's Closet® franchisees. Franchisor and Franchisee therefore agree that, in the event of a breach or threatened breach of Sections 3, 8, 9, 12, 13, 14, 17 and/or 18 of this Agreement by Franchisee or in the event of any conduct by Franchisee which is illegal or is dishonest or misleading to Franchisee's customers or prospective customers or may impair the goodwill associated with the Marks, Franchisor may obtain a temporary, preliminary, or permanent injunction restraining such breach or obtain a decree of specific performance, without showing or proving any actual damage and without posting any bond or other security. The foregoing equitable remedy will be in addition to, and not in lieu of, all other remedies or rights which Franchisor might otherwise have by virtue of any breach of this Agreement by Franchisee.

E. Venue. If litigation is permitted under this Agreement, the sole forum for litigation arising under this Agreement, or any aspect of the relationship between Franchisor and Franchisee (even if additional parties are named as parties to that litigation) will be the state or federal courts of Minnesota. Those actions must be exclusively venued either in the District Courts of Minnesota, County of Hennepin, or the United State District Court for the District of Minnesota. Franchisee (and Franchisee's owners and guarantors if applicable) waives any objection to the jurisdiction and venue of such court (except to the extent jurisdiction is preempted by the arbitration provisions of this Agreement), and consents to personal jurisdiction and venue in such court. If, however, Franchisor is permitted to seek injunctive relief under Section 19(D), Franchisor may bring that action in the federal or state courts for the county in which the Store is located or wherever Franchisee is otherwise subject to personal jurisdiction.

F. Attorney's Fees. The non-prevailing party will pay all costs and expenses, including reasonable attorney fees, incurred by the prevailing party in any arbitration or action in court between Franchisor and Franchisee.

20. SEVERABILITY AND CONSTRUCTION

A. Severability. All provisions of this Agreement are severable and this Agreement will be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein and partially valid and enforceable provisions will be enforced to the extent valid and enforceable. If any applicable law or rule of any jurisdiction requires a greater prior notice period than is required hereunder, or if under any applicable law or rule of any jurisdiction, any provision of this Agreement is invalid or unenforceable, the prior notice required by such law or rule will be substituted for the notice requirements hereof, or such invalid or unenforceable provision will be modified to the extent required to be valid and enforceable. Such modifications to this Agreement will be effective only in such jurisdiction and will be enforced as originally made and entered into in all other jurisdictions.

B. Waiver. Franchisor and Franchisee may by written instrument unilaterally waive any obligation of or restriction upon the other under this Agreement. No acceptance by Franchisor of any payment by Franchisee and no failure, refusal or neglect of Franchisor or Franchisee to exercise any right under this Agreement or to insist upon full compliance by the other with its obligations hereunder, including any mandatory specification, standard or operating procedure, will constitute a waiver of any provision of this Agreement.

C. Cumulative Rights. The rights of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder will preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder or which Franchisor or Franchisee is entitled by law to enforce.

D. Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 et seq.), this Agreement and the franchise relationship will be governed by the laws of the state in which the Franchised Location is located. Franchisee waives, to the fullest extent permitted by law, the rights and protections that might be provided through the laws of any state relating to franchises or business opportunities, other than those of the state in which the Franchised Location is located.

E. Binding Effect. This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest.

F. Consents. Whenever a party's consent or approval is required under this Agreement, such consent or approval will not be unreasonably withheld or delayed.

G. Entire Agreement. The "Background" section is a part of this Agreement which, together with exhibits, represents the entire agreement of the parties. This Agreement supersedes and terminates any prior oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document. No modification of this Agreement will be effective unless it is in writing and signed by Franchisor and Franchisee. The term "Franchisee" as used herein is applicable (where relevant) to one or more persons, a corporation or a partnership. References to "Franchisee," "assignees" and "transferees" which are applicable to an individual or individuals mean the principal owner or owners of the equity or operating control of Franchisee or any such assignee or transferee if Franchisee or such assignee or transferee is a corporation or partnership. If Franchisee consists of more than one individual, all individuals will be bound jointly and severally by the provisions of this Agreement. The term "including" as used herein shall mean "including without limitation."

21. NOTICES

Except as described in other provisions herein, all notices required under this Agreement must be in writing addressed to Franchisor at its corporate headquarters or to Franchisee at the Franchised Location or the last known address of Franchisee and will be deemed given: (i) if personally delivered on the date delivered, (ii) if sent in the United States mail, by certified mail, postage prepaid, three (3) business days after it is sent, (iii) if sent by a recognized overnight delivery service which requires a written receipt, one (1) business day after it is sent, or (iv) if sent via email, on the date delivered to the authorized email address. You may change your notice address or authorized email by giving written notice under this Section.

22. ACKNOWLEDGMENTS

A. Independent Investigation. Franchisee acknowledges that it has conducted an independent investigation of the business franchised hereunder, and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will largely depend on Franchisee's ability as an independent business person. Franchisor expressly disclaims the making of, and Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by this Agreement.

B. Franchise Agreement. Franchisee acknowledges that it has received, read, and understood this Agreement and that Franchisor has fully and adequately explained the provisions of it to Franchisee's satisfaction and that Franchisee has had sufficient time and opportunity to consult with advisors of its own choosing about the potential benefits and risks of entering into this Agreement.

C. Other Franchises. Franchisee acknowledges that other franchisees of Franchisor have or will be granted franchises at different times and in different situations, and further acknowledges that the provisions of such franchises may vary substantially from those contained in this Agreement.

D. Receipt of Documents. Franchisee acknowledges that it received a copy of Franchisor's Franchise Disclosure Document, as required under federal and applicable state franchise disclosure law, at least fourteen (14) calendar days before signing this Agreement or any other binding agreement, or paying any fees to Franchisor or its affiliates. In addition, if Franchisor materially altered the provisions of this Agreement, including any attachments relating thereto, or any related agreements attached to the Franchisor's Franchise Disclosure Document (except as a result of negotiations Franchisee initiated), Franchisee acknowledges that it received a copy of this Agreement or the related agreement at least seven (7) calendar days before signing it.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Franchisor and Franchisee have signed this Agreement as of the day and year first above written.

FRANCHISOR DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF FRANCHISEE'S BUSINESS OPERATIONS UNDER THIS AGREEMENT.

This is a legal document which grants specific rights to and imposes certain obligations upon Franchisor and Franchisee. Consult legal counsel to be sure that you understand your rights and duties. Please insert the name and address of your attorney: ____ ____________________.

"FRANCHISOR"	"FRANCHISEE"
WINMARK CORPORATION	If "Franchisee" is a corporation,
	______________________________ (Print Corporate Name)
By______________________________ Its ____________________________	By______________________________ Its______________________________
	If "Franchisee" is one or more individuals,
	______________________________ [Name], Individually
	______________________________ [Name], Individually
	______________________________ [Name], Individually

EXHIBIT A
TO FRANCHISE AGREEMENT

FRANCHISEE'S DEVELOPMENT AREA AND EXCLUSIVE TERRITORY

1. Description of Development Area:

2. Description of Exclusive Territory:

.

"FRANCHISOR"

WINMARK CORPORATION

By____________________________________
Its _________________________________

"FRANCHISEE"

By____
Its______________________________________

If "Franchisee" is one or more individuals,

____
[Name], Individually

____
[Name], Individually

____
[Name], Individually

EXHIBIT B
TO FRANCHISE AGREEMENT

SOFTWARE LICENSE AGREEMENT

PLATO'S CLOSET®

SOFTWARE LICENSE AGREEMENT

This AGREEMENT is made and entered into as of the _____ day of ________________, 20____, by and between WINMARK CORPORATION ("Winmark"), and ______________________________________ ("Licensee").

BACKGROUND:

Winmark owns certain software and related documentation. Licensee is a Plato's Closet® franchisee pursuant to a franchise agreement Licensee entered into with Winmark (the "Franchise Agreement"). Licensee wishes to use certain software in its franchised business ("Store") under the provisions stated below.

AGREEMENTS:

1. SOFTWARE LICENSE.

A. Grant of License. Winmark grants Licensee a nonexclusive license to use the software identified on Schedule A attached to this Agreement. Collectively, all software licensed under this Agreement, and all modifications, updates and other works derivative of or to such software, and any related documentation or materials provided, is referred to as the "Software."

B. Initial Software License Fee. Licensee will pay Winmark an Initial Software License Fee of Six Thousand Dollars ($6,000). This fee must be paid before Winmark delivers the Software to Licensee. Licensee will be solely responsible for all taxes relating to the Initial Software License Fee, excluding taxes measured by Winmark's net income.

C. Scope of License. Licensee may use the Software only on a single computer or on a network of computers at the franchised business site or sites identified on Schedule A attached hereto or in Winmark's acceptance of Licensee's order. Unless Winmark otherwise agrees in writing, a single license fee entitles Licensee to use the Software on a network at one site with no more than five workstations. Winmark reserves the right to charge an additional license fee for use of the Software on a network at one site with more than five workstations or for use at more than one site.

D. Licensee's Agreements. Licensee agrees:

1. Not to disassemble, decompile or otherwise reverse engineer the Software, nor to create, access or generate the source code of the Software.

2. Not to modify the Software, nor to develop or create, or assist any other party in developing or creating, any computer programs which are derived from, based upon, or contain features or functions similar to, the Software.

3. To use the Software only in Licensee's internal operation of the franchise business under the terms of the Franchise Agreement.

4. Not to disclose to any other party any part of or any information relating to the Software, nor to permit access to the Software except by Licensee's employees in the operation of the franchised business or Winmark approved third party vendor.

5. Not to assign, sublicense, loan or otherwise provide to any third party the Software, whether or not merged into other programs or materials.

6. Not to copy the Software, although Licensee may make one copy of the Software for backup purposes if Licensee reproduces all copyright and other proprietary notices in such copy.

E. Repairs; Updates; Etc.

1. For so long as Winmark owns and requires Licensee to use the Software, Winmark will provide ongoing maintenance and repair services for the Software, except as set forth in Section 1(E)(2) or 1(E)(3) below, owned by Winmark so that the Software will perform substantially as described in documentation Winmark has provided. Such maintenance and repair services include Licensee's right to receive any fixes and minor enhancements to the Winmark Software which Winmark may periodically develop, as well as any other maintenance or repair services Winmark offers in its discretion.

2. Winmark agrees to support a previous version or release of the Software for six months following the release of a new version or release of the Software. If an error is identified in a previous version or release during that six-month period, Winmark's responsibilities will be the following:

(i) If the error is categorized by Winmark as critical to the intended function of the Software, Winmark will attempt to issue a temporary modification or workaround. If a temporary modification is not possible, and the error is not resolved by the latest version or release of the Software, Winmark will use commercially reasonable efforts to expedite the availability of its next scheduled version or release of the Software; or

(ii) If the error is categorized by Winmark as not critical to the intended function of the Software, Winmark may, in its discretion based on the severity and nature of the error, attempt to issue a temporary modification or workaround. If a temporary modification is not possible, and the error is not corrected in the latest version or release, Winmark will use commercially reasonable efforts to incorporate the correction in its next scheduled version or release of the Software.

3. Winmark shall have no obligation to provide support services for any failure or defect in the Software caused by:

(i) The improper use, alteration, or damage of the Software by Licensee or persons not authorized by Winmark;

(ii) Modifications to the Software not made by Winmark;

(iii) Application or other software not provided or approved by Winmark; or

(iv) Use of the Software on hardware that has not been approved or configured by Winmark.

4. Winmark may, in its sole discretion, periodically release new versions, new releases, updates, modifications or enhancements respecting the Software. Licensee will install any new versions, new releases, fixes, updates, modifications or enhancements which Winmark designates as mandatory.

5. Winmark is not obligated to provide Licensee with other services, including installation, support, training or other services relating to the Software. Further, Winmark is not obligated to provide maintenance, repair, installation, support, training or other services in relation to software distributed, but not owned, by Winmark.

6. Licensee will pay Winmark a Software Fee of Two Hundred Ninety-Five Dollars ($295) per month for services including, without limitation, maintenance and repair services, updates, modifications and enhancements to the Software which it elects to release. Licensee's obligation to pay the Software Fee under this Agreement will commence on the later of (a) the first day of the month following the opening of Licensee's Store, or (b) September 1, 2026, and remain in full force and effect until this Agreement has expired or is terminated or transferred under the provisions herein. Winmark may, with a minimum of sixty (60) days' prior written notice, change the frequency and/or the amount of the Software Fee. The Software Fee is subject to an annual increase of ten percent (10%). Adjustments are compounded annually and cumulative, which may result in increases in any given year of greater than ten percent (10%) to adjust for prior years when no increase, or an increase of less than the permitted percentage increase, was implemented. Licensee will be solely responsible for all applicable taxes relating to the Software Fee, excluding taxes measured by Winmark's net income.

2. PROPRIETARY RIGHTS.

A. Confidentiality. The Software is the confidential and proprietary property of Winmark or its vendors. Licensee will hold the Software in confidence and safeguard it from disclosure to third parties and will use the Software only as intended by this Agreement. Licensee will notify Winmark promptly of any unauthorized access, copying or use of the Software and will reasonably assist Winmark in prosecuting any resulting claims or proceedings.

B. Ownership. Winmark retains all title and rights, including all copyright rights, to the Software, including all modifications, updates and other works derivative of or to the Software, all of which will be subject to the provisions of this Agreement. Any configuration or deployment of the Software shall not affect or diminish Winmark's rights, title and interest in and to the Software. If Licensee suggests any new features, functionality, or performance for the Software that Winmark subsequently incorporates into the Software, such new features, functionality, or performance shall be the sole and exclusive property of Winmark.

3. TERM AND TERMINATION.

A. Term and Termination. This Agreement will continue until terminated. Winmark may terminate this Agreement upon written notice to Licensee if Licensee breaches any term of this Agreement, the Franchise Agreement or any other agreement with Winmark, or if Licensee becomes insolvent. This Agreement will automatically terminate, without any further action of the parties, upon termination of the Franchise Agreement for any reason.

B. Consequences of Termination. Upon termination of this Agreement, all licenses and rights Winmark has granted under this Agreement will terminate and Licensee will have no rights to use, sell or transfer its interest in the software. Licensee agrees to immediately return to Winmark all copies of the Software, or to destroy all Software and provide proof satisfactory to Winmark of its destruction.

4. LIMITED WARRANTY; DISCLAIMERS.

Winmark warrants to Licensee that the media on which the Software is recorded will be free from material defects in materials or workmanship under normal use for a period of ninety (90) days after delivery of the media. If during such period the media should be defective, Licensee may return the media for replacement without charge. Licensee's sole remedy in the event of a defect is expressly limited to replacement of the media. ALL SOFTWARE, INCLUDING ALL WINMARK SOFTWARE, IS PROVIDED ON AN "AS IS" BASIS. However, Winmark acknowledges its Software maintenance and repair obligations stated in Section 1 (E). THESE WARRANTIES ARE IN LIEU OF, AND WINMARK EXPRESSLY DISCLAIMS, ALL OTHER WARRANTIES RELATING TO THIS AGREEMENT OR THE SOFTWARE, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING THE IMPLIED WARRANTIES OF TITLE, NONINFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. WINMARK DOES NOT WARRANT THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE, THAT ALL DEFECTS WILL BE CORRECTED OR THAT THE SOFTWARE WILL MEET LICENSEE'S REQUIREMENTS.

5. LIMITATION OF LIABILITY.

WINMARK'S LIABILITY FOR ANY CLAIM RELATED TO ANY SOFTWARE OR SERVICE PROVIDED WILL BE LIMITED TO THE LESSER OF LICENSEE'S ACTUAL DAMAGE OR LOSS OR THE INITIAL FEE PAID FOR THE SOFTWARE. WINMARK WILL NOT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS OR LOSS OF OR DAMAGE TO DATA INCURRED BY LICENSEE OR A THIRD PARTY, WHETHER IN AN ACTION IN CONTRACT OR TORT, EVEN IF WINMARK HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

6. INFRINGEMENT.

A. Infringement Claims. Winmark does not have actual knowledge of any claim that the Winmark Software infringes upon a third party's patent, copyright or other proprietary right. If a third party asserts such an infringement claim against Licensee, Licensee will immediately notify Winmark in writing. Winmark will have the right (but not the obligation) to defend any such claim, at Winmark's expense, and Licensee will cooperate with Winmark with respect to such defense. In the event of any such claim, Licensee will, at Winmark's direction, immediately discontinue using the Software. Winmark will either modify the Software so as to render it non-infringing or replace the Software with such other non-infringing Software as Winmark may furnish to Licensee. In either case, Winmark will do so only if the modified or replacement Software performs substantially the same functions as the infringing Software. So long as Licensee complies with the terms hereof, Winmark will indemnify Licensee for any loss, damage, cost or expense related to such claim.

B. Limitations. Winmark will not be liable to Licensee if an infringement claim is based on use of the Software in combination with any product, software or system not delivered by Winmark, or Licensee's unauthorized use or modification of the Software. Winmark will not have any obligations regarding any infringement of any non-Winmark Software.

7. THIRD PARTY SOFTWARE.

Winmark may install certain software not owned by Winmark ("Third Party Software"). Any Third-Party Software, including related documentation, is subject to a separate license from the owner or provider of such Third-Party Software. Licensee understands and agrees that, by signing this document, Licensee will be bound by all provisions of the license governing the use of such Third-Party Software. Licensee agrees to indemnify and hold Winmark harmless from any and all losses or claims arising out of any license governing the use of any Third-Party Software.

8. GENERAL.

A. Governing Law. This Agreement will be governed by Minnesota law. Any action related to this Agreement may be brought in any court located in Minneapolis, Minnesota, and the parties consent and submit to the personal jurisdiction and venue of any such court. Winmark will be entitled to temporary and permanent injunctive relief, without posting a bond or other security, to restrain any actual or threatened violation of the provisions of this Agreement, in addition to any other remedies Winmark may have. Winmark may recover its costs and expenses (including reasonable attorneys' fees) incurred in enforcing its rights under this Agreement.

B. Scope of Agreement; Conflicting Terms. This Agreement will govern all orders for Software, and all Software Winmark provides. No purchase order, invoice or other similar form may vary the terms of this Agreement. Any term thereof that is inconsistent with or additional to the terms of this Agreement will not be binding on Winmark.

C. Assignment. Neither this Agreement nor any rights granted hereunder may be sold, leased, assigned, or otherwise transferred in whole or in part, by Licensee, and such attempted assignment shall be void and of no affect without the advance written consent of Winmark. Winmark may assign this Agreement and any and all of its rights and obligations hereunder without the consent of Licensee.

D. Binding Effect. This Agreement will be binding upon and will benefit the parties hereto and their respective successors and assigns, subject to the limitations provided herein.

E. Export Controls. Licensee agrees to comply fully with all relevant export laws and regulations of the United States, including but not limited to the U.S. Export Administration Regulations (collectively, "U.S. Export Controls"). Without limiting the generality of the foregoing, Licensee expressly agrees that it shall not, and shall cause its representatives to agree not to, export, directly or indirectly, re-export, divert, or transfer the Software to any destination, company or person restricted or prohibited by U.S. Export Controls.

F. Waivers. The failure of either party to enforce or exercise any term of or any right under this Agreement does not represent a waiver of such term or right and will not affect that party's right later to enforce or exercise it. No modification or waiver of any of the provisions of this Agreement will be binding upon Winmark or Licensee unless it is in writing and is executed by the party against whom such modification or waiver is sought to be enforced.

G. Severability. If any provision contained in this Agreement is held invalid, such provision will not affect any other provision and the remainder of this Agreement will continue in full force and effect.

H. Entire Agreement. This Agreement is the complete and exclusive statement of the agreement of the parties regarding the subject matter hereof, and supersedes all prior or contemporaneous agreements, oral or written, and all other communications between the parties relating to the subject matter hereof. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.

I. Survival. The provisions of this Agreement which by their nature extend beyond the termination hereof will survive and remain in effect until all obligations are satisfied.

"WINMARK"	"LICENSEE"
WINMARK CORPORATION	If "Licensee" is a corporation,
	______________________________ (Print Corporate Name)
By_________________________ Its________________________ Its________________________	By_____________________________
	If "Licensee" is one or more individuals,
	______________________________ [Name], Individually
	______________________________ [Name], Individually
	______________________________ [Name], Individually

<u>Schedule A</u>

Software

Software	Site
Point-of-Sale (POS) and inventory management software (the Proprietary Software) - Winmark's proprietary software which is specifically designed to track various aspects of your Store, including inventory, customer tracking, vendor purchase orders and daily sales reports.	Store #: ______________________ Address: ____________________________ ____________________________ ____________________________ ____________________________

For Office Use Only
Winmark Corporation

By______________________________
Its______________________________

"LICENSEE"

By________________________________
Its________________________________

If "Licensee" is one or more individuals,

____
[Name], Individually

____
[Name], Individually

____
[Name], Individually

EXHIBIT C
TO FRANCHISE AGREEMENT

PERSONAL GUARANTY AND AGREEMENT TO BE BOUND PERSONALLY BY THE PROVISIONS OF THE FRANCHISE AGREEMENT AND SOFTWARE LICENSE AGREEMENT

Each individual who directly or indirectly owns a 10% or greater interest in Franchisee is considered a Principal Owner. All Principal Owners and their spouses must execute the following Personal Guaranty.

In consideration of Franchisor's execution of this Franchise Agreement and Software License Agreement (the "Agreements"), and for other good and valuable consideration, the undersigned jointly and severally: (1) guarantee Franchisee's payment of all amounts due Franchisor and Franchisee's performance of the covenants and obligations in the Agreements, and any other agreements entered into by Franchisee and Franchisor; and (2) agree to be personally bound by every provision contained in the Agreements including the non-compete and confidentiality provisions and agree that this Personal Guaranty will be construed as though the undersigned executed each of the Agreements containing the identical provisions of the Agreements. If Franchisee shall default in making any payments or in the observance or performance of any obligations under the Agreement, the undersigned hereby covenant and agree to pay to Franchisor forthwith upon demand all amounts not so paid by Franchisee and all damages that may arise in consequence of any such non-observance or non-performance.

Without in any way restricting or limiting the guarantee given by the undersigned as set out above or any other rights and remedies to which Franchisor may be entitled, each of the undersigned jointly and severally covenant and agree to indemnify and save Franchisor harmless against any and all liabilities, losses, suits, claims, demands, costs, fines and actions of any kind or nature whatsoever to which Franchisor shall or may become liable for, or suffer, by reason of any breach, violation or non-performance by Franchisee of any term or condition of the Agreements, or any other agreement made between Franchisee and Franchisor.

Notwithstanding any assignment for the general benefit of creditors or any bankruptcy or any other act of insolvency by Franchisee and notwithstanding any rejection, disaffirment or disclaimer of the Agreements, the undersigned shall continue to be fully liable hereunder. Any settlement made between Franchisor and/or Franchisee and/or any party from whom the right to occupy the Franchised Location has been obtained and/or any other persons as Franchisor may see fit to deal with, or any determination made pursuant to the Agreements which is expressed to be binding upon Franchisee, shall be binding upon the undersigned.

In the enforcement of any of its rights against the undersigned, Franchisor may in its discretion proceed as if the undersigned was the primary obligor under the Agreements, or any other agreement made between Franchisee and Franchisor.

A. Each of the undersigned waives:

(1) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed;

(2) protest and notice of default to any party respecting the indebtedness or nonperformance of any obligations hereby guaranteed; and

(3) any right he/she may have to require that an action be brought against Franchisee or any other person as a condition of liability.

B. Each of the undersigned consents and agrees that:

(1) he/she will provide any payment or performance required under the Agreements upon demand if Franchisee fails or refuses to do so;

(2) such liability will not be contingent or conditioned upon Franchisor's pursuit of any remedies against Franchisee or any other person; and

(3) such liability will not be diminished, relieved or otherwise affected by Franchisee's insolvency, bankruptcy or reorganization, the invalidity, illegality or unenforceability of all or any part of the Agreements, or the amendment or extension of the Agreements with or without notice to the undersigned.

IN WITNESS WHEREOF, each of the undersigned has signed this Guaranty on the same day and year as the Agreements were signed.

PERSONAL GUARANTORS

____
Individually

____
Address

____
Individually

____
Address

____
Individually

____
Address

____
Individually

____
Address

EXHIBIT D
TO FRANCHISE AGREEMENT

ADDITIONAL STORE ADDENDUM TO
PLATO'S CLOSET® FRANCHISE AGREEMENT

ADDITIONAL STORE ADDENDUM TO
PLATO'S CLOSET® FRANCHISE AGREEMENT

This Addendum is entered into as of the _____ day of _______________, 20__, by and among Winmark Corporation ("Franchisor"), and _____________________________ ("Franchisee").

BACKGROUND:

Franchisor and Franchisee are, on this day, entering into a Plato's Closet® Franchise Agreement (the "Franchise Agreement"), whereby Franchisee will be granted the right to develop and operate a Plato's Closet® store at the location stated in the Franchise Agreement (the "Store"). Franchisee currently owns one or more existing stores franchised under one of Franchisor's concepts. Franchisor and Franchisee agree to the following modifications to the Franchise Agreement.

AGREEMENTS:

In consideration of the foregoing, the parties agree as follows:

1. Initial Franchise Fee. Subject to the provisions stated herein, Section 4 of the Franchise Agreement is amended to provide that Franchisee will pay an Initial Franchise Fee of Fifteen Thousand Dollars ($15,000), which will be due and payable on the date of the Franchise Agreement.

2. Franchisor's Obligations. Franchisor and Franchisee agree that Franchisor may, but will not be required to, provide location, training or opening assistance as described in Sections 7(A), (D) and (E) of the Franchise Agreement.

3. Construction. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the day and year first above written.

FRANCHISOR:

WINMARK CORPORATION

By______________________________________
Its _____________________________________

FRANCHISEE:

____
(Name of Corporation)
By____
Its____
or
(Individuals)

____

____

<u>**EXHIBIT E**</u>

Bank Draft Authorization

WINMARK CORPORATION
(PLATO'S CLOSET® BRAND)
Store #________________
AUTHORIZATION AGREEMENT FOR PREAUTHORIZED PAYMENTS

The undersigned Account Holder hereby authorizes Winmark Corporation ("Winmark") to initiate debit entries to the accounts indicated below in the amounts Winmark will determine weekly for continuing fees, periodic marketing fees and other fees assessed pursuant to Account Holder's Plato's Closet® Franchise Agreement. The undersigned Account Holder authorizes the depository named below to debit the same to such account each week.

Bank Name, Location & Phone	Bank Routing Number[(a)]	Type of Account[(b)]	Account Number[(c)]

(a) Pre-encoded nine-digit number at bottom left of check
(b) Checking or Savings
(c) Pre-encoded number at bottom middle of check

This authorization is to remain in full force and effect until the depository listed above has received written notification from both Winmark and the undersigned Account Holder that the Franchise Agreement has terminated or Winmark has agreed to receive payments by alternative means.

The undersigned Account Holder agrees to be responsible for, and to pay on demand, all costs or charges relating to the handling of the debit entries pursuant to this authorization. The undersigned Account Holder agrees to indemnify Winmark and the Bank for any loss or cost arising in the event that any such debit shall be dishonored, whether with or without cause and whether intentionally or inadvertently. In addition, Account Holder shall pay Winmark a fee of $30.00 for each debit that is dishonored.

If Account Holder is a corporation:

Corporation Name:

Printed Name:

Signature: ____________________________________

Its: ____________________________________

Federal Tax ID Number: ___________________________

Address: ____________________________________

City: __________________________ State: _______

Zip: __________ Phone: ______________________

Date: ____________________________________

If Account Holder is an individual:

Printed Name:

Signature: ____________________________________

Address: ____________________________________

City: __________________________ State: _______

Zip: __________ Phone: ______________________

Date: ____________________________________

<u>Winmark Corporation Contact Information:</u>

Account Services Administrator
Winmark Corporation
605 Highway 169 N, Suite 400
Minneapolis, MN 55441
(763) 520-8436 or (800) 645-7299 ext. 436

<u>Note: Please attach a voided check to the completed copy of this form when returned.</u>

EXHIBIT F

Franchisee Questionnaire

FRANCHISEE QUESTIONNAIRE

If you are a resident of the State of California or your franchise is located in California you are not required to sign this Questionnaire. If any California franchisee completes this Questionnaire, it is against California public policy and will be void and unenforceable, and we will destroy, disregard, and will not rely on such Questionnaire.

Do not sign this Questionnaire if you are a resident of Maryland or your franchise is to be operated in Maryland.

The Questionnaire may not be signed or used if the franchisee resides within, or if the franchised business will be located within, the State of Hawaii or Washington.

As you know, Winmark Corporation (the "Franchisor") and you are preparing to enter into a Franchise Agreement for the operation of a Plato's Closet® franchised business (the "Franchise"). The purpose of this Questionnaire is to determine whether any statements or promises were made to you that the Franchisor has not authorized and that may be untrue, inaccurate or misleading. Please review each of the following questions carefully and provide honest responses to each question. Your answers are important to us and we will rely on them.

Acknowledgments and Representations.

1. Have you received, studied and reviewed carefully the Franchisor's Disclosure Document and Franchise Agreement? Check one: (_) No (_) Yes. If no, please comment:________________________________

2. Do you understand that any training, support, guidance or tools we provide to you as part of the franchise are for the purpose of protecting the Plato's Closet® brand and trademarks and to assist you in the operation of your business and not for the purpose of controlling or in any way intended to exercise or exert control over your decisions or day-to-day operations of your business, including your sole responsibility for the hiring, wages and other compensation (including benefits), training, supervision and termination of your employees and all other employment and employee related matters? Check one: (_) No (_) Yes. If no, please comment: ________________________________

3. Was any oral, written or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: (_) No (_) Yes. If yes, please state in detail the oral, written or visual claim or representation: ________
____

4. New and Additional Stores only: Except as stated in Franchisor's Disclosure Document, was any oral, written or visual claim or representation made to you which stated, suggested, predicted or projected your sales, expenses, income or profit levels. Check one: (_) No (_) Yes. If yes, please state in detail the oral, written or visual claim or representation:________________
____
(If more space needed, continue on a separate sheet and attach).

5. New and Additional Stores only: Do you understand and acknowledge that the Initial Franchise Fee is non-refundable? Check one: (_) No (_) Yes

This Questionnaire does not waive any liability the franchisor may have under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Signed:____________________________

Print Name (and Title):____________________

Date:____________________________

APPROVED ON BEHALF OF
WINMARK CORPORATION

By: ____________________

Title: ____________________

Date: ____________________

Signed:____________________________

Print Name (and Title):____________________

Date:____________________________

EXHIBIT G

List of State Administrators/Agents for Service of Process

CALIFORNIA
Commissioner of the Department of
Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, CA 90013-1105
1-866-275-2677 (toll free)
Ask.DFPI@dfpi.ca.gov (email)

HAWAII
Commissioner of Securities of the
State of Hawaii
Department of Commerce and
Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
808-586-2722

ILLINOIS
Attorney General State of Illinois
500 South Second Street
Springfield, Illinois 62701
217-782-4465

INDIANA
Agent to Receive Service of Process
Indiana Secretary of State
200 W. Washington Street
Indianapolis, Indiana 46204
317-232-6531

State Administrator
Indiana Securities Commissioner
302 West Washington, Room E-111
Indianapolis, Indiana 46204
317-232-6681

MARYLAND
Agent to Receive Service of Process
Maryland Securities Commissioner
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2020
410-576-6360

State Administrator
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

MICHIGAN
Michigan Dept. of Attorney General
Corporate Oversight Division
G. Mennen Williams Bldg, 5th Fl
525 West Ottawa Street
Lansing, Michigan 48913
517-335-7567

MINNESOTA
Commissioner of Commerce
Minnesota Department of Commerce
85-7th Place East, Suite 280
St. Paul, Minnesota 55101
651-539-1600

NEW YORK
Agent to Receive Service of Process
Secretary of State
99 Washington, Ave., 6th Floor
Albany, New York 12231
518-473-2492

State Administrator
New York State Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
212-416-8222

NORTH DAKOTA
Agent to Receive Service of Process
Insurance Commissioner
North Dakota Insurance & Securities
Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
701-328-2910

State Administrator
North Dakota Insurance & Securities
Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
701-328-2910

RHODE ISLAND
Director
R.I. Dept. of Bus. Regulation
Securities Division
1511 Pontiac Avenue
Cranston, Rhode Island 02920
401-462-9527

SOUTH DAKOTA
Department of Labor & Regulation
Division of Insurance - Securities
Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
605-773-3563

VIRGINIA
Clerk, State Corporation Commission
Tyler Building, 1st Floor
1300 East Main Street
Richmond, Virginia 23219
804-371-9733

WASHINGTON
Agent to Receive Service of Process
Director of Dept. of Financial Institutions
Securities Division
150 Israel Rd SW
Tumwater, WA 98501
360-902-8760

State Administrator
Washington Dept. of Financial Institutions
Securities Division
PO Box 41200
Olympia, WA 98504-1200
360-902-8760

WISCONSIN
Administrator, Division of Securities
Department of Financial Institutions
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
608-266-2139

EXHIBIT H

State Specific Addenda

CALIFORNIA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

For prospective franchisees subject to California statute, the following information modifies the corresponding disclosures in the Plato's Closet® Franchise Disclosure Document.

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION, ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT WWW.DFPI.CA.GOV.

2. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF ANY AGREEMENT.

3. Section 31125 of the California Corporations Code requires the Franchisor to give the Franchisee a disclosure document, in a form and containing such information as the commissioner may by rule or order require, prior to a solicitation of a proposed material modification of an existing franchise.

4. Item 3 is amended to provide that neither Winmark nor any other person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association.

5. Item 6 of the FDD is amended to add the following sentence under the "Amount" column of "Interest Expenses" which are payable if Continuing Fee or other amounts due Winmark are not timely paid:

The maximum interest rate in California is 10%.

6. Item 17 of the FDD is amended to include the following provisions:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

The Franchise Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business may be void under California Business and Professions Code Section 16600.

Section 11 of the Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

For Franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

The Franchise Agreement requires binding arbitration. The arbitration will occur at Minneapolis, Minnesota. The non-prevailing party will pay all costs and expenses, including reasonable attorney's fees, incurred by the prevailing party in any arbitration. This provision may not be enforceable under California law.

The Franchise Agreement requires that arbitration take place in Minneapolis, Minnesota. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code 20040.5, Code of Civil Procedure 1281, and the Federal Arbitration Act) to any provisions of an agreement restricting venue to a forum outside the State of California.

7. Item 19 of the FDD is amended to include the following provision:

The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the offering circular, may be one source of this information.

8. You must sign a general release if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code §§31000 through 31516). Business and Professions Code §20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code §§20000 through 20043).

9. 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.

10. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a Franchise Agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

CALIFORNIA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement to provide as follows:

1. The maximum interest rate is California is 10%.

2. Section 11 of the Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

3. Section 15 of the Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 *et seq.*).

4. Section 18(B) of the Franchise Agreement contains a covenant not to compete which extends beyond the term of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business may be void under California Business and Professions Code Section 16600.

5. For Franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

6. Section 19 of the Franchise Agreement requires binding arbitration. The arbitration will occur in Minneapolis, Minnesota. The non-prevailing party will pay all costs and expenses, including reasonable attorney's fees, incurred by the prevailing party in any arbitration. This provision may not be enforceable under California law.

7. Section 19 of the Franchise Agreement requires that arbitration take place in Minneapolis, Minnesota. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of federal and state laws to any provisions of an agreement restricting venue to a forum outside the State of California.

8. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

9. Section 22 of the Franchise Agreement is deleted in its entirety.

10. The following sentence is deleted from the signature page of the Franchise Agreement:

FRANCHISOR DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF FRANCHISEE'S BUSINESS OPERATIONS UNDER THIS AGREEMENT.

11. California's Franchise Investment Law (Corporations Code sections 31512 and 31512.1) states that any provision of a Franchise Agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

12. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

________________________________ ________________________________

Franchisor's Initials Franchisee's Initials

HAWAII ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

1. The Disclosure Document is amended to include the following information:

A. The states in which this registration is effective or exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

B. The states in which this proposed registration is or will be shortly on file, or is or will shortly be exempt from registration:

California, Hawaii, Illinois, Indiana, Maryland, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

C. The states, if any, which have refused, by order or otherwise, to register these franchises: None

D. The states, if any, which have revoked or suspended the right to offer these franchises: None

E. The states, if any, in which the proposed registration of these franchises has been withdrawn: None

2. Items 5 and 7 of the Franchise Disclosure Document are amended to include the following information:

> For Hawaii franchisees, the State of Hawaii requires us to defer payment of the Initial Franchise Fees until we have completed our pre-opening obligations and you have opened your Store for business. This financial assurance requirement was imposed because of Winmark's current financial condition.

3. 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.

HAWAII ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement to provide as follows:

1. Section 4 of the Franchise Agreement is amended to include the following:

Payment of all Initial Franchise Fees to Franchisor by Hawaii franchisees will be deferred until Franchisor has met its pre-opening obligations and Franchisee has opened the Store.

2. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

3. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

______________________	______________________
Franchisor's Initials	Franchisee's Initials

ILLINOIS ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

Item 5 of the Franchise Disclosure Document is revised to include the following provisions:

All Initial Franchise Fees paid to Winmark by Illinois franchisees are required to be placed in escrow. The Illinois Attorney General imposed the escrow requirement because of Winmark's financial condition. Winmark has entered into an Escrow Agreement with US Bank, N.A. dated July 9, 2015. You should make your checks for the Initial Franchise Fees described in Item 5 payable to "Winmark Corporation, US Bank as Depository." This Escrow Agreement is on file with the Franchise Examiner, Office of the Attorney General, 500 South 2nd Street, Springfield, Illinois 62706.

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

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.

ILLINOIS ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 4 is amended to include the following:

All Initial Franchise Fees paid to Franchisor by Illinois franchisees will be placed in escrow at US Bank, N.A. until Franchisor has met its pre-opening obligations and Franchisee has opened the Store.

2. Section 19 is amended to include the following:

Any provision in a franchise agreement that designates jurisdiction or venue in a forum outside of Illinois is void provided that a franchise agreement may provide for arbitration in a forum outside of Illinois.

3. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

4. Section 20(D) of the Franchise Agreement is amended to provide that Illinois law will govern the Franchise Agreement and any related agreement which specifically states that the governing law provision stated in the Franchise Agreement will govern.

5. Section 20(G) of the Franchise Agreement is amended by deletion of the second sentence and the addition of the following:

This Agreement and the Disclosure Document delivered to Franchisee in connection with this Agreement supercede and terminate any prior oral or written understandings or agreements between Franchisor and Franchisee relating to the subject matter of this Agreement and such Disclosure Document.

6. Section 22(A) of the Franchise Agreement is amended by deletion of the second sentence in such provision.

7. Section 22(D) of the Franchise Agreement is amended by the deletion of such provision.

8. Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

9. Section 41 of the Illinois Franchise Disclosure Act states that "any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void." This Section shall not prevent any person from entering into

a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.

10. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

______________________________	______________________________
(Franchisor's Initials)	(Franchisee's Initials)

ILLINOIS ADDENDUM TO
PLATO'S CLOSET®
SOFTWARE LICENSE AGREEMENT

In consideration of the execution of the Software License Agreement (the "Software Agreement"), Franchisor and Franchisee agree to amend the Software Agreement as follows:

1. Section 8(A) of the Software Agreement is amended to provide that the Illinois Franchise Disclosure Act will govern the Software Agreement.

2. In all other respects, the Software Agreement will be construed and enforced with its terms.

Dated this _____ day of __________________, 20__.

____	____
(Winmark's Initials)	(Licensee's Initials)

MARYLAND ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

1. Item 5 of the Franchise Disclosure Document is revised to include the following provision:

   Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

2. Item 17 of the Franchise Disclosure Document is revised to include the following provisions:

   Termination by Winmark. The Franchise Agreement provides for termination if you are insolvent under any applicable state or federal law. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

   Limitation of Actions. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

   Dispute Resolution by Arbitration. This Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

3. The Franchise Disclosure Document is revised to include the following provision:

   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.

MARYLAND ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 4 of the Franchise Agreement is amended to include the following:

Based upon Franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by Franchisee shall be deferred until Franchisor completes its pre-opening obligations under the Franchise Agreement.

2. Section 16(B) of the Franchise Agreement is amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

3. Section 19(A) of the Franchise Agreement is amended to include the following:

This Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

5. Section 22 (Acknowledgments) of the Franchise Agreement is deleted in its entirety.

6. The following sentence is deleted from the signature page of the Franchise Agreement:

FRANCHISOR DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF FRANCHISEE'S BUSINESS OPERATIONS UNDER THIS AGREEMENT.

7. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

Dated this ___ day of ___________________, 20__.

FRANCHISOR:	FRANCHISEE:
By ____________________________________	By ____________________________________
Its ________________________________	Its ________________________________

MARYLAND ADDENDUM TO
PLATO'S CLOSET®
SOFTWARE LICENSE AGREEMENT

In consideration of the execution of the Software License Agreement (the "Software Agreement"), Winmark and Franchisee agree to amend the Software Agreement as follows:

1. Section 8(A) of the Software Agreement is amended to provide that a Maryland franchisee may bring an action relating to the Software Agreement in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. In all other respects, the Software Agreement will be construed and enforced with its terms.

______________________________	______________________________
Winmark's Initials	Licensee's Initials

NOTICE REQUIRED
BY
STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, Corporate Oversight Division, Franchise Section, G. Mennen Williams Building, 5th Floor, 525 West Ottawa Street, Lansing, Michigan 48913, telephone (517) 335-7567.

MINNESOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

THIS FRANCHISE HAS BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Item 13 of the Franchise Disclosure Document is revised for Minnesota franchisees to include the following language:

> Winmark will indemnify you for damages for which you are held liable in any proceeding arising out of the use of the Plato's Closet® mark, provided you have used the Mark properly and have notified Winmark of any claim against you within 10 days of your knowledge of the claim. Winmark will have sole control of any litigation involving the Marks. Winmark's indemnification obligation will not apply to any franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

Item 17 of the Franchise Disclosure Document is revised for Minnesota franchisees to include the following language:

> With respect to franchises governed by Minnesota law, Winmark will comply with Minn. Stat. 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.

> The Franchise Disclosure Document is revised to include the following provision:

> 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.

We are prohibited from requiring you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22, provided that the foregoing shall not bar the voluntary settlement of disputes.

We will comply with Minnesota Statute Section 80C.17 Subd. 5 with respect to limitation of claims.

NSF checks are governed by Minnesota Statute Section 604.113, which puts a limit of $30 on service charges.

______________________________	______________________________
Franchisee's Initials	Winmark's Initials

MINNESOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. **THIS FRANCHISE HAS BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

2. **THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

3. Section 3 of the Franchise Agreement is revised to include the following language:

   Franchisor will indemnify a Minnesota Franchisee for damages for which such Franchisee is held liable in any proceeding arising out of the use of the "Plato's Closet" mark, provided that Franchisee has used the mark properly and has notified Franchisor of any claim against Franchisee within ten (10) days of Franchisee's knowledge of such claim. Franchisor will have sole control of any litigation involving the Marks. Franchisor's indemnification obligation will not apply to any franchisee residing outside the state of Minnesota who purchases a franchise to be located outside of Minnesota.

4. Section 15(C) of the Franchise Agreement is revised to include the following language:

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

5. Section 18 of the Franchise Agreement is amended to include the following:

   Franchisee cannot consent to the Franchisor obtaining injunctive relief. We may seek injunctive relief. A court will determine if a bond is required.

6. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

7. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

____
Franchisor's Initials

____
Franchisee's Initials

NEW YORK ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

The following information applies to franchises and franchisees subject to New York statutes and regulations. Item numbers correspond to those in the main body.

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 SERVICES OR 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 THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. 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 to be 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, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor 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 10-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, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

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

   However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**": You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "**Choice of forum**", and Item 17(w), titled "**Choice of law**":

   The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

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.

7. Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

Items 5 and 7 of the Franchise Disclosure Document are amended to include the following information:

For North Dakota franchisees, the State of North Dakota requires us to defer payment of the Initial Franchise Fees until all initial obligations owed to franchisee under the franchise agreement or other documents have been fulfilled by the franchisor and the franchisee has commenced doing business pursuant to the franchise agreement. This financial assurance requirement was imposed because of Winmark's current financial condition.

Item 17 of the Franchise Disclosure Document provides that binding arbitration of any disputes will take place in Minneapolis, Minnesota. Item 17 is amended to provide that Winmark and you will agree to the site of arbitration.

The Franchise Disclosure Document is revised to include the following provision:

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.

NORTH DAKOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 4 is amended to include the following:

All Initial Franchise Fees paid to Franchisor by North Dakota franchisees will be deferred until Franchisor has fulfilled its initial obligations under the Franchise Agreement and Franchisee has commenced doing business.

2. Section 18(B) of the Franchise Agreement is amended by the addition of the following sentence at the end of such provision:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

3. Section 19(A) of the Franchise Agreement is amended to provide that Franchisor and Franchisee will agree to the site of arbitration.

4. Section 19(C) of the Franchise Agreement is deleted in its entirety.

5. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

6. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

______________________________	______________________________
Franchisor's Initials	Franchisee's Initials

RHODE ISLAND ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

The following applies to franchises and franchisees subject to Rhode Island statutes and regulations. Item numbers correspond to those in the main body.

1. Item 17.

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

RHODE ISLAND ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 19 of the Franchise Agreement is amended to include the following:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

______________________________	______________________________
Franchisor's Initials	Franchisee's Initials

RHODE ISLAND ADDENDUM TO
PLATO'S CLOSET®
SOFTWARE LICENSE AGREEMENT

In consideration of the execution of the Software License Agreement (the "Software Agreement"), Franchisor and Franchisee agree to amend the Software Agreement as follows:

1. Section 8(A) of the Software Agreement is amended to include the following:

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

2. In all other respects, the Software Agreement will be construed and enforced with its terms.

______________________________	______________________________
Winmark's Initials	Licensee's Initials

SOUTH DAKOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

Items 5 and 7 of the Franchise Disclosure Document are amended to include the following information:

> For South Dakota franchisees, the State of South Dakota requires us to defer payment of the Initial Franchise Fees until we have completed our pre-opening obligations and you have opened your Store for business. This financial assurance requirement was imposed because of Winmark's current financial condition.

SOUTH DAKOTA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 4 is amended to include the following:

   All Initial Franchise Fees paid to Franchisor by South Dakota franchisees will be deferred until Franchisor has met its pre-opening obligations and Franchisee has opened the Store.

2. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

______________________________	______________________________
(Franchisor's Initials)	(Franchisee's Initials)

VIRGINIA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

Item 5 of the Franchise Disclosure Document is revised to include the following provision:

The Initial Franchise Fee and other initial payments made to Winmark by Virginia franchisees are required to be placed in escrow until Winmark has completed its pre-opening obligations under the Franchise Agreement. The Virginia State Corporation Commission's Division of Securities and Retail Franchising imposed the escrow requirement because of Winmark's financial condition. Winmark has entered into an Escrow Agreement with US Bank National Association dated April 18, 2016. You should make your checks for the Initial Franchise Fees described in Item 5 payable to "U.S. Bank f/b/o Winmark Corporation." This Escrow Agreement is on file with the Virginia State Corporations Commission, Division of Securities and Retail Franchising, Tyler Building, 1300 East Main Street, Richmond, VA 23219-3630.

Item 17 of the Franchise Disclosure Document is revised to include the following provision:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

The Franchise Disclosure Document is revised to include the following provision:

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.

VIRGINIA ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

In consideration of the execution of the Franchise Agreement, Franchisor and Franchisee agree to amend the Franchise Agreement as follows:

1. Section 4 of the Franchise Agreement is amended to include the following:

All Initial Franchise Fees paid to Franchisor by Virginia franchisees will be placed in escrow at US Bank National Association until Franchisor has met its pre-opening obligations.

2. Section 15 of the Franchise Agreement is amended by the addition of the following language:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

3. Section 20(B) of the Franchise Agreement is amended to include the following:

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.

4. In all other respects, the Franchise Agreement will be construed and enforced with its terms.

______________________________ Franchisor's Initials

______________________________ Franchisee's Initials

WASHINGTON ADDENDUM TO THE
FRANCHISE DISCLOSURE DOCUMENT

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any

such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. 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.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5. All Initial Franchise Fees paid to Winmark by Washington franchisees are required to be placed in an escrow impound account. The Director of the Department of Financial Institutions imposed the impound requirement because of Winmark's financial condition. Winmark has entered into an Impound Agreement with US Bank, N.A. dated July 7, 2015. You should make your checks for the Initial Franchise Fees described in Item 5 payable to "Winmark Corporation, US Bank as Depository." This Impound Agreement is on file with the Department of Financial Institutions, Securities Division, 150 Israel Rd SW, Tumwater, WA 98501.

20. Item 7. The last sentence in Item 7 (Note 14) of the Franchise Disclosure Document is amended to delete the following: The following information applies to franchises and franchisees subject to the Washington Franchise Investment Protection Act, RCW 19.100. Item numbers correspond to those in the main body:

> Your costs will depend on factors such as how much you follow Winmark's systems and procedures, your management skills and experience, local economic conditions, the local market for Plato's Closet® products, the prevailing wage rate, competition and the sales level reached during the initial period.

WASHINGTON ADDENDUM TO THE
FRANCHISE AGREEMENT

The provisions of this Addendum form an integral part of, are incorporated into, and modify the franchise agreement regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. Questionnaires and Acknowledgments. 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. **Background.** Background (B) Section of the Franchise Agreement is deleted in its entirety.

20. **Financial Assurance.** Section 4 of the Franchise Agreement is amended to include the following:

> "All Initial Franchise Fees paid to Franchisor by Washington franchisees will be placed in impound at US Bank, N.A. until Franchisor has met its pre-opening obligations and Franchisee has opened the Store."

21. The last sentence of Section 7.A of the Franchise Agreement is amended to delete the following:

> "…and does not constitute a representation, warranty, or guarantee, express, implied or collateral, regarding the choice and location of the Store, that the development of the Store is free of error, nor that the franchised business is likely to achieve any level of volume, profit or success."

22. Section 8(O) of the Franchise Agreement is amended to delete the following sentence:

> "Franchisor makes no guarantees concerning the success of the Store located on any site consented to by Franchisor."

23. Nothing in the Franchise Agreement waives any liability the franchisor may have under the Washington Franchise Protection Act, RCW 19.100, and the rules adopted thereunder.

24. Section 22 of the Franchise Agreement is deleted in its entirety.

25. The following sentence is deleted from the signature page of the Franchise Agreement:

"FRANCHISOR DISCLAIMS ANY WARRANTY OR REPRESENTATION AS TO THE POTENTIAL SUCCESS OF FRANCHISEE'S BUSINESS OPERATIONS UNDER THIS AGREEMENT."

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _______________ day of ____________________________________ 20______.

___________________________________ Signature of Franchisor Representative	___________________________________ Signature of Franchisee Representative
___________________________________ Title of Franchisor Representative	___________________________________ Title of Franchisee Representative

WISCONSIN ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE DISCLOSURE DOCUMENT

The following information applies to franchises and franchisees subject to the Wisconsin Fair Dealership Law. Item numbers correspond to those in the main body:

1. Item 17.

For all franchises sold in the State of Wisconsin, we will provide you at least 90 days prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice will state all the reasons for termination, cancellation, or substantial change in competitive circumstances and will provide that you have 60 days in which to cure any claimed deficiency. If the deficiency is cured within 60 days, the notice will be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is nonpayment of sums due under the franchise, you will have 10 days to cure the deficiency.

2. Item 17.

For Wisconsin franchisees, ch. 135, Stats., the Wisconsin Fair Dealership Law, supersedes any provision of the Franchise Agreement or a related contract which is inconsistent with the Law.

WISCONSIN ADDENDUM TO
PLATO'S CLOSET®
FRANCHISE AGREEMENT

This Addendum shall pertain to franchises sold in the State of Wisconsin and shall be for the purpose of complying with Wisconsin statutes and regulations. Notwithstanding anything which may be contained in the body of the Franchise Agreement to the contrary, the Agreement shall be amended as follows:

1. Section 15 of the Franchise Agreement is amended by the addition of the following language:

> For all franchises sold in the State of Wisconsin, Franchisor shall provide Franchisee at least ninety (90) days' prior written notice of termination, cancellation, or substantial change in competitive circumstances. The notice shall state all the reasons for termination, cancellation, or substantial change in competitive circumstances and shall provide that Franchisee has sixty (60) days in which to rectify any claimed deficiency. If the deficiency is rectified within sixty (60) days, the notice shall be void. If the reason for termination, cancellation, or substantial change in competitive circumstances is non-payment of sums due under the franchise, Franchisee shall be entitled to written notice of such default, and shall have not less than ten (10) days in which to remedy such default from the date of delivery or posting of such notice.

2. Ch. 135, Stats., the Wisconsin Fair Dealership Law, supercedes any provision of this Franchise Agreement or a related document between Franchisor and Franchisee inconsistent with the law.

3. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

______________________________	______________________________
Franchisor's Initials	Franchisee's Initials

EXHIBIT I

State Effective Dates Page

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	Pending
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J

Receipts

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before execution of the franchise or other agreement or the payment of consideration that relates to the franchise relationship. Iowa and Michigan require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on Exhibit G.

The franchisor is Winmark Corporation, located at 605 Highway 169 N, Suite 400, Minneapolis, MN 55441. Its telephone number is (763) 520-8500. Our franchise sellers involved in offering and selling the franchise to you are Cat Halle, Brandon Kuhlers, Lucas Neibacher and Shannon Hoppe, Winmark Corporation, 605 Highway 169 N, Suite 400, Minneapolis, MN 55441, (763) 520-8500, or is listed below (with address and telephone number), or will be provided to you separately before you sign a Franchise Agreement: ____.

Issuance Date: March 16, 2026

We authorize the respective state agencies identified in Exhibit G to receive service of process for us in the particular state.

I have received a Plato's Closet® disclosure document that had an Issuance Date of March 16, 2026, and included the following Exhibits: List of Stores (Exhibit A), List of Terminated Franchises (Exhibit B), Winmark's Audited Consolidated Financial Statements (Exhibit C), Plato's Closet® Franchise Agreement and exhibits (Exhibit D), Bank Draft Authorization (Exhibit E), Franchisee Questionnaire (Exhibit F), List of State Administrators/Agents for Service of Process (Exhibit G), State Specific Addenda (Exhibit H), State Effective Dates Page (Exhibit I) and Receipts (Exhibit J).

FRANCHISEE (For a Corporation)

Date Received: ________________________________

Corp. Name: ________________________________

State of Incorporation: ________________________

By: ____

Print Name: ________________________________

Title: ______________________________________

FRANCHISEE (For an Individual)

Date Received: ________________________________

Signed: ____________________________________

Print Name: ________________________________

Address: ___________________________________

City: ________________________ State: _________

Phone: (   ) __________________ Zip: __________

(Additional Individual Franchisee)

Date Received: ________________________________

Signed: ____________________________________

Print Name: ________________________________

Address: ___________________________________

City: ________________________ State: _________

Phone: (   ) __________________ Zip: __________

Copy for Franchisee

RECEIPT

This disclosure document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If we offer you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale. New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before execution of the franchise or other agreement or the payment of consideration that relates to the franchise relationship. Iowa and Michigan require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and those state administrators listed on Exhibit G.

The franchisor is Winmark Corporation, located at 605 Highway 169 N, Suite 400, Minneapolis, MN 55441. Its telephone number is (763) 520-8500. Our franchise sellers involved in offering and selling the franchise to you are Cat Halle, Brandon Kuhlers, Lucas Neibacher and Shannon Hoppe, Winmark Corporation, 605 Highway 169 N, Suite 400, Minneapolis, MN 55441, (763) 520-8500, or is listed below (with address and telephone number), or will be provided to you separately before you sign a Franchise Agreement: ____.

Issuance Date: March 16, 2026

We authorize the respective state agencies identified in Exhibit G to receive service of process for us in the particular state.

I have received a Plato's Closet® disclosure document that had an Issuance Date of March 16, 2026, and included the following Exhibits: List of Stores (Exhibit A), List of Terminated Franchises (Exhibit B), Winmark's Audited Consolidated Financial Statements (Exhibit C), Plato's Closet® Franchise Agreement and exhibits (Exhibit D), Bank Draft Authorization (Exhibit E), Franchisee Questionnaire (Exhibit F), List of State Administrators/Agents for Service of Process (Exhibit G), State Specific Addenda (Exhibit H), State Effective Dates Page (Exhibit I) and Receipts (Exhibit J).

FRANCHISEE (For a Corporation)

Date Received: ______________________________

Corp. Name: ________________________________

State of Incorporation: ________________________

By: _______________________________________

Print Name: _________________________________

Title: ______________________________________

FRANCHISEE (For an Individual)

Date Received: ______________________________

Signed: ____________________________________

Print Name: _________________________________

Address: ___________________________________

City: ________________________ State: ________

Phone: (   ) __________________ Zip: _________

(Additional Individual Franchisee)

Date Received: ______________________________

Signed: ____________________________________

Print Name: _________________________________

Address: ___________________________________

City: ________________________ State: ________

Phone: (   ) __________________ Zip: _________

Copy for Winmark Corporation

Please mail a hard copy of this receipt to the address listed on the front page of this disclosure document or send to legalcompliance@winmarkcorporation.com by email (PDF).