

m.	Conditions for our approval of transfer	Section 9.3	New franchisee qualifies, payment of all of your outstanding debts to us, cure of any defaults, then-current agreement signed by new franchisee or assumption of existing agreement, transfer fee paid; training completed; and release signed by you and your Related Parties.
n.	Our right of first refusal to acquire your business	Section 9.4	We or our designee can match any offer for your business.
o.	Our option to purchase your business	Section 9.4	We or our designee may, but are not required to, purchase your inventory and equipment at the lesser of the fair market value or depreciated value, if franchise is terminated for any reason.
p.	Your death or disability	Section 9.5	Heirs or beneficiaries must demonstrate within 90 days ability to operate franchise. Otherwise, franchise must be assigned by estate to approved buyer within six (6) months.
q.	Non-competition covenants during the term of the franchise	Section 8.6.1	No competing business during the Term, <u>subject to applicable state law.</u>
r.	Non-competition covenants after the franchise expires, is terminated, or is not renewed	Sections 8.6.2 and 10.3	No competing business for two (2) years: (i) at the Approved Location, (ii) within 25 miles of the Approved location, or (iii) within 25 miles of another RAKKAN Ramen Business (including after assignment); <u>subject to applicable state law.</u>
s.	Modification of the Franchise Agreement	Section 11.4	No modification, generally, unless on consent of both parties, but Operations Manual subject to change.
t.	Integration/merger clause	Section 11.6	Only the terms of the Franchise Agreement are binding (subject to this Disclosure Document and applicable state law). Any other promises may not be enforceable.

Michigan

Michigan Franchise Administrator
Consumer Protection Division
Attention: Franchise Examiner
670 Law Building
Lansing, Michigan 48913
(517) 373-7117

Minnesota

Minnesota Franchising Examiner
Minnesota Department of Corporations
133 East Seventh Street
St. Paul, Minnesota 55101
~~(612)295-6328~~(651) 539-1600

New York

NYS Department of Law
28 Liberty Street , 21st Floor
New York, New York 10005
(212) 416-8222

North Dakota

North Dakota Securities Department
600 East Boulevard State Capitol
Fifth Floor, Dep't 414
Bismarck, North Dakota 58505
(701) 328-4712

Rhode Island

Rhode Island Securities Examiner
Division of Securities
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9500

South Dakota

South Dakota Franchise Administrator
Division of Securities
Department of Labor & Regulation
124 S. Euclid, Suite 104
Pierre, South Dakota 57501
(605)773-4013

Michigan

Not Applicable

Minnesota

Minnesota Franchising Examiner
Minnesota Department of Corporations
133 East Seventh Street
St. Paul, Minnesota 55101

New York

Secretary of State
99 Washington Avenue
Albany, New York 12231

North Dakota

North Dakota Securities Department
600 East Boulevard State Capitol
Fifth Floor, Dep't 414
Bismarck, North Dakota 58505

Rhode Island

Rhode Island
Department of Business Regulation
Division of Securities
1511 Pontiac Avenue
Cranston, Rhode Island 02920

South Dakota

Director, Division of Securities
124 S. Euclid, Suite 104
Pierre, South Dakota 57501

Minnesota

- Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the ~~franchisor~~franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute ~~80C.21~~80C.21 or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the ~~franchisor~~franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require (except in certain specified cases)
 - that a franchisee be given 90 ~~days~~days' notice of termination (with 60 days to cure) and 180 ~~days~~days' notice for non-renewal of the franchise agreement and
 - that consent to the transfer of the franchise will not be unreasonably withheld.
- Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The ~~franchisor~~franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J). ~~Also~~ also, a court will determine if a bond is required.
- The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.
- Minnesota Rule 2860.4400(K) prohibits a franchisor from requiring a security deposit except for the purpose of securing against damage to property, equipment, inventory, or leaseholds.

- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.
- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.
- Per MN Stat. 2860.3300, the following statement must be included in boldface type on the MN addendum.

New York

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 A OR YOUR PUBLIC LIBRARY FOR RESOURCES 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 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 THAT 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, the following applies 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.