

THE FRANCHISE RELATIONSHIP

PROVISION	SECTIONS IN AGREEMENT	SUMMARY
m. Conditions for our approval of transfer	19.2	<p>Transferee must: meet our qualifications; successfully complete training (or arrange to do so); obtain required licenses and permits; assume your obligations under Business contracts; sign then-current form of franchise agreement for remaining term or, at our option, assume your Franchise Agreement; and upgrade equipment to current standards within 90 days.</p> <p>You must: be compliant with Franchise Agreement; pay transfer fee (subject to state law); subordinate transferee’s payments owed to you (if any) to transferee’s payment obligations owed to us; and sign general release (subject to state law).</p> <p>We must notify you that we will not exercise our right of first refusal.</p>
n. Our right of first refusal to acquire your business	19.5	We can match any offer for your business.
o. Our option to purchase your business	Not Applicable	Not Applicable
p. Your death or disability	19.4	Within 180 days, interest must be assigned by estate to an assignee in compliance with conditions for other Transfers. We may designate a manager to operate the Business prior to Transfer.
q. Non-competition covenants during the term of the franchise (subject to applicable state law)	14.3	No involvement in a competing business- (subject to applicable state law) .
r. Non-competition covenants after the franchise is terminated or expires	14.3 & 21	No involvement for 2 years in a competing business within your territory or any territory assigned to another Family Nest Business. Subject to state law.
s. Modification of the agreement	24.3 & 24.8	Requires writing signed by both parties (except we may unilaterally change Manual or reduce scope of restrictive covenants). Other modifications to comply with state laws.
t. Integration/ merger clause	24.8	Only the terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises made outside the Disclosure Document and Franchise Agreement may not be enforceable. Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. 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 (a) waiving any claims under any applicable state franchise law including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.
u. Dispute resolution by arbitration or mediation	22	Subject to state law, all disputes must be mediated or arbitrated before litigation, except for certain disputes involving our intellectual property or compliance with restrictive covenants or post-term obligations.
v. Choice of forum	22	Subject to state law, mediation, arbitration and litigation must take place in county where we maintain our principal place of business at time dispute arises (currently Cherokee County, Georgia).

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.

~~11. Based upon the franchisor's financial condition, the Minnesota Commissioner of Commerce has required a financial assurance as a condition to registration. The franchisor has posted a surety bond and a copy of the surety bond is on file with the Minnesota Commissioner of Commerce.~~

(Signatures on following page)