FRANCHISE DISCLOSURE DOCUMENT

Camp Run-A-Mutt Entrepreneurial Resources, Inc.
A California Corporation
2900 Fourth Avenue, #206
San Diego, California 92103
Phone: (619) 578-2267
Dennis@CampRunAMutt.com
www.CampRunAMutt.com

Camp Run-A-Mutt businesses operate upscale cage-free doggie daycare and boarding facilities that feature playground activities, dog bathing, grooming, dog obedience training, real-time online viewing capabilities and a retail center offering pet products, toys and various types of pet supplies ("Camp Run-A-Mutt Business(es)").

The total investment necessary to begin operation of a Camp Run-A-Mutt franchised business is between $588,900 and $1,139,900. This includes $70,050 to $114,000 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of two Camp Run-A-Mutt franchised businesses under a Multi-2 Franchise is between $1,167,000 and $2,267,800. This includes $129,300 to $216,000 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of three Camp Run-A-Mutt franchised businesses under a Multi-3 Franchise is between $1,750,500 and $3,401,700. This includes $193,950 to $324,000 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of four Camp Run-A-Mutt franchised businesses under a Multi-4 Franchise is between $2,334,000 and $4,535,600. This includes $258,600 to $432,000 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of five Camp Run-A-Mutt franchised businesses under a Multi-5 Franchise is between $2,917,500 and $5,669,500. This includes $323,250 to $540,000 that must be paid to the franchisor or its affiliate(s).

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 governmental 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 Dennis Quaglia at 2900 Fourth Avenue, #206, San Diego, CA 92103, (619) 578-2267.

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, DC 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 1, 2024

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 Exhibit C.
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 A 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 Camp Run-A-Mutt 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 a Camp Run-A-Mutt franchisee?	Item 20 or Exhibit C lists 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 the disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

Business model can change. 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.

Supplier restrictions. 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.

Operating restrictions. 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.

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

Renewal. 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.

When your franchise ends. 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 D.

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 risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.

2. **Mandatory Minimum Advertising Spending.** You must meet minimum advertising spending, 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.

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 the 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 terms 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 six (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 or 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 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, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

THE MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE-SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE-SPECIFIC AMENDMENTS, IF ANY, APPEAR IN THE STATE ADDENDA AT EXHIBIT E.

ITEM 1
THE FRANCHISOR, AND ANY PARENT, PREDECESSORS AND AFFILIATES

To simplify the language in this Franchise Disclosure Document, "CRAMER," and "we," "us," or "our" means Camp Run-A-Mutt Entrepreneurial Resources, Inc., the franchisor. "You," "your," and "Franchisee" means the person, and its owners (if the Franchisee is a business entity), who buys the franchise from CRAMER.

The Franchisor

CRAMER is a California corporation formed on January 12, 2010. We operate under the name Camp Run-A-Mutt and no other name. Our principal business address is 2900 Fourth Avenue, #206, San Diego, California 92103. We began offering franchises for Camp Run-A-Mutt Businesses in 2010. We have not and do not operate any franchises like those described in this Franchise Disclosure Document, or in any other line of business. We do not conduct any other business other than franchising Camp Run-A-Mutt Businesses. We have no predecessor or parent entities.

Our agent for service of process in California is Mikel Ross at 2900 Fourth Avenue, #206, San Diego, California 92103. Our agents for service of process for other states are identified by state in Exhibit D. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

The Franchise

We offer franchises ("Camp Run-A-Mutt Franchise(s)" or "Franchise(s)") for the use of our "Camp Run-A-Mutt" trademarks, trade names, service marks, and logos ("Marks") for the operation of Camp Run-A-Mutt Businesses. Camp Run-A-Mutt Businesses are operated under our proprietary Camp Run-A-Mutt system ("System"). The System may be changed or modified by us throughout your ownership of the Franchise. Camp Run-A-Mutt Businesses offer upscale cage-less doggie daycare and boarding facilities that feature playground activities, dog-bathing, grooming, dog obedience training, real-time online viewing capabilities and a retail center offering pet products, toys and various types of pet supplies. You will operate your Camp Run-A-Mutt Business from an approved retail location ("Center"). You may also choose to offer additional services and products which include pet pickup and delivery services, dog walking services, in home pet sitting, behavioral therapy, pet waste removal services, vaccination clinics, veterinarian services, dog competition event and other pet related products and services approved by us (the "Additional Services"). You must sign our standard franchise agreement attached to this Franchise Disclosure Document as Exhibit B ("Franchise Agreement"). You may operate one Camp Run-A-Mutt Business for each Franchise Agreement you sign.

You may also purchase the rights to open multiple Camp Run-A-Mutt Franchises ("Multi-Franchises"). If you purchase a Multi-Franchise, in addition to the then-current Franchise Agreement, you will also sign the ("Multi-Franchise Addendum") which is attached to this Franchise Disclosure Document in Exhibit G. There is no development territory or development schedule to open additional Camp Run-A-Mutt Businesses under the Multi-Franchise Addendum.

Market and Competition

Camp Run-A-Mutt Businesses offer doggie daycare and overnight boarding services and related services to the general public. While you will provide your products and services to the general public, your target market will be the owners of domesticated pets. Our services are not seasonal in nature. The market for the goods and services offered by Camp Run-A-Mutt Businesses are well developed and highly competitive. Camp Run-A-Mutt Businesses compete with other businesses including franchised operations, online retailers, national chains, and independently-owned companies offering doggie daycare, overnight boarding, and related services, including groomers, dog trainers, and dog walkers.

Industry-Specific Laws

You are required to comply with all applicable Occupational Safety and Health Administration and environmental protection laws. You must obtain all necessary permits, licenses, and approvals to operate your Camp Run-A-Mutt Business. You must comply with federal, state, and local laws dealing with zoning, kennel and pet sitting licensing laws, noise ordinances, bonding requirements, sanitation and the disposal of hazardous materials due to the presence of pets. You may need to obtain a zoning variance or similar entitlement when you obtain a site for your Center. You must comply with all local, state, and federal laws and regulations that apply to any business, including laws and regulations that may apply to animal care, pet food products, and if you offer any delivery services, also to motor vehicles. Many states and local jurisdictions have enacted laws, rules, regulations, and ordinances which may apply to the operation of your Camp Run-A-Mutt Business, including those which: (a) require a permit, certificate, or other license; (b) establish general standards, specifications, and requirements for the construction, design, and maintenance of your business site and premises; (c) regulate matters affecting the health, safety, and welfare of your customers, such as general health and sanitation requirements, restrictions on smoking and exposure to tobacco smoke or other carcinogens, availability of and requirements for public accommodations, including restroom facilities and public access; (d) set standards pertaining to employee health and safety; and (e) set standards and requirements for fire safety and general emergency preparedness.

ITEM 2
BUSINESS EXPERIENCE

President: Dennis Quaglia

Mr. Quaglia serves as our President in San Diego, California, and has done so since our formation in January 2010. Mr. Quaglia also served as co-owner and President of Camp Run-A-Mutt, LLC in San Diego, California, from January 2008 to August 2020.

Vice- President: Severn Crow

Mr. Crow serves as our Vice- President in San Diego, California, and has done so since our formation in January 2010. Mr. Crow also served as Vice-President of Camp Run-A-Mutt, LLC in San Diego, California, from January 2008 to August 2020.

Director of Operations and Field Support: Mikel Ross

Mr. Ross serves as our Director of Operations and Field Support in San Diego, California, and has done so since our formation in January 2010. Mr. Ross also served as Secretary of Camp Run-A-Mutt, LLC in San Diego, California, from January 2008 to August 2020.

Franchisee Liaison: Analiese Hurd

Ms. Hurd serves as our Franchisee Liaison in San Diego, California, and has done so since January 2017.

ITEM 3
LITIGATION

Pending Actions. None.

Concluded Actions:

On or about April 23, 2020, CRAMER filed a Demand for Arbitration with the American Arbitration Association against then-franchisee KM CRAM Corp., entitled Camp Run-A-Mutt Entrepreneurial Resources, Inc., v. KM CRAM Corp., Timothy C. Taylor, and Erik Kudrna, AAA Case No. 01-20-0005-0479 (the "Arbitration"). CRAMER's claims arose out of franchisee KM CRAM Corp. attempting to unilaterally terminate the franchise agreement and opening a competing business at the same location.

On or about May 13, 2020, KM CRAM Corp., Taylor, and Kudrna filed a Counterclaim in the Arbitration against CRAMER, asserting that CRAMER had breached the franchise agreement and seeking, among other things, to rescind the franchise agreement on the basis of fraud. On June 5, 2020, KM CRAM filed an action in San Diego Superior Court, KM CRAM Corp. v. CAMP Run-A-Mutt, LLC, a California limited liability company, Dennis Quaglia, Severn Crow, and Mikel Ross, Case No. 2020-00019104 (the "State Court Action"), seeking relief similar to the relief sought in the counterclaim in the Arbitration. On or about October 30, 2020, the Court stayed the State Court Action pending resolution of the Arbitration.

On or about May 7, 2021, Taylor and Kudrna filed a voluntary petition under chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in United States Bankruptcy Court for the Southern District of California (the "Bankruptcy Court") entitled In re Timothy C Taylor and Erik Kudrna, Case No. 21-01946-MM11 (the "Bankruptcy Case").

On or about August 13, 2021, CRAMER filed its proof of claim in the Bankruptcy Case, for $561,132 plus fees, costs, interest and exemplary. On or about August 16, 2021, CRAMER commenced an adversary proceeding against Timothy C. Taylor and Erik Kudrna, Camp Run-A-Mutt Entrepreneurial Resources, Inc. v. KM CRAM Corp., Timothy C Taylor, and Erik Kudrna, Adversary Proceeding No. 21-90070-MM11 ("Adversary Proceeding"), to determine dischargeability of debt.

On or about November 10, 2021, CRAMER, franchisee KM CRAM Corp. and franchisee guarantors Timothy C. Taylor and Erik Kudrna entered into a settlement agreement wherein Kudrna, Taylor and KM CRAM (the "Franchisee Parties") stipulated that CRAMER's claim in the Bankruptcy Case shall be $450,000, and stipulated that a nondischargeable judgment in the amount of $250,000 shall be entered in favor of CRAMER and against the Franchisee Parties in the Adversary Proceeding. In the settlement, the Franchisee Parties agreed to make settlement payments over an approximate three to five year period of between $175,000 and $200,000, which, if made timely in accordance with the settlement, would satisfy in full the nondischargable judgment of $250,000. The first payment is expected in approximately September 2022. If Franchisee Parties fail to make timely payments and, after being provided notice, fail to cure any defaults, then CRAMER shall be entitled to entry of judgment in the amount of $250,000, less any payments made. The Bankruptcy

Court approved the terms of the settlement as part of the plan of reorganization in the Bankruptcy Case. As a result of the Settlement, the parties agreed to release all pending claims against each other and to dismiss their claims against each other in the Arbitration. In addition, KM CRAM agreed to dismiss its claims against CRAMER and its principals in the State Court Action. Under the settlement, CRAMER did not provide the Franchisee Parties any affirmative relief.

Other than the actions described above, no litigation is required to be disclosed in this Disclosure Document.

ITEM 4
BANKRUPTCY

No bankruptcy is required to be disclosed in this Item.

ITEM 5
INITIAL FEES

Initial Franchise Fee

You must pay us an initial franchise fee ("Initial Franchise Fee") of $40,000 when you sign the Franchise Agreement. The Initial Franchise Fee is payment for all of our pre-opening assistance that we provide to allow you to open your Camp Run-A-Mutt Business and also offsets some of our franchisee recruitment expenses. The Initial Franchise Fee is due in full at the time you sign the Franchise Agreement(s), and is deemed fully earned by us once paid and is non-refundable. .

Initial Development Fee

You may also purchase the rights to open multiple Camp Run-A-Mutt Businesses ("Multi-Franchise") by paying a development fee that is based on the number of Camp Run-A-Mutt Businesses you intend to open ("Initial Development Fee"). The Initial Development Fees are:

Number of Franchises	Initial Development Fee
Up to 2	$68,000
Up to 3	$102,000
Up to 4	$136,000
Up to 5	$170,000

If you purchase a Multi-Franchise, you will sign the "Multi-Franchise Addendum" which is attached to this Franchise Disclosure Document in Exhibit G. There is no development territory or development schedule to open these additional Camp Run-A-Mutt Businesses. No additional franchisee fee will be required after the Initial Development Fee is paid. Any territory that might be granted will be set forth in the individual Franchise Agreement for each franchise. To open additional Camp Run-A-Mutt Businesses under a Multi-Franchise, you will be required to sign the then-current Camp Run-A-Mutt franchise agreement, but you will not be required to pay an Initial Franchise Fee (all other fees will apply). The Initial Development Fee is due in full at the time you sign the first Franchise Agreement(s) with the Multi-Franchise Addendum, and is deemed fully earned by us once paid and is non-refundable.

Flooring Fee

Franchisees will be required to purchase synthetic flooring from us to cover a specified percentage of their Center (the "Turf Fee"), rubber flooring to cover a specified percentage of their Center (the "Rubber Fee"), and if the surface underneath the turf area is not dirt, risers (the "Riser Fee" and together with the Turf Fee and the Rubber Fee, the "Flooring Fee") to cover the same area as the turf. The Flooring Fee is our then-current fee, currently: (a) for the Turf Fee, currently a range between $2.50 and $3.50 per square foot for an estimated 4,000 to 8,000 square feet, or $10,000 to $28,000; (b) for the Rubber Fee, currently a range between $5.50 and $6.00 per square foot for an estimated 3,500 to 5,000 square feet, or $19,250 to $30,000; and (c) for the Riser Fee, currently a range between $1.20 and $2.00 per square foot for an estimated 4,000 to 8,000 square feet, or $4,800 to $16,000. These estimates do not include installation at your Center or shipping based on quantity and geographical location. The Flooring Fee is due in full prior to the opening of your Center, at the time we deliver the synthetic turf flooring, rubber flooring, and (if needed) risers, to you, and is deemed fully earned by us once paid and is non-refundable.

ITEM 6
OTHER FEES

Type of Fee(1)	Amount	Due Date	Remarks
Royalty(2)	6% of Gross Sales	Due by the 10th day of each month	The "Royalty" is based on "Gross Sales" during the previous month. Your Royalty is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance.
Brand Fund Contribution	Currently 1% of your monthly Gross Sales	Same as Royalty	Beginning with the first month of operation of your Center, you must contribute one percent (1%) of your Gross Sales to the Brand Fund, which is described in Item 11. We reserve the right to increase the Brand Fund Contribution up to two percent (2%) of your Gross Sales. We will provide 30 days' notice prior to increasing this fee. This contribution is used for a system-wide "Brand Fund" for our use in promoting and building the Camp Run-A-Mutt brand.
Local Advertising Payment	The difference between the amounts you spent on local advertising each month and your required local advertising expenditure (minimum of $4,000 during the first 3 months of operations, and $500 per month after)	Payable after receipt of invoice	If you fail to meet your required local advertising requirement on local advertising, you must pay us the difference between the amount you spent and the required advertising expenditure, which will be contributed to the Brand Fund or to us.

Type of Fee[1]	Amount	Due Date	Remarks
Local and Regional Advertising Cooperatives[3]	Established by cooperative members	Established by cooperative members	Item 11 contains information about advertising cooperatives.
Unauthorized Advertising Fee	$500 per occurrence	Upon demand	This fee is payable to us or to the Brand Fund, if you use unauthorized advertising in violation of the terms of the Franchise Agreement.
Unauthorized Product or Service Fee	$100 per day	Upon demand	This fee is payable to us or to the Brand Fund, if you offer an unauthorized product or service.
Insurance	You must reimburse our costs, plus a 20% administrative fee	On demand	If you fail to obtain insurance, we may obtain insurance for you and you must reimburse us for the cost of insurance obtained plus 20% of the premium as an administrative cost of obtaining the insurance.
Additional Training or Assistance Fees	The then-current fee (currently, $3,000 per additional attendee for initial training, $600 per attendee per day for additional training, and $600 per day for requested training that we provide at your Center)	As incurred	We provide initial training at no charge for up to three people. We may charge you for training additional persons, newly-hired personnel, refresher training courses, advanced training courses, and additional or special assistance or training you need or request. The fee amount will depend on the training required and experience level of the trainer.
Technology Fee	Currently $0 per month, but may be $50 per month if we decide to implement this fee at a later date.	Same as Royalty	This fee covers certain technologies used in the operation of your Camp Run-A-Mutt Business, including use of the Camp Run-A-Mutt intranet, email account, file sharing and storage, and our services in maintaining and administering the Camp Run-A-Mutt intranet. We reserve the right to upgrade, modify, and add new software. You will be responsible for any increase in fees that result from any upgrades, modifications, or additional software.

Type of Fee[1]	Amount	Due Date	Remarks
Muttcam Website Fee	Currently $0 per month, but may be $100 per month if we decide to implement this fee at a later date.	Same as Royalty	This fee covers certain technologies used in the operation of your Camp Run-A-Mutt Business, including your use of the Camp Run-A-Mutt customer website (the "Muttcam Website"), availability of the Muttcam Website for your customers, and our services in maintaining and administering the Muttcam Website. We reserve the right to upgrade, modify, and add new software. You will be responsible for any increase in fees that result from any upgrades, modifications, or additional software.
Web Site Maintenance and Promotion	The current hourly fee (currently $65-$120 per hour)	As incurred	Payable to us, our affiliates, and/or approved vendors for work to provide limited website content revisions, and website promotions.
Conference Fee	The then-current fee (currently estimated to be $250 to $500 per person)	Upon demand	Payable to us to help defray the cost of your attendance at any annual conference that we choose to hold. This fee is due regardless of whether or not you attend our annual conference in any given year.
Other Continuing Education Fees	The then-current fee (currently estimated to be $300 per person per day)	Upon demand	Payable to us to help defray the cost of your attendance at any other continuing education program that we choose to hold. We reserve the right to provide continuing education programs by phone or via Internet.
Supplier and Product Evaluation Fee[4]	Costs of inspection (estimated to be approximately $100 to $500)	As incurred	Payable if we inspect a new product, service, or proposed supplier nominated by you.
Replacement of Brand Standards Manual	$2,500	On demand	Payable if your copy of the Brand Standards Manual is lost, destroyed, or significantly damaged.
Customer Issue Resolution	Reasonable costs we incur for responding to a customer complaint, which varies	On invoice	Payable if a customer of the Camp Run-A-Mutt Business contacts us with a complaint and we provide a gift card, refund, or other value to the customer as part of our addressing the issue.

Type of Fee[(1)]	Amount	Due Date	Remarks
Payment Service Fee	Up to 4% of total charge	As incurred	If payment is made to us or our affiliates by credit card for any fee required, we may charge a service charge of up to four percent (4%) of the total charge.
Late Payment Fee	$25 per occurrence; plus the lesser of 1% of the unpaid amount per month or the highest rate allowed by the state where you are located	As incurred	Payable if any payment due to us or our affiliates is not made by the due date. Interest accrues from the original due date until payment is received in full.
Non-Sufficient Funds Fee	$100 per occurrence	As incurred	Payable if any check or EFT payment is not successful due to insufficient funds, stop payment, or any similar event.
Failure to Submit Required Report Fee	$100 per occurrence and $100 per week	Your bank account will be debited for failure to submit any requested report within five days of request	Payable if you fail to submit any required report or financial statement when due. Fines collected are paid to the Brand Fund, or to us. You will continue to incur this fee until you submit the required report.
Audit Expenses	Cost of audit and inspection, any understated amounts, and any related accounting and legal expenses	On demand	If an audit reveals that you have understated monthly Gross Sales, you will immediately be required to pay us any such understated amounts. If an audit reveals that you understated monthly Gross Sales by two percent (2%) or more, or you fail to submit required reports, you will also be required to pay cost of audit and inspection and any related accounting and legal expenses.
Indemnification	Will vary under circumstances	As incurred	You must indemnify and reimburse us for any expenses or losses that we or our representatives incur related in any way to your Camp Run-A-Mutt Business or Franchise.
Management Fee	$600 per day, plus costs and expenses	As incurred	Payable if we (or a third party) manage the Camp Run-A-Mutt Business because you are in breach of the Franchise Agreement.

Type of Fee[1]	Amount	Due Date	Remarks
Professional Fees and Expenses	Will vary under circumstances	As incurred	You must reimburse us for any legal or accounting fees that we incur as a result of any breach or termination of your Franchise Agreement. You must reimburse us if we are required to incur any expenses in enforcing our rights against you under the Franchise Agreement.
Renewal Fee	25% of the then-current Initial Franchise Fee	At the time you sign the new franchise agreement	Payable if you qualify to renew your Franchise and choose to enter into a successor franchise agreement.
Relocation Fee	Our costs up to $2,500	Upon relocation	You must reimburse us for our reasonable expenses if we permit you to relocate your Camp Run-A-Mutt Business. We will provide you with copies of our invoices for our expenses from any third party providers upon request.
De-Identification	All amounts incurred by us related to de-identification	As incurred	Payable if we must de-identify your Camp Run-A-Mutt Business upon its termination, relocation, or expiration.
Transfer Fee	50% of the then-current Initial Franchise Fee	$1,000 non-refundable deposit at time of transfer application submittal, and the remaining balance of fee at time of approved transfer	Payable only in connection with the transfer of your Center, a transfer of ownership of your legal entity, or the Franchise Agreement.
Liquidated Damages[5]	Will vary under the circumstances	Within 15 days after termination of the Franchise Agreement	Due only if we terminate the Franchise Agreement before the end of the term because of your material breach, or you terminate the Franchise Agreement without legal cause.
Broker Fees	Our actual cost of the brokerage commissions, finder's fees, or similar charges	As incurred	If you transfer your Camp Run-A-Mutt Business to a third party or purchaser, you must reimburse all of our actual costs for commissions, finder's fees and similar charges.

Notes:

1. Fees. All fees paid to us or our affiliates are uniform and not refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We currently require you to pay fees and other amounts due to us and our affiliates via electronic funds transfer ("EFT") or other similar means. You are required to complete the EFT authorization (in the form attached to this Franchise Disclosure Document in Exhibit G). We can require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement.

2. Royalty. The term "Gross Sales" means the total selling price of all services and products sold at, from, or through your Camp Run-A-Mutt Business, whether or not sold or performed at or from the Center or via delivery or in any other manner, including the full redemption value of any gift certificate or coupon sold for use at the Center (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation), and all income and revenue of every other kind and nature related to the Camp Run-A-Mutt Business operation, whether for cash or credit, and regardless of collection in the case of credit. Gross Sales do not include the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided the amount of any such tax is shown separately and paid by Franchisee to the appropriate governmental authority; and all customer refunds, authorized discounts and coupons, and credits made by the Camp Run-A-Mutt Business (exclusions will include no reductions for credit card user fees, returned checks or reserves for bad credit or doubtful accounts).

3. Local and Regional Advertising Cooperatives. We reserve the right to establish a local or regional advertising cooperative if two or more Camp Run-A-Mutt Businesses are operating in a market designated by us. If a local or regional advertising cooperative is established, contribution amounts to the local or regional advertising cooperative will be established by the cooperative members, subject to our approval. We anticipate that each Camp Run-A-Mutt franchisee and each Camp Run-A-Mutt Business that we own will have one vote for each Camp Run-A-Mutt Business operated in the designated market. Each Camp Run-A-Mutt Business we own that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees and will have one vote for each subject being voted on, including fee amounts to be paid by cooperative members. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. We currently have a local advertising cooperative in San Diego.

4. Supplier and Product Evaluation Fee. Item 8 contains additional information regarding our use of approved products, services, and suppliers.

5. Liquidated Damages. Liquidated damages are determined by multiplying the combined monthly average of Royalty fees and advertising fees (without regard to any fee waivers or other reductions) that are owed by you to us, beginning with date you open your Camp Run-A-Mutt Business through the date of early termination, multiplied by the lesser of: (i) 36, or (ii) the number of full months remaining in the term of the Franchise Agreement, except that liquidated damages will not, under any circumstances, be less than $30,000.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee[1]	$36,000	$40,000	Lump Sum	When you sign the Franchise Agreement	Us
Training Expenses[2]	$0	$4,000	As Required	As Incurred	Providers of Travel, Lodging, and Food Services
3-Months' Lease Rent[3]	$16,500	$45,000	As Agreed	As Agreed	Landlord
Lease and Security Deposits[4]	$5,500	$30,000	As Agreed	Before Opening	Landlord and /or Utility Companies
Leasehold Improvements[5]	$350,000	$700,000	As Agreed	Before Opening	Landlord or Construction Contractors and Us
Signage[6]	$6,000	$10,000	As Agreed	As Incurred	Third Parties
Furniture, Fixtures, Yard Apparatus & Equipment[7]	$40,000	$65,000	As Agreed	As Incurred	Third Parties
Initial Inventory and Supplies[8]	$5,000	$8,000	As Agreed	As Incurred	Third Parties
Computer Hardware and Software [9]	$1,500	$3,000	As Agreed	As Incurred	Third Parties and Us
Office Equipment and Cleaning Materials[10]	$4,000	$5,000	As Agreed	As Incurred	Third Parties
Security and Web Camera System[11]	$1,900	$3,000	As Agreed	As Incurred	Third Parties
Initial Advertising Program[12]	$4,000	$6,000	As Agreed	As Incurred	Third Parties
Business Licenses and Permits; Professional Fees[13]	$15,000	$40,000	As Required	Before Opening	Government Agencies, Attorneys, CPA's, and Other Professionals
Insurance[14]	$1,500	$2,500	As Agreed	Before Opening	Insurer
Uniforms[15]	$1,000	$1,400	As Agreed	Before Opening	Third Parties

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Dues and Subscriptions(16)	$1,000	$2,000	As Agreed	As Incurred	Third Parties
Additional Funds – 6 Months(17)	$100,000	$175,000	As Agreed	As Incurred	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT(18)	$588,900	$1,139,900			
MULTI-FRANCHISE TOTAL ESTIMATED INITIAL INVESTMENT	If you purchase a Multi-Franchise under the Multi-Franchise Addendum, you will incur all of the costs listed above for each Camp Run-A-Mutt Business you open except that you will pay an Initial Development Fee instead of the Initial Franchise Fee. The Initial Development Fee of $68,000 will allow you to open up to two Camp Run-A-Mutt Businesses. If you were to open two Camp Run-A-Mutt Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $1,167,000 and $2,267,800. The Initial Development Fee of $102,000 will allow you to open up to three Camp Run-A-Mutt Businesses. If you were to open three Camp Run-A-Mutt Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $1,750,500 and $3,401,700. The Initial Development Fee of $136,000 will allow you to open up to four Camp Run-A-Mutt Businesses. If you were to open four Camp Run-A-Mutt Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $2,334,000 and $4,535,600. The Initial Development Fee of $170,000 will allow you to open up to five Camp Run-A-Mutt Businesses. If you were to open five Camp Run-A-Mutt Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $2,917,500 and $5,669,500. These costs may increase in the future depending on when you open the additional Camp Run-A-Mutt Businesses.				

Notes:

These estimated initial expenses are our best estimate of the costs you may incur in establishing and operating your Camp Run-A-Mutt Franchise. We do not offer direct or indirect financing for these items. Our estimates are based on our experience, the experience of our Affiliate, and our current requirements for Camp Run-A-Mutt Franchises. The factors underlying our estimates may vary depending on several variables, depending upon the location of your Franchise, and current relevant market conditions. Your costs will also depend on factors such as how well you follow our methods and procedures; your management skills; your business experience and capabilities; local economic conditions; the local market for our products and services; the prevailing wage rates; competition; and sales levels reached during your initial phase of business operations. All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to third parties are non-refundable, except as you may arrange for utility deposits and other payments.

1. Initial Franchise Fee. See Item 5 for additional information about your Initial Franchise Fee.

2. Training Expenses. We provide training at our training center in San Diego, California, or at another location designated by us. You must pay for airfare, meals, transportation costs, lodging, and incidental expenses for all initial training program attendees. Initial training is provided at no

charge for up to three people, one of which must be a managing owner; if additional initial training is required, or more people must be trained, an additional fee will be assessed.

3. 3-Months' Lease Rent. Your actual rent payments may vary depending upon your location and your market's retail lease rates. Centers will typically be 4,000 to 10,000 square feet in size, and typically be in an industrial center, with space that is enclosed and separate from other businesses with its own locking door. If you purchase instead of lease the premises for your Center, then the purchase price, down payment, interest rates, and other financing terms will determine your monthly mortgage payments.

4. Lease and Security Deposit. This estimate includes security deposits required by the landlord, cable, and utility companies.

5. Leasehold Improvements. This estimate also includes setup expenses you will incur in building out your location, including all costs required to set up the equipment, construct interior alterations, improvements, lighting, storage, fencing, awnings, water features, décor and rubber and synthetic turf flooring (which you will purchase from us). Building and construction costs will vary depending upon the condition and size of the premises for your Center, the renovations needed to convert your space, and local construction costs. This estimate does not include any construction allowances that may be offered by your landlord and would reduce your costs. The high estimate reflects the potential need to add an HVAC system that entails mechanical, electrical and plumbing costs.

6. Signage. This estimate is for exterior signage, and assumes you purchase the sign(s). This estimate includes delivery and installation of the sign. The type and size of the signage you install will be based upon the zoning and property use requirements and restrictions. There could be an occasion where certain signage is not permitted because of zoning or use restrictions.

7. Furniture, Fixtures, Yard Apparatus & Equipment. This estimate involves the furniture, fixtures, yard apparatus, equipment and décor you will need to open a Camp Run-A-Mutt Franchise, such as counters, chairs, tables, shelving, display racks and other items. You will also need televisions, refrigerator, washer and dryer. Some of these expenses will depend on the Center size, shipping distances, supplier chosen and your credit history.

8. Initial Inventory and Supplies. Initial inventory and supplies include such items as beds, leashes, feeding bowls, baskets, containers, apparel and other miscellaneous supplies for use in the operation of the Camp Run-A-Mutt Franchise. You will want to increase the inventory once your Camp Run-A-Mutt Business is fully operational. It is not necessary to be fully stocked for the initial store opening as long as you have the minimum number of specific inventory items that we recommend.

9. Computer Hardware and Software. The estimated initial investment includes costs related to the purchase of specified computer hardware and software, including a point of sale system.

10. Office Equipment and Cleaning Supplies. You will be required to buy general office supplies including stationery and business cards. You will also be required to buy cleaning and janitorial supplies.

11. Security and Web Camera System. This estimate includes your costs to purchase Muttcams and a Power-Over Ethernet switch, and a stand-alone computer system to operate the Muttcams. It also includes the cost of a separate, standalone recording security system. You will have access to our

proprietary content management system, which will allow you to make revisions to your web page within the Muttcam Website.

12. Initial Advertising. The Franchise Agreement requires you to spend a minimum of $2,500 for VIP party and marketing, which will include all promotional and event expenses; plus a minimum of $500 per month for your local advertising requirement.

13. Business Licenses and Permits; Professional Fees. You may be required to obtain business licenses from local government agencies to operate your Camp Run-A-Mutt Franchise. We strongly recommend that you hire a lawyer, accountant, or other professional to advise you on this Franchise offering. Professionals may include, but are not limited to, a construction manager and architect. We suggest, but do not require you to hire a construction manager or architect. These rates could increase significantly if you do so. Rates for professionals can vary significantly based on area and experience.

14. Insurance. You must obtain and maintain, at your own expense, the insurance coverage we require, and satisfy other insurance-related obligations. If you choose to offer Additional Services, you may have additional required insurance coverage. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of a Camp Run-A-Mutt Business, your rates may be significantly higher than those estimated above.

15. Uniforms. You will be required to purchase uniforms for your staff.

16. Dues and Subscriptions. You will be required to pay for dues and membership fees for professional organizations that we require you to join.

17. Additional Funds. These amounts represent our estimate of the amount needed to cover your expenses for the initial six-month start-up phase of your Camp Run-A-Mutt Business. Our estimates are based on our franchising experience since 2010 and our prior affiliate Camp Run-A-Mutt, LLC's experience in the operation of a business similar to the franchises offered in this Franchise Disclosure Document from 2008 to 2020. They include payroll costs during the first three months of operation, but not any draw or salary for you. These figures do not include standard pre-opening expenses, Royalties, or advertising fees payable under the Franchise Agreement, or debt service, and assume that none of your expenses are offset by any sales generated during the start-up phase. For purposes of this disclosure, we estimated the start-up phase to be six months from the date your Camp Run-A-Mutt Business opens for business. These figures are estimates, and we cannot guarantee that you will not have additional expenses starting your Camp Run-A-Mutt Business. Your costs will depend on factors such as: how well you follow our methods and procedures; your management skills, experience, and business acumen; local economic conditions; the local market for your products and services; the prevailing wage rate; competition; the sales level reached during the start-up period; and the size of your Camp Run-A-Mutt Business.

18. This is an estimate of your initial start-up expenses for one Camp Run-A-Mutt Franchise. You should review these figures carefully with a business advisor before making any decision to purchase the Franchise.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

To ensure the highest degree of quality and service is maintained, you must operate the Camp Run-A-Mutt Franchise in strict conformity with the methods, standards, and specifications we list in our proprietary and confidential operating manual ("Brand Standards Manual"), which may exist in various parts, locations, and formats, and may include a combination of audio, video, written material, electronic media, website content, and/or software components. You must not: (i) deviate from these methods, standards, and specifications without our prior written consent, or (ii) otherwise operate in any manner which reflects adversely on our Marks or the System. Our Brand Standards Manual states our standards, specifications, and guidelines for all products and services we require you to obtain in establishing and operating your Camp Run-A-Mutt Franchise.

We will notify you of new or modified standards, specifications, and guidelines through periodic amendments or supplements to the Brand Standards Manual or through written communication (including electronic communication). We will issue copies of our standards and specifications to you and approved and proposed suppliers, unless these standards and specifications contain our confidential information.

You must construct, purchase, install, maintain in sufficient supply, and use, only fixtures, furnishings, equipment, signs, and supplies that conform to the standards and specifications described in the Brand Standards Manual or otherwise in writing. We will notify you of new or modified standards, specifications, and guidelines through periodic amendments or supplements to the Brand Standards Manual or through written communication (including electronic communication).

You must use the computer hardware and software, including the point of sale system that we periodically designate to operate your Camp Run-A-Mutt Franchise, including the Muttcam Website and related software, the Power-Over-Ethernet switch and the Muttcams (the "Muttcam system"). You must obtain the computer hardware, software licenses, maintenance and support services, Internet access providers and other related services that meet our specifications from the suppliers we specify.

You must obtain the insurance coverage required under the Franchise Agreement. Franchisee must carry a minimum of $2,000,000 in comprehensive general liability insurance and worker's compensation coverage as required by statue or rule of the state in which Center is located. The insurance company must be authorized to do business in the state where your Camp Run-A-Mutt Business is located and must be approved by us. It must also be rated "A" or better by A.M. Best & Company, Inc. We may periodically increase the amounts of coverage required under these insurance policies and/or require different or additional insurance coverage at any time. All insurance policies must name us and any affiliates we designate as additional named insured parties.

Purchases from Approved Suppliers

We are currently the only approved supplier of the synthetic turf and rubber flooring and any Camp Run-a-Mutt branded products. We are not currently an approved supplier of any other goods or services provided to franchisees. We, and our affiliates, reserve the right to become approved suppliers of products and services. None of our officers own an equity interest in an approved supplier.

During our 2023 fiscal year, we derived revenues of $15,775 from the sale or lease of products or services to franchisees. This represents approximately 1.6% of our total revenue of $1,013,560 We and our affiliates may receive rebates or other consideration from suppliers in consideration for goods or services that we require or advise you to obtain from approved suppliers, and we reserve the right to do so in the future. Our revenue or other consideration received may include promotional allowances, volume discounts, and other payments. Although we are not obligated to do so, we intend to use the rebates for production of marketing materials, but we reserve the right to use such rebates for any purpose in our sole discretion.

You must purchase, install, maintain in sufficient supply and use, only fixtures, furnishings, equipment, signs and supplies that conform to the standards and specifications described in the Brand Standards Manual or otherwise in writing, including the synthetic turf and rubber flooring. You must purchase all products, equipment, supplies, and materials only from approved suppliers (including manufacturers, wholesalers, and distributors). You must at all times maintain an inventory of approved products in sufficient quantities and variety to realize the full potential of your Camp Run-A-Mutt Business.

We estimate that approximately 40% - 70% of purchases required to open your Center, and 30% - 50% of purchases required to operate your Center will be from us or from other approved suppliers and under our specifications.

We do not have purchasing and distribution cooperatives as of the Issuance Date of this Franchise Disclosure Document; however, we may negotiate alternative purchase arrangements with suppliers and distributors of approved products for the benefit of our franchisees, and we reserve the right to receive rebates on volume discounts from our purchase of products we may resell to you. We do not provide material benefits, such as renewing or granting additional Franchises to franchisees based on their use of designated or approved suppliers. There are no caps or limitations on the maximum rebates we may receive from our suppliers as the result of franchisee purchases.

Approval of New Suppliers

We may update the list of approved suppliers in the Brand Standards Manual. If you desire to have a non-approved supplier of a product or service designated as an approved supplier, you must submit samples of the supplier’s products or services to us, along with a written statement describing why such items, services, or suppliers should be approved for use in the System. We reserve the right to charge a fee to evaluate the proposed supplier of approximately $100 to $500 per evaluation (See Item 6). We do not make our supplier specifications and/or standards generally available to franchisees or suppliers. While we will be required to respond to a request within 60 days, we generally respond to a request for an additional approved supplier within seven days. Our written approval must be received before you use products not purchased from an approved supplier. We may revoke our approval at any time if we determine, in our discretion, that the supplier no longer meets our standards. When you receive written notice of a revocation, you must stop selling any disapproved products, and stop purchasing from any disapproved supplier.

ITEM 9
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise agreement 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 Franchise Agreement	Item in Franchise Disclosure Document
a. Site selection and acquisition/lease	Definitions, Section 4 and Section 7	Item 11
b. Pre-opening purchases/leases	Sections 7, 8, 9 and 12	Items 8 & 11
c. Site development and other pre-opening requirements	Section 8	Items 6, 7 & 11
d. Initial and ongoing training	Sections 7, 8 and 17	Item 11
e. Opening	Section 8	Item 11
f. Fees	Definitions, Sections 5, 6, 7, 8, 9, 11, 12, 15, 16, 17, 18, 20 and 21	Items 5 & 6
g. Compliance with standards and policies/Brand Standards Manual	Definitions and Sections 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 17, 18, 20 and 21	Item 11
h. Trademarks and proprietary information	Sections 4, 8, 10, 17 and Attachment B	Items 13 & 14
i. Restrictions on products/services offered	Definitions, Sections 2, 4, 7, 8, 9, 10, 11, 12	Items 8 & 16
j. Warranty and customer service requirements	Recitals, Definitions, Sections 2, 4, 6, 8, 9	Item 11
k. Territorial development and sales quotas	Sections 2 and 4	Items 11 & 12
l. On-going product/service purchases	Sections 8 and 9	Item 16
m. Maintenance, appearance, and remodeling requirements	Sections 3,8, and 15	Item 7
n. Insurance	Sections, 2, 7and 12	Item 8
o. Advertising	Section 11	Item 11
p. Indemnification	Section 12	Item 6
q. Owner's participation/management and staffing	Section 8	Item 15
r. Records and reports	Section 6	Items 6 & 17
s. Inspections and audits	Sections 6 and 8	Item 6
t. Transfer	Section 15	Item 17
u. Renewal	Section 3	Item 17
v. Post-termination obligations	Sections 10, 14 and 17	Item 17
w. Non-competition covenants	Section 14	Item 17
x. Dispute resolution	Section 20	Item 17

ITEM 10
FINANCING

We do 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, CRAMER is not required to provide you with any assistance.

Pre-opening Obligations

Before you open your Camp Run-A-Mutt Business, we (or our designee) will provide the following assistance and services to you:

1. Designate your "Territory", as described in Item 12 (See Sections 4 and 7.3(a) of the Franchise Agreement).

2. Provide site selection guidelines and criteria and provide site selection assistance to determine an acceptable location for your Camp Run-A-Mutt Franchise (See Sections 7.3(c) and 7.4 of the Franchise Agreement).

3. Assist you in your site selection process by authorizing a site for your Camp Run-A-Mutt Franchise and reviewing and authorizing a final lease for the premises (See Sections 7.3(d) and 7.4 of the Franchise Agreement). We may terminate the Franchise Agreement if you do not submit an approved site within 180 days of the date of the Franchise Agreement.

4. Provide specifications for layout, construction, furniture, fixtures, equipment, inventory, bookkeeping, and supplies required to operate your Camp Run-A-Mutt Franchise. You must submit final construction plans and specifications to us for our approval before you begin construction at the premises, and must construct your Camp Run-A-Mutt Franchise under those approved plans and specifications (See Section 7.3(b) of the Franchise Agreement).

5. Loan you, or make available to you on our website, one copy of the Brand Standards Manual. The Brand Standards Manual contains approximately 170 pages. The table of contents for the Brand Standards Manual is attached to this Franchise Disclosure Document as Exhibit F (See Section 7.3(g) of the Franchise Agreement).

6. Provide an initial training program in San Diego, California or another location designated by us ("Initial Training Program") for up to three people (See Section 7.3(e) of the Franchise Agreement).

7. Provide pre-opening assistance and pre-opening training to you and your Designated Manager (if applicable) ("Pre-Opening Training Program") for approximately three days at your Center. The Pre-Opening Training will occur immediately prior to and immediately following the Opening Date (See Section 7 of the Franchise Agreement).

8. Deliver your synthetic turf flooring and rubber flooring and the initial inventory of any branded Camp Run-A-Mutt products. Approve or disapprove any promotions, edits, changes or updates to your Muttcam Website (See Section 7.3(f) of the Franchise Agreement).

Site Selection

You must select the site for your Center within your Territory, subject to our approval. You may not relocate your Center without our prior written consent. Before leasing or purchasing the site for your Center, you must submit to us, in the form we specify, a description of the site, with other information and materials we may reasonably require. We will have 30 days after we receive the information and materials to evaluate the proposed site. If we disapprove of the proposed site, you must select another site, subject to our consent. You must purchase or lease, at your expense, the site for your Center within 180 days after signing the Franchise Agreement. You also must submit for review and approval any sale or lease contract before you sign it.

We will consult with you on our current site selection guidelines and provide other site selection counseling, as we deem advisable. Although we will consult with you on your site and require your site be subject to our final authorization, you have the ultimate responsibility in choosing, obtaining, and developing the site for your Center.

Schedule for Opening

The typical length of time between signing the Franchise Agreement and the opening of the Camp Run-A-Mutt Business is approximately 364 days. You must schedule the opening of your Camp Run-A-Mutt Business within 270 days after signing the Franchise Agreement. Failure to open your Camp Run-A-Mutt Business within this 270-day window is a material breach of the Franchise Agreement, which provides us with the right to terminate the Franchise Agreement. Some factors which may affect this timing are your ability to acquire a location through lease or purchase negotiations, your ability to complete a pre-market entry study, your ability to secure any necessary financing, your ability to comply with local zoning and other ordinances, your ability to obtain any necessary permits and certifications, the timing of the delivery of equipment, tools and inventory, and the time to convert, renovate, or build out your Center. You must comply with all ordinances, building codes, and permit requirements and with any lease requirements and restrictions.

You may not open your Camp Run-A-Mutt Business until: (1) we notify you in writing that all of your pre-opening obligations have been fulfilled; (2) you have completed the Initial Training Program to our satisfaction; (3) all amounts due to us have been paid; (4) we have been furnished with copies of all insurance policies and certificates required by the Franchise Agreement, or other documentation of insurance coverage and payment of premiums we request; (5) you notify us that all approvals and conditions stated in the Franchise Agreement have been met; (6) you have received all required permits and licenses; (7) you have ordered, received, and installed your fixtures, equipment, supplies, inventory, and related materials; and (8) you have received the Camp Run-A-Mutt certificate based on completion of all requirements defined by the Operations and Procedures Manual. You must be prepared to open and operate your Camp Run-A-Mutt Business immediately after we state your Camp Run-A-Mutt Business is ready for opening.

<u>Continuing Obligations</u>

During the operation of your Camp Run-A-Mutt Business, we (or our designee) will provide the following assistance and services to you:

1. Inform you of mandatory specifications, standards, and procedures for the operation of your Camp Run-A-Mutt Franchise, as described in Item 8 (See Section 7.5(a) of the Franchise Agreement).

2. Upon reasonable request, provide advice regarding your Camp Run-A-Mutt Business' operations based on reports or inspections. Advice will be given during our regular business hours and via the Brand Standards Manual or other written materials, electronic media, telephone, or other methods in our discretion (See Section 7.5(b) of the Franchise Agreement).

3. For as long as we determine to continue the Brand Fund, we will maintain and use this fund to develop promotional and advertising programs for Camp Run-A-Mutt Businesses (See Section 7.5(c) of the Franchise Agreement).

4. Provide you with advice and guidance on advertising and marketing (See Section 7.5(d) of the Franchise Agreement).

5. Provide additional training to you for newly-hired personnel on the Camp Run-A-Mutt brand and System guidelines, refresher training courses, and additional training or assistance that, in our discretion, you need or request. If we provide additional training, you must pay us a fee in the amount set by us, which is currently $3,000 per additional person for initial training, and approximately $300 per attendee per day for additional training (See Sections 7.5(e) and 7.5(f) of the Franchise Agreement).

6. Allow you to continue to use confidential materials, including the Brand Standards Manual, and the Marks (See Section 7.5(g) of the Franchise Agreement).

Optional Assistance

During the term of the Franchise Agreement, we (or our designee) may, but are not required to, provide the following assistance and services to you:

1. Modify, update, or change the System, including the adoption and use of new or modified trade names, trademarks, service marks, or copyrighted materials, new products, new equipment, or new techniques (See Section 10 of the Franchise Agreement).

2. Make periodic visits to the Camp Run-A-Mutt Business for the purpose of assisting in all aspects of the operation and management of the Camp Run-A-Mutt Franchise, prepare written reports concerning these visits outlining any suggested changes or improvements in the operation of the Camp Run-A-Mutt Franchise, and detailing any problems in the operations which become evident as a result of any visit. If provided at your request, you must reimburse our expenses and pay our then-current training charges (See Section 7.5(b) of the Franchise Agreement).

3. A representative of ours may, at our sole discretion, provide additional assistance (See Section 7.5(e) of the Franchise Agreement). There may be additional charges for these services. If we provide additional assistance, we must agree in advance on the charges you will pay and the length of the visit. Whether there are additional charges and the charge amount will depend on the nature of the services, the assistance required, and the experience level of the trainee (See Item 6).

4. Maintain and administer the Brand Fund. We may dissolve the Brand Fund upon written notice (See Section 11 of the Franchise Agreement).

5 Hold periodic national or regional conferences to discuss business and operational issues affecting Camp Run-A-Mutt franchisees (See Section 8.3 of the Franchise Agreement).

6. For so long as we require you to use the Muttcams and Muttcam Website, we will provide technical support and ongoing consultation for the Muttcams and Muttcam Website, and provide updates

and upgrades to the Muttcam Website. There may be additional charges for these services. If we provide additional assistance we must agree in advance on the charges. Whether there are additional charges and the charge amount will depend on the nature of the services, the assistance required, and the experience level of the trainee (See Item 6).

7. Provide a telephone hotline to answer questions from you or your staff. Advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods in our discretion. There may be additional charges for these services. If we provide additional assistance we must agree in advance on the charges. Whether there are additional charges and the charge amount will depend on the nature of the services, the assistance required, and the experience level of the trainee (See Item 6).

8. Establish a Franchise-elected peer group whose main purpose is to mentor and support each other.

9. Provide an Internet Portal to answer questions from you or your staff. Advice will be given during our regular business hours and via written materials, electronic media, telephone or other methods in our discretion. There may be additional charges for these services. If we provide additional assistance we must agree in advance on the charges. Whether there are additional charges and the charge amount will depend on the nature of the services, the assistance required, and the experience level of the trainee (See Item 6).

<u>Advertising</u>

Brand Fund

You must pay us a Brand Fund contribution of one percent (1%) of your monthly Gross Sales ("<u>Brand Fund Contribution</u>"). The Brand Fund has been established for purposes of marketing the System, the Marks, and Camp Run-A-Mutt Businesses. You must pay your Brand Fund Contribution at the same time you pay your Royalty. We may, in our sole discretion, increase the Brand Fund Contribution up to two percent (2%) of your monthly Gross Sales upon 30 days' advance notice to you. Your contribution to the Brand Fund will be in addition to all other advertising requirements set out in this Item 11. Each franchisee will be required to contribute to the Brand Fund but certain franchisees may contribute on a different basis depending on when they signed their Franchise Agreement. Camp Run-A-Mutt Businesses owned by us may, but are not required to contribute to the Brand Fund on the same basis as franchisees.

The Brand Fund will be administered by us, or designees, at our discretion, and we may use a professional advertising agency or media buyer to assist us. The Brand Fund will be in a separate bank account, commercial account or savings account.

We have complete discretion on how the Brand Fund will be utilized. We may use the Brand Fund for local, regional or national marketing, advertising, sales promotion and promotional materials, public and consumer relations, website development and search engine optimization, the development of technology for the System and any other purpose to promote the Marks. We may use any media for disseminating Brand Fund advertisements, including direct mail, print ads, the Internet, radio, billboards, and television. We may reimburse ourselves, our authorized representatives from the Brand Fund for administrative costs, independent audits, reasonable accounting, bookkeeping, reporting and legal expenses, taxes and all other direct or indirect expenses associated with the programs funded by the Brand Fund. We do not guarantee that advertising expenditures from the Brand Fund will benefit you or any other franchisee directly, on a pro rata basis, or at all. We are not obligated to spend any amount on advertising in the geographical area where you are or will be located. We will not use the Brand Fund contributions for advertising that is principally a solicitation for the sale of franchises, but we reserve the right to include a notation in any advertisement or website indicating "Franchises Available" or similar phrasing.

We assume no fiduciary duty to you or other direct or indirect liability or obligation to collect amounts due to the Brand Fund or to maintain, direct or administer the Brand Fund. Any unused funds that were collected in any calendar year will be applied to the following year's funds, and we reserve the right to contribute or loan additional funds to the Brand Fund on any terms we deem reasonable.

The Brand Fund will not be audited. Upon your written request, we will provide to you an annual accounting for the Brand Fund that shows how the Brand Fund proceeds have been spent for the previous year.

In our last fiscal year ending December 31, 2023, we collected $127,247 in contributions to the Brand Fund. Of that amount, $131,489 was spent by the Brand Fund during our 2023 fiscal year as follows: 44% on administrative costs, 34% on third party services, 19% on marketing and advertising, 3% on other operating expenses and 0% on miscellaneous fees. The remaining amount of $1,495 was carried over into 2024.

Local Advertising

In addition to the Advertising Fees for the Brand Fund, you must spend the following on local advertising:

Time Period	Local Advertisement Requirement
First 3 months after you begin operations	A minimum of $4,000 for VIP Party and marketing
Each remaining month until the expiration of the Franchise Agreement	A minimum of $500 per month on local advertising over the remaining months ("Local Advertising Requirement"). If you fail to spend the Local Advertising Requirement by the end of the month, you may be required to pay the difference to us, or if established, the Brand Fund.

You may be required to participate in any local or regional advertising cooperative for Camp Run-A-Mutt Franchises that is established. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area. Franchisees in each cooperative will contribute an amount to the cooperative for each Camp Run-A-Mutt Franchise that the franchisee owns that exists within the cooperative's area. Each Camp Run-A-Mutt Franchise we or an Affiliate owns that exists within the cooperative's area may contribute to the cooperative on the same basis as franchisees. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. We may require that each cooperative that exceeds five franchisee members must operate with governing documents. Each cooperative must prepare annual unaudited financial statements, and such statements will be provided for review to each member of such cooperative. We reserve the right to form, change, dissolve, or merge any advertising cooperative formed in the future. If we elect to form such cooperatives, or if such cooperatives already exist near your Territory, you will be required to participate in compliance with the provisions of the Brand Standards Manual, which we may periodically modify in our discretion.

You agree, at your sole cost and expense, to issue and offer such rebates, giveaways, and other promotions in accordance with advertising programs established by us, and further agree to honor the rebates, giveaways, and other promotions issued by other Camp Run-A-Mutt franchisees under any such program, so long as such compliance does not contravene any applicable law, rule, or regulation. You will not create or issue any gift cards/certificates and will only sell gift cards/certificates that have been issued or sponsored by us and you will not issue coupons or discounts of any type except as approved by us.

Marketing Resources, Pre-Approvals for Marketing Materials, and Internet Marketing

You must order sales and marketing material from us or our designated suppliers. It is a material breach of the Franchise Agreement to use other marketing material, without obtaining our prior written approval. If you desire to use your own advertising materials, you must obtain our prior approval, which may be granted or denied in our sole discretion. We will review your request and we will respond in writing within 30 days from the date we receive all requested information. Our failure to notify you in the specified time frame will be deemed a disapproval of your request. Use of logos, Marks, and other name identification materials must follow our approved standards. You may not use our logos, Marks, and other name identification materials on items to be sold or services to be provided without our prior written approval. If we approve of promotional items or services that will be sold in your Camp Run-A-Mutt Business, those items or services must be in your Gross Sales and will be subject to Royalties, Local Advertising Requirement, and if established, the Brand Fund Contributions. If you use unauthorized advertising materials, you must pay a fee of $500 per occurrence to us, or if established, the Brand Fund.

We retain the sole right to market on the Internet, including all use of websites, domain names, URLs, linking, advertising, and co-branding arrangements. You may not independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks. We intend any franchisee website be accessed only through our home page. You will provide us content for our Internet marketing. We retain the right to approve or disapprove any linking or other use of our website in our sole discretion.

Advisory Council

We currently do not have, but may form, an advisory council ("Council") to advise us on advertising policies. Members of the Council would consist of both franchisees and corporate representatives. Members of the Council would be selected by way of a voting method specified in the Council's bylaws. The Council would be governed by bylaws. The purpose of the Council would be to provide input regarding the Brand Fund and to promote communications between us and all Franchisees. The Council would serve in an advisory capacity only. We will have the power to form, change, or dissolve the Council, in our sole discretion.

Software and Computer Equipment

Your Camp Run-A-Mutt Franchise will need a computer system that consists of the following hardware and software: (a) a point of sale system, including credit card processing equipment and software; (b) a minimum of one desktop computer with monitor for the front counter; a printer/fax/copier; telephones with voicemail service; (c) a stand-alone desktop PC with monitor to operate the Muttcams; and (d) additional software including accounting software (collectively, the "Computer System"). We estimate the cost of purchasing the Computer System will be between $1,500 and $3,000.

You must record all Gross Sales on the Computer System. You must store all data and information in the Computer System that we designate, and report data and information in the manner we specify. The Computer System will generate reports on the Gross Sales of your Camp Run-A-Mutt Franchise. You must also maintain a high-speed Internet connection at Center. In addition to offering and accepting Camp Run-A-Mutt Franchise gift cards and loyalty cards, you must use any credit card vendors and accept all credit cards and debit cards that we determine. The term "credit card vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet"). We are not required to provide you with any ongoing maintenance, repairs, upgrades, updates or support for the Computer System (Franchise Agreement – Section 8.3(s)). You must arrange for installation, maintenance and support of the Computer System at your cost. There are no limitations in the Franchise Agreement regarding the costs of such required support, maintenance repairs or upgrades relating to the Computer System. We cannot estimate the cost of maintaining, updating or upgrading the Computer System or its components because it will depend on your repair history, local costs of computer maintenance services in your area and technological advances which we cannot predict at this time. In prior years we estimated the annual costs to range between $0 and $1,500. We may revise our specifications for the Computer System periodically. You must upgrade or replace your Computer System at such time as specifications are revised. There is no limitation on the frequency and cost of this obligation.

We (or our designee) have the right to independently access the electronic information and data relating to your Franchise and to collect and use your electronic information and data in any manner, including promoting the System and the sale of Franchises. This may include posting financial information of each franchisee on an intranet website. There is no contractual limitation on our right to receive or use information through our proprietary data management and intranet system. We may access the electronic information and data from your Computer System remotely, in your Center or from other locations.

Training

Initial Training

Before you open the Camp Run-A-Mutt Business, you (if you are an individual) or your managing owner (if you are an entity) and, if applicable, your designated manager, must attend and successfully complete to our satisfaction our Initial Training Program. We provide initial training at no charge for up to three people, provided all such persons attend initial training at the same time (See Section 7.3(e) of the Franchise Agreement). The Initial Training Program is offered on an as needed basis in connection with the sale of Franchises.

Training will occur after you sign the Franchise Agreement and while you are developing your Camp Run-A-Mutt Business. Your attendees must complete all training before you may open your Camp Run-A-Mutt Business. We plan to be flexible in scheduling training to accommodate our personnel, you, and your personnel. You must pay for wages and all travel and living expenses during your attendees' training.

Our Initial Training Program comprises approximately 60 hours at our headquarters in San Diego, California and approximately 24 hours at your Center to assist in your Pre-Opening Training Program. We plan to provide the training listed in the table below. We reserve the right to vary the length and content of the Initial Training Program based upon the experience and skill level of the individual attending the Initial Training Program.

TRAINING PROGRAM

Subject	Classroom Hours	On The Job Training	Location
Welcome	0.5	0	Corporate headquarters in San Diego, California or as we otherwise specify
Layout & Design of Facility	0.5	0.5	Corporate headquarters in San Diego, California or as we otherwise specify
Branding	0.5	0	Corporate headquarters in San Diego, California or as we otherwise specify
Style Guide	0.5	0	Corporate headquarters in San Diego, California or as we otherwise specify
Marketing	1	2	Corporate headquarters in San Diego, California or as we otherwise specify
CRAM Technology	6	3	Corporate headquarters in San Diego, California or as we otherwise specify
Administrative Responsibilities	1	0.5	Corporate headquarters in San Diego, California or as we otherwise specify
Staffing	1.5	1	Corporate headquarters in San Diego, California or as we otherwise specify
Ordering, Inventory & Product Knowledge	0.5	1	Corporate headquarters in San Diego, California or as we otherwise specify
Merchandising, Product Sales & Promotions	0.5	1	Corporate headquarters in San Diego, California or as we otherwise specify
Customer Service, Front Lobby & Overcoming Objections	1.5	4	Corporate headquarters in San Diego, California or as we otherwise specify
Safety Procedures	3.5	3	Corporate headquarters in San Diego, California or as we otherwise specify
Sanitation and Cleanliness	1	2	Corporate headquarters in San Diego, California or as we otherwise specify
Dog Interviewing & Temperament Testing	1	1	Corporate headquarters in San Diego, California or as we otherwise specify
Daycare & Overnight Boarding Programs	1.5	2	Corporate headquarters in San Diego, California or as we otherwise specify
Floor Operations	1.5	4	Corporate headquarters in San Diego, California or as we otherwise specify
Grooming	0.5	1	Corporate headquarters in San Diego, California or as we otherwise specify
Doggie Enemies	1	0.5	Corporate headquarters in San Diego, California or as we otherwise specify
What Would You Do?	0.5	0	Corporate headquarters in San Diego, California or as we otherwise specify
Dog Behavior and Characteristics	4	4	Corporate headquarters in San Diego, California or as we otherwise specify
Follow Up & Review of Previous Topics	1	0	Corporate headquarters in San Diego, California or as we otherwise specify
TOTAL	29.5	30.5	

Notes:

1. The training subjects may vary, and the training may be less than the times indicated above depending on the number and experience of the attendees. We will use the Brand Standards Manual as the primary instruction materials during the Initial Training Program.

2. Dennis Quaglia, Severn Crow, Mikel Ross and Analiese Hurd currently oversee our training program. Mr. Quaglia, Mr. Crow and Mr. Ross operated our Affiliate in San Diego, California from 2008 to when it closed August 1, 2020 (it was a doggie daycare and overnight boarding business). Mr. Crow was also a senior web developer for USA Today in McLean, Virginia. Ms. Hurd served as general manager of a Camp Run-A-Mutt franchise in San Diego, California from February 2013 to December 2016 and assisted in the operation of Camp Run-A-Mutt, LLC in San Diego, California from January 2017 to when it closed August 1, 2020.

3. Other individuals instructing the training program may vary, and all of our instructors will have at least one year of relevant work experience in their designated subject area.

Ongoing Training

From time to time, we may require that you, your managing owner, designated managers and other employees attend system-wide refresher or additional training courses. Some of these courses may be optional while others may be required. If you appoint a new designated manager, that person must attend and successfully complete our initial training program before assuming responsibility for the management of your Camp Run-A-Mutt Business. If we conduct an inspection of your Center and determine you are not operating in compliance with the Franchise Agreement, we may require that you attend remedial training that addresses your operational deficiencies. You may also request that we provide additional training (either at corporate headquarters or at your Camp Run-A-Mutt Business). Attendance at these programs will be at your expense.

Joint Employer

Although there are certain requirements that you and your employees may have to abide by, such as training and confidentiality of proprietary information, we are very restricted as to directions or influence we may provide affecting your employees. All of your employees are solely employed by you and we cannot give you or them directions regarding activities pertaining to your franchise operations. We and you are two independent companies and operate our own business with control of our own employees. We must limit our connection to your employee activity to avoid being deemed a "joint employer" which could result in substantial liability to us and for which you may be required to indemnify us as provided in the Franchise Agreement. We are not responsible for hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, taxes, work schedules, work conditions, assignments, record keeping, supervision, compliance with workplace laws and discipline of employees, all of which are provided by you.

ITEM 12
TERRITORY

You will be granted a protected territory ("Territory") in which to establish your Camp Run-A-Mutt Business and sell the products and services. We will not establish or franchise others to establish another Center using the Marks within your Territory. You have the right to operate your Camp Run-A-Mutt Business from a single location within your Territory that we approve. You are not guaranteed any specific location for your Center and you may not be able to obtain your top choice. You may not relocate the Camp Run-A-Mutt Business without our approval, which will be based on the following: where your new Center will be located; whether or not such relocation will infringe upon the rights of other Camp Run-A-Mutt Businesses; and the time it will take to relocate your Camp Run-A-Mutt Business.

Your Territory will be based upon a geographic area and other factors described below, and will usually consist of a five mile radius around your Center. The actual size of the Territory may be less than a five mile radius, and will depend upon demographics and other characteristics including population density, average income, and other characteristics of the surrounding area, natural boundaries, extent of competition, and the amount and size of urban, suburban, and rural areas. We will use the most recent population information available in the U.S. Census Data, or other population statistical sources of our choosing, to determine populations, and Google Maps or a similar mapping program to determine radius.

The boundaries of your Territory will be included in your Franchise Agreement. Once we establish your Territory, we will not alter your Territory during the term of the Franchise Agreement without your prior written consent. Except for satellite locations described below, you may not, without our prior written approval, open or operate another outlet whether within or outside the Territory.

If you elect to offer the Additional Services, you must provide the Additional Services in compliance with our standards, but only in the Territory. You must follow our rules for delivery services and any minimum requirements we may establish, from time to time, for delivery drivers. In particular, you may deliver the Center's products to customers only with your own employed delivery drivers and not through third party delivery services or systems.

You must actively market, promote, and develop your Franchised Business in your Territory. You may advertise or market your Camp Run-A-Mutt Business outside your Territory, provided, however you must not specifically engage in target marketing ("Target Marketing") of customers within the Territory of another Camp Run-A-Mutt Franchise (and/or company/affiliate-owned business or franchise). "Target Marketing" means a concerted effort by a franchisee to solicit and obtain customers through any type of advertisement or marketing, directed at all or a portion of another franchisee's Territory. We will use commercially reasonable efforts to enforce this requirement regarding Target Marketing if you or any other franchisee violates it. A breach of this provision is material and could result in the termination of your Franchise Agreement.

You may accept business and provide services to customers who live outside your Territory even if such customers may live within another franchisee's Territory so long as the services, including any Additional Services, that you are providing are being performed within your defined Territory. We and other franchisees reserve the same right to provide services to people who may live within your defined Territory.

In some cases we may allow you to establish a satellite location within your Territory. A satellite location is a business location within your Territory which functions as part of a Center, such as a warehouse that does not have outdoor area that could be used for overnight boarding overflow. A satellite location cannot exceed a maximum of 2,000 square feet and may have a separate entrance that services only the Franchisee's facility. There are no protected territories associated with satellite locations you may open and we reserve the right to own, franchise or operate other satellite locations regardless of proximity to your satellite location as long as it is not in your Territory. Other franchisees are not permitted to establish satellite locations in your Territory. If you are a Franchisee in good standing, you may request authorization to open a satellite location. We will consider a variety of factors and decide each request on a case-by-case basis. We reserve the right to make this determination at our discretion. If you operate a Center and you are authorized to operate a satellite location within your Territory, you will not be charged any additional franchise fees, however your minimum representation of branded products will be increased and all sales generated from the satellite location are subject to royalty payments and advertising allocations. You must own 100% of any satellite location that we authorize you to operate. You must operate the satellite location pursuant to the Franchise Agreement, Franchise Operation Manual and our other guidelines.

We, and our Affiliate, reserve the right, among others:

(1) to own, franchise, or operate Camp Run-A-Mutt Businesses at any location outside of the Territory, regardless of the proximity to your Camp Run-A-Mutt Business;

(2) to use the Marks and the System to sell any products or services the same as or similar to those that you will sell through any alternative channels of distribution within or outside of the Territory. This includes, but is not limited to, retail locations and other channels of distribution such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the Internet. We reserve the right to distribute labeled products branded with our logo. We exclusively reserve the Internet as a channel of distribution for us, and you may not independently market on the Internet or conduct e-commerce;

(3) to use and license the use of other proprietary and non-proprietary marks or methods that are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering doggie day care, overnight boarding and related products and services at any location, including within the Territory, which may be the same as, similar to, or different from the Camp Run-A-Mutt Business operated by you;

(4) to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your Camp Run-A-Mutt Business, wherever located;

(5) to acquire and convert to the System, any businesses offering doggie day care, overnight boarding and related products and services, including such businesses operated by competitors or otherwise operated independently or as part of, or in association with, any other system or chain, whether franchised or corporately owned, and whether located inside or outside of the Territory; and

(6) to implement multi-area marketing programs that may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs.

You are not given a right of first refusal on the sale of new or existing Camp Run-A-Mutt Businesses. You may not engage in any promotional activities or market our proprietary products or similar products or services, whether directly or indirectly, through or on the Internet, or any other similar proprietary or common carrier electronic delivery system; through catalogs or other mail order devices sent or directed to customers or prospective customers located anywhere; or by telecopy or other telephonic or electronic communications, including toll-free numbers, directed to or received from customers or prospective customers located anywhere.

The continuation of the Territory is not dependent upon your achievement of a certain sales volume, market penetration, or quota. We do not pay compensation for soliciting or accepting orders inside your Territory. As of the Issuance Date of this Franchise Disclosure Document, we do not sell anything directly to customers.

ITEM 13
TRADEMARKS

The Franchise Agreement and your payment of Royalties grant you the non-exclusive right and license to use the System, which includes the use of the Proprietary Marks. You may also use other future trademarks, service marks, and logos we approve to identify your Camp Run-A-Mutt Franchise.

The Marks and the System are owned by us. We have registrations with the United States Patent and Trademark Office ("USPTO") for the following Marks:

Registered Mark	Registration Number	Registration Date	Register
CAMP RUN-A-MUTT	3,620,301	May 12, 2009	Registered on the Principal Register
MUTTCAMS	3,913,066	February 1, 2011	Registered on the Principal Register
CAMP RUN-A-MUTT	3,913,065	February 1, 2011	Registered on the Principal Register
Ready, Set, Play!	5,075,126	November 1, 2016	Registered on the Principal Register

All required affidavits have been filed for the registered Marks. There are no effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. No agreement significantly limits our right to use or license the Marks in a manner material to your Franchise. We do not know of either superior prior rights or infringing uses that could materially affect your use of the Marks in any state.

You must follow our guidelines and requirements when using the Marks. You cannot use our name or mark as part of a corporate name or with modifying words, designs, or symbols unless you receive our prior written consent. You must indicate to the public in any contract, advertisement, and with a conspicuous sign in your Center that you are an independently-owned and operated licensed franchisee of Camp Run-A-Mutt. You may not use the Marks in the sale of unauthorized services or products or in any manner we do not authorize. You may not use the Marks in any advertising for the transfer, sale, or other disposition of the Camp Run-A-Mutt Business or any interest in the Franchise. All rights and goodwill from the use of the Marks accrue to us. If it becomes advisable at any time, in our sole discretion, for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you must comply with our directions within a reasonable time after receiving notice. We will not reimburse you for your direct expenses of changing signage, for any loss of revenue, or other indirect expenses due to any modified or discontinued Mark, or for your expenses of promoting a modified or substituted trademark or service mark.

Your right to use the Marks is derived solely from your Franchise Agreement, and is limited to conducting business in compliance with the Franchise Agreement and all applicable standards, specifications, and operating procedures we prescribe. Any unauthorized use of the Marks by you will constitute an infringement of our rights in the Marks. Your use of the Marks and any goodwill established by them will be for our exclusive benefit, and your Franchise Agreement does not confer any goodwill or other interests in the Marks upon you. All provisions of your Franchise Agreement applicable to the Marks will apply to any additional proprietary trade and service marks and commercial symbols authorized for use by, and licensed to you under, your Franchise Agreement.

You must notify us immediately when you learn about an infringing or challenging use of the Marks. If you are in compliance with the Franchise Agreement, we will defend you against any claim brought against you by a third party alleging your use of the Marks in accordance with the Franchise Agreement infringes upon that party's intellectual property rights. We may require your assistance, but you are not permitted to control any proceeding or litigation relating to our Marks. We have no obligation to pursue any infringing users of our Marks. If we learn of an infringing user, we will take the action appropriate, but we are not required to take any action if we do not feel it is warranted.

You must not directly or indirectly contest our right to the Marks. We may acquire, develop, and use additional marks not listed here, and may make those marks available for your use and for use by other franchisees.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

The information in the Brand Standards Manual is proprietary and is protected by copyright and other laws. The designs contained in the Marks, the layout of our advertising materials, the content and format of our products, and any other writings and recordings in print or electronic form are also protected by copyright and other laws. Although we have not applied for copyright registration for the Brand Standards Manual, our advertising materials, the content and format of our products, or any other writings and recordings, we claim common law and federal copyrights in these items. We grant you the right to use this proprietary and copyrighted information ("Copyrighted Works") for the operation of your Camp Run-A-Mutt Franchise, but such copyrights remain our sole property.

There are no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are there any proceedings pending, nor are there any effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit using our Copyrighted Works.

Our Brand Standards Manual, electronic information and communications, sales and promotional materials, the development and use of our System, standards, specifications, policies, procedures, information, concepts and systems on, knowledge of, and experience in the development, operation, and franchising of Camp Run-A-Mutt Franchises, our training materials and techniques, information concerning product and service sales, operating results, financial performance and other financial data of Camp Run-A-Mutt Franchises, and other related materials are proprietary and confidential ("Confidential Information"), and are our property to be used by you only as described in the Franchise Agreement and the Brand Standards Manual. Where appropriate, certain information has also been identified as trade secrets ("Trade Secrets"). You must maintain the confidentiality of our Confidential Information and Trade Secrets and adopt reasonable procedures to prevent unauthorized disclosure of our Confidential Information and Trade Secrets.

We will disclose parts of the Confidential Information and Trade Secrets to you as we deem necessary or advisable for you to develop your Camp Run-A-Mutt Franchise during training and in guidance and assistance furnished to you under the Franchise Agreement, and you may learn or obtain from us additional Confidential Information and Trade Secrets during the term of the Franchise Agreement. The Confidential Information and Trade Secrets are valuable assets of ours, and are disclosed to you on the condition that you, and your owners if you are a business entity, and employees agree to maintain the information in confidence by entering into a confidentiality agreement we can enforce. Nothing in the Franchise Agreement will be construed to prohibit you from using the Confidential Information or Trade Secrets in the operation of other Camp Run-A-Mutt Franchises during the term of the Franchise Agreement.

You must notify us within three days after you learn about another's use of language, a visual image, or a recording of any kind, that you perceive to be identical or substantially similar to one of our Copyrighted Works or use of our Confidential Information or Trade Secrets, or if someone challenges your use of our Copyrighted Works, Confidential Information, or Trade Secrets. We will take whatever action we deem appropriate, in our sole and absolute discretion, to protect our rights in and to the Copyrighted Works, Confidential Information, or Trade Secrets, which may include payment of reasonable costs associated with the action. However, the Franchise Agreement does not require us to take affirmative action in response to any apparent infringement of or challenge to your use of any Copyrighted Works, Confidential Information, or Trade Secrets, or claim by any person of any rights in any Copyrighted Works, Confidential Information, or Trade Secrets. You must not directly or indirectly contest our rights to our Copyrighted Works, Confidential Information, or Trade Secrets. You may not communicate with anyone except us, our counsel, or our designees regarding any infringement, challenge, or claim. We may take action as we deem appropriate regarding any infringement, challenge, or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge, or claim under any Copyrighted Works, Confidential Information, or Trade Secrets. You must sign any and all instruments and documents, give the assistance, and do acts and things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding, or to protect and maintain our interests in the Copyrighted Works, Confidential Information, or Trade Secrets.

No patents or patents pending are material to us at this time.

ITEM 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Camp Run-A-Mutt Franchise shall be managed by you, or if you are an entity, by one of your owners who is a natural person with at least a twenty-five percent (25%) ownership interest and voting power in the entity ("Managing Owner"). Under certain circumstances, we may allow you to appoint a designated manager ("Designated Manager") to run the day-to-day operations of the Camp Run-A-Mutt Franchise. The Designated Manager must successfully complete our training program (See Item 11). We may require that the Designated Manager have an ownership interest in the legal entity of the Franchise owner. If you replace a Designated Manager, the new Designated Manager must satisfactorily complete our training program at your own expense.

Any Designated Manager and, if you are an entity, an officer that does not own equity in the franchisee entity must sign the System Protection Agreement, the form of which is attached to this Franchise

Disclosure Document in Exhibit G-2. All of your employees, independent contractors, agents, or representatives that may have access to our Confidential Information must sign a Confidentiality Agreement (unless they already signed a System Protection Agreement), the current form of which is attached to this Franchise Disclosure Document in Exhibit G-3. If you are an entity, each owner (i.e., each person holding an ownership interest in you) must sign an Owner's Agreement guarantying the obligations of the entity, the form of which is attached to the Franchise Agreement as Attachment B. We also require that the spouses of the Franchise owners sign the Owner's Agreement.

You may not employ any Designated Manager, or appoint any Managing Owner who does not complete our Initial Training Program to our satisfaction. If a Designated Manager's employment with you is terminated, and your Managing Owner will not manage your Center, you must appoint a new Designated Manager who must successfully complete our Initial Training Program 60 days after the termination of the former Designated Manager, unless we do not hold an Initial Training Program during that 60-day period, in which case the replacement Designated Manager must attend and successfully complete the first available Initial Training Program held by us. You may be charged a training fee for a replacement Designated Manager or Managing Owner, and the travel expenses and salary and benefits must be paid by you (See Item 6). The factors used by us in determining whether you will be charged a training fee include the location of training, the length and type of training necessary, the costs borne by us in conducting the training, the replacement Designated Manager or Managing Owner's previous experience and skill, and our availability.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must sell or offer for sale only those services and products authorized by us and which meet our standards and specifications. You must follow our policies, procedures, methods, and techniques. You must sell or offer for sale all types of services and products specified by us. We may change or add to our required services and products at our discretion with prior notice to you (See Item 8). There are no limitations on our rights to make changes to the required services and products offered by you. If we change or add to our required services and products, the changes or additions will remain in permanent effect, unless we specify otherwise. The amount you must pay for the changes or additions will depend upon the nature and type of changes or additions. You must discontinue selling and offering for sale any services or products that we disapprove. We reserve the right to establish minimum and maximum resale prices for use with multi-area marketing programs and special price promotions.

Except as described in Item 12, you may not sell products or services, or advertise products or services, within another franchisee's territory. You may not establish an account or participate in any social networking sites (including, without limitation, Facebook, Twitter, or any other social or professional networking site or blog), or mention or discuss the Camp Run-A-Mutt Franchise, us, or our affiliates, without our prior written consent and as subject to our online policy. Our online policy may completely prohibit you from any use of the Marks in social networking sites or other online use. You may not sell products through other channels of distribution such as wholesale, Internet, or mail order sales. Otherwise, except as provided in Item 12, we place no restrictions upon your ability to serve customers provided you do so from the location of your Camp Run-A-Mutt Business in accordance with our policies.

ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the Franchise Agreement and related agreements. You should read these provisions in the agreements attached to this Franchise Disclosure Document.

Provision	Section in Franchise Agreement	Summary
a. Length of the Franchise term	Section 3	The initial term is ten years.
b. Renewal or extension of the term	Section 3	If you are in good standing and you meet other requirements, you may enter into one consecutive successor term of ten years.
c. Requirements for Franchisee to renew or extend	Section 3	The term renewal refers to extending our franchise relationship at the end of your initial term and any other renewal or extension of the initial term. Your successor franchise rights permit you to remain as a Franchisee after the initial term of your Franchise Agreement expires. You must provide timely notice and not be in default. You must sign our then-current franchise agreement and any ancillary documents for the successor term, and this new franchise agreement may have materially different terms and conditions (including, for example, higher Royalty and Advertising Fees) from the Franchise Agreement that covered your initial term. You must be in compliance and provide proof of current licenses, insurance and permits. You must pay the successor franchise fee, and upgrade your Center and vehicle and other provisions required in the Operations Manual. You must sign a general release.
d. Termination by Franchisee	Section 17.22	You may terminate the Franchise Agreement if you are in compliance with it and we are in material breach and we fail to cure that breach within 90 days of receiving written notice.
e. Termination by franchisor without "cause"	Not Applicable	Not Applicable.
f. Termination by franchisor with "cause"	Section 17	We can terminate upon certain violations of the Franchise Agreement by you.

Provision	Section in Franchise Agreement	Summary
g. "Cause" defined – curable defaults	Section 17	In order to avoid a default for "cause": You have three days to cure health, safety, or sanitation law violations or failure to operate safely; You have five days to cure monetary defaults; You have five days to discharge a lien or levy on business assets; You have five days to cure failure to follow directions or guidelines; and You have 30 days to cure operational defaults.
h. "Cause" defined - non-curable defaults	Section 17	Non-curable defaults: We have the right, at our option, to (i) suspend our services to you or (ii) terminate this Franchise Agreement, upon the occurrence of any of the following events: (a) You intentionally or negligently disclose the contents of our Brand Standards Manual, Confidential Information or Trade Secrets of Franchisor; (b)You abandon the Camp Run-A-Mutt Business for a period of 5 consecutive days or a shorter time if intent not to return is clear, except due to certain events beyond your control. (c) You become insolvent or adjudicated a bankrupt; or any similar action; (d) Any material judgment (or several judgments which in the aggregate are material) is obtained against Franchisee and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against Franchisee's Camp Run-A-Mutt Business or any of the property used for the operation of the Camp Run-A-Mutt Business and is not discharged within 5 days; or if the real or personal property of Franchisee's Camp Run-A-Mutt Business is sold after levy by any sheriff, marshal or constable; (e) Franchisee, the designated manager, or any owner of greater than 10% of the Franchisee's Entity is charged or convicted of any felony charge, or a crime involving moral turpitude, or any crime or offense reasonably likely, in the sole opinion of Franchisor, to materially and unfavorably affect the System, Marks, goodwill or reputation thereof; (f) Franchisee fails to pay any amounts due Franchisor or its Affiliates or approved suppliers within 5 days after receiving notice that such fees or amounts are overdue; (g) Franchisee misuses or fails to follow Franchisor's directions and guidelines concerning use of the Marks and fails to correct the misuse or failure within 5 days after notification from Franchisor;

Provision	Section in Franchise Agreement	Summary
		(h) Franchisee has received two notices of default regarding Franchisee's obligations hereunder from Franchisor within a 12-month period, regardless of whether the defaults were cured by Franchisee; (i) Franchisee sells, transfers or otherwise assigns the Camp Run-A-Mutt Business, an interest in the Camp Run-A-Mutt Business or Franchisee's Entity, this Franchise Agreement, or a substantial portion of the assets of the Camp Run-A-Mutt Business owned by Franchisee; (j) Franchisee submits on 2 or more occasions during the Initial Term and any Successor Term a report, financial statement, tax return, schedule or other information or supporting record which understates its Gross Sales by more than 2%, unless Franchisee demonstrates that such understatement resulted from inadvertent error; (k) Franchisee fails, or refuses, to submit any required report, financial statement, tax return, schedule or other information or supporting records, or submits such reports over 5 days late on 2 or more occasions during the Term or any Successor Term unless due to circumstances beyond the control of Franchisee; (l) Franchisee sells or offers for sale any unauthorized merchandise, product or service or engages in any unauthorized business under the Marks or under a name or mark confusingly similar to the Marks; (m) Franchisee contests in any court or proceeding the validity of or Franchisor's ownership of the Marks or copyrighted materials; (n) Franchisee is an Entity and any action is taken which purports to merge, consolidate, dissolve or liquidate such Entity without Franchisor's prior written consent; (o) Franchisee (or its Managing Owner if Franchisee is an entity) or its designated manager fails to successfully complete Franchisor's Initial Training Program or any continuing training programs; (p) Franchisee receives from Franchisor during the Initial Term and any Successor Term, three or more notices of default regardless whether such notices of default relate to the same or different defaults, or whether such defaults have been remedied by Franchisee; (q) Franchisee made misrepresentations under Section 1.9 or any violation of Anti-Terrorism Laws by Franchisee, its designated

Provision	Section in Franchise Agreement	Summary
		manager, its owners, officers, directors, managers, members, partners, agents or employees; or (r) Franchisee fails to fully resolve any violation within 3 days after receiving notice that its Camp Run-A-Mutt Business violates any health, safety or sanitation law, ordinance or regulation or has been operated in a manner that presents a health or safety hazard to customers, or the general public.
i. Franchisee's obligations on termination/non-renewal	Sections 14 and 17	Obligations include complete de-identification, payment of amounts due, and return of confidential Franchise Operations Manual, all Confidential Information, Trade Secrets, and records; and comply with restrictive covenants.
j. Assignment of contract by Franchisor	Section 15	No restriction on our right to assign.
k. "Transfer" by Franchisee – defined	Section 15	Includes any voluntary, involuntary, direct, or indirect assignment, sale, gift, exchange, grant of a security interest, or change of ownership in the Franchise Agreement, the Franchise, or interest in the Franchise.
l. Franchisor approval of transfer by Franchisee	Section 15	We have the right to approve all transfers.
m. Conditions for Franchisor approval of transfer	Section 15	You must provide timely notice; must be in compliance; transfer documents approved; provide financial statements of new owner; Center must be in operation for at least one year, if we have not exercised right of first refusal; new owner must have sufficient business experience and financial resources to operate the Franchise; you must pay all amounts due; new owner and employees must complete the Initial Training Program; your landlord must consent to transfer of lease; you must pay transfer fee; you must sign a general release in favor of us; new owner must agree to bring the Center up to current standards; new owner signs a new franchise agreement in the then-current form, including a guaranty; you must sign a non-compete agreement not to engage in a competitive business for 18 months within 25 miles of that Franchise or another Camp Run-A-Mutt Franchise; reimburse us for our actual costs of transfer, including legal fees, commissions, finder's fees and other costs.
n. Franchisor's right of first refusal to acquire Franchisee's business	Section 16	We have 30 days to match any offer for your Camp Run-A-Mutt Business.

Provision	Section in Franchise Agreement	Summary
o. Franchisor's option to purchase Franchisee's business	Section 16	We may, but are not required to, purchase your Camp Run-A-Mutt Franchise, inventory, or equipment at fair market value if your Franchise is terminated for any reason by giving you written notice of our intent to exercise this option within 15 days after the date of termination or expiration of the Franchise Agreement.
p. Death or disability of Franchisee	Section 15.9	The Franchise Agreement must be transferred or assigned to a qualified party within 180 days of death or disability or the Franchise Agreement may be terminated. Your estate or legal representative must apply to us for the right to transfer to the next of kin within 120 calendar days of your death or disability.
q. Non-competition covenants during the term of the Franchise	Section 14	Neither you, your principal owners, nor any immediate family members of you or your principal owners nor managers or employees may participate in a diverting business, have no owning interest in, loan money to, or perform services for a competitive business anywhere; you may not interfere with our or our other franchisees' Camp Run-A-Mutt Franchise(s); Owners may not solicit any customer, employee, or independent contractor of the Franchise or any Camp Run-A-Mutt Franchise.
r. Non-competition covenants after the Franchise is terminated or expires	Section 14	Owners cannot have an interest in any competitive business within 25 miles of any Camp Run-A-Mutt Franchise, either opened or under development, for 18 months.
s. Modification of agreement	Section 21.11	No modifications of the Franchise Agreement during the term unless agreed to in writing, but the Brand Standards Manual is subject to change at any time in our discretion. Modifications are permitted on renewal.
t. Integration/merger clause	Section 21.5	Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law). Any representations or promises outside of this Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 20	Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (currently San Diego, California).
v. Choice of forum	Sections 20	All disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our current place of business (currently San Diego, California), subject to applicable state law.

Provision	Section in Franchise Agreement	Summary
w. Choice of law	Section 21.1	The laws of the state where the Camp Run-A-Mutt Business is located, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

We do not use any public figure to promote our Franchise.

ITEM 19
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, and/or affiliate-owned outlets, if there is a reasonable basis for the information, and 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 applies to each Table shown below.

The reporting period for each Table is January 1-December 31 of the referenced years. Outlets included were those which were open at the beginning of the year (January 1) through end of year (December 31). The only outlets excluded were: (i) those which did not meet that criteria, meaning they were not open for the full calendar year, (ii) if they closed in 2022, but had previously been included in the prior calendar year, which applied to only one outlet, Los Angeles, California. ,

TABLE ONE

GROSS SALES FOR THE REPORTING GROUP
DURING THE REPORTING PERIOD

Location	2019	2020	2021	2022	2023
Point Loma, San Diego, CA	$1,608,333	$1,142,618	$1,746,528	$1,865,808	$1,764,002
San Marcos, CA	$772,774	$345,652	$563,145	$854,974	$1,116,223
Chula Vista, CA	$1,553,577	$987,057	$1,781,278	$1,875,996	$1,595,849
El Cajon, CA	$857,475	$709,875	$1,132,392	$1,284,786	$1,347,452
Sorrento Valley, San Diego, CA	$1,446,537	$776,707	$1,330,861	$1,596,450	$1,651,875

Location	2019	2020	2021	2022	2023
Houston, TX (Galleria)	$754,107	$384,092	$575,839	$699,747	$778,977
Dunwoody, GA	$688,245	$560,590	$758,144	$951,029	$1,071,948
Energy Corridor, Houston, TX	n/a	$216,632	$408,268	$469,331	$552,339
Gainesville, FL	n/a	$333,121	$812,518	$1,013,944	$1,066,755
Norfolk, VA	n/a	n/a	$282,881	$367,194	$351,911
Waterloo, IA	n/a	n/a	$126,315	$214,480	$345,516
Lewis Center, OH	n/a	n/a	n/a	n/a	$721,832

TABLE TWO

AVERAGE, MEDIAN, LOW AND HIGH GROSS SALES OF FRANCHISE LOCATIONS IN THE REPORTING GROUP DURING THE REPORTING PERIOD

	2019	2020	2021	2022	2023
Average Gross Sales	$1,097,293	$606,260	$865,288	$1,017,613	$1,030,390
Median Gross Sales	$857,475	$560,590	$758,144	$951,029	$1,069,352
Low Gross Sales	$688,245	$216,632	$126,315	$214,480	$345,516
High Gross Sales	$1,608,333	$1,142,618	$1,781,278	$1,875,996	$1,764,002
Number that Exceeded the Average	3	4	4	4	7

Table one and table two notes:

1. The term "Gross Sales" means the total selling price of all services and products sold, whether or not sold or performed at or from the Center or via delivery or in any other manner, including the full redemption value of any gift certificate or coupon sold (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation), and all income and revenue of every other kind and nature, whether for cash or credit, and regardless of collection in the case of credit. Gross Sales do not include the amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided the amount of any such tax is shown separately and paid by the Franchisee to the appropriate governmental authority; and all customer refunds, authorized discounts and coupons, and credits made, except the following are considered

part of the Gross Sales: reductions for credit card user fees, returned checks or reserves for bad credit or doubtful accounts.

2. The financial performance representations figures in Table One and Table Two do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the 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 franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

TABLE THREE

SIGNIFICANT COSTS FOR THE REPORTING GROUP DURING THE REPORTING PERIOD

Location	2019	2020	2021	2022	2023
Point Loma, San Diego, CA	$1,198,733	$976,688	$1,372,931	$1,406,687	$1,428,383
San Marcos, CA	$478,844	$188,788	$455,748	$779,348	$829,999
Chula Vista, CA	$1,308,126	$1,015,654	$1,245,292	$1,357,332	$1,131,769
El Cajon, CA	$575,157	$482,653	$777,019	$916,634	$1,158,268
Sorrento Valley, San Diego, CA	$823,889	$632,627	$776,442	$1,148,813	$1,199,543
Houston, TX (Galleria)	$664,042	$304,347	$364,808	$482,793	$506,491
Dunwoody, GA	$484,177	$408,737	$585,387	$647,256	$686,464
Energy Corridor, Houston, TX	n/a	$246,069	$313,147	$332,705	$409,784
Gainesville, FL	n/a	$265,650	$442,775	$485,086	$711,836
Norfolk, VA	n/a	n/a	$262,897	$294,656	$274,784
Waterloo, IA	n/a	n/a	$182,593	$288,229	$312,780
Lewis Center, OH	n/a	n/a	n/a	n/a	$665,342

TABLE FOUR

AVERAGE, MEDIAN, LOW AND HIGH SIGNIFICANT COSTS OF FRANCHISE LOCATIONS IN REPORTING GROUP DURING THE REPORTING PERIOD

	2019	2020	2021	2022	2023
Average Significant Costs	$790,424	$502,357	$616,276	$739,958	$786,373
Median Significant Costs	$664,042	$408,737	$455,748	$647,256	$711,836
Low Significant Costs	$478,844	$188,788	$182,593	$288,229	$274,784
High Significant Costs	$1,308,126	$1,015,654	$1,372,931	$1,406,687	$1,428,383
Number that Exceeded the Average	3	3	4	5	5

Table three and table four notes:

1. The term "Significant Costs" for Table Three and Table Four above means the following expenses: payroll (excluding any draw or salary), Royalties and Brand Fund Contributions, and rent. Significant Costs do not include other general business operating expenses.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

General notes:

The Camp Run-A-Mutt Businesses in the Reporting Group share many of the same characteristics, including, size, physical layout and operations, degree of competition, services and goods sold, and expenses.

Written substantiation for the financial performance representation above will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Camp Run-A-Mutt Entrepreneurial Resources, Inc. 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 Dennis Quaglia, 2900 Fourth Avenue, #206, San Diego, California 92103, (619) 578-2267, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System-wide Outlet Summary
For Years 2021-2023

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2021	15	13	-2
	2022	13	13	0
	2023	13	12	-1
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
Total Outlets	2021	15	13	-2
	2022	13	13	0
	2023	13	12	-1

Table No. 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2021-2023

State	Year	Number of Transfers
Total	2021	1
	2022	3
	2023	0

Table No. 3

Status of Franchised Outlets
For Years 2021-2023

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
California	2021	7	0	0	1	0	0	6
	2022	6	0	0	0	0	0	6
	2023	6	0	1	0	0	0	5
Florida	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Georgia	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Iowa	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
North Carolina	2021	2	0	1	0	0	0	1
	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
Ohio	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Texas	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

State	Year	Outlets at Start of the Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Outlets at End of the Year
Virginia	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Total	2021	15	0	1	1	0	0	13
	2022	13	1	0	0	0	1	13
	2023	13	0	1	0	0	0	12

Table No. 4

Status of Company-Owned Outlets
For Years 2021-2023

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
California	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0
Total Outlets	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

Table No. 5

Projected Openings as of
December 31, 2023

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	2	4	0
Arizona	0	1	0
Delaware	0	1	0
Nevada	1	0	0
Texas	1	1	0

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Totals	4	7	0

The names, addresses, and telephone numbers of our current franchisees are attached to this Franchise Disclosure Document as Exhibit C. The name and last known address and telephone number of every current franchisee and every franchisee who has had a Camp Run-A-Mutt Franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our franchise agreement during the one year period ending December 31, 2023, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document is listed in Exhibit C. In some instances, current and former franchisees may sign provisions restricting their ability to speak openly about their experiences with the Camp Run-A-Mutt System. You may wish to speak with current and former franchisees, but know that not all such franchisees can communicate with you. During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system. If you buy a Camp Run-A-Mutt Franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific franchisee organizations.

ITEM 21
FINANCIAL STATEMENTS

Exhibit A contains the financial statements required to be included with this Franchise Disclosure Document: audited financial statements as of December 31, 2021, December 31, 2022, and December 31, 2023. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

Exhibit B	Franchise Agreement
Exhibit E	State Addenda and Agreement Riders
Exhibit G	Contracts for use with the Camp Run-A-Mutt Franchise

ITEM 23
RECEIPT

The last pages of this Franchise Disclosure Document, Exhibit H, are a detachable document, in duplicate. Please detach, sign, date, and return one copy of the Receipt to us, acknowledging you received this Franchise Disclosure Document. Please keep the second copy for your records.

EXHIBIT A

FINANCIAL STATEMENTS

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CONSENT

Kezos & Dunlavy, LLC consents to the use in the Franchise Disclosure Document issued by Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("Franchisor") on April 21, 2022, as it may be amended, of our report dated April 21, 2022, relating to the financial statements of Franchisor for the periods ended December 31, 2021, 2020, and 2019.

Kezos & Dunlavy

Kezos & Dunlavy, LLC

Kezos & Dunlavy, LLC | 1240 East 100 South Suite #3 | St. George, UT 84790 | O 435.656.0360

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2021, 2020, AND 2019

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

Table of Contents

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Stockholders
Camp Run-A-Mutt Entrepreneurial Resources, Inc.
San Diego, CA

Opinion

We have audited the accompanying financial statements of Camp Run-A-Mutt Entrepreneurial Resources, Inc., which comprise the balance sheets as of December 31, 2021, 2020, and 2019, and the related statements of operations, stockholder's deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Run-A-Mutt Entrepreneurial Resources, Inc. as of December 31, 2021, 2020, and 2019, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezos & Dunlavy

St. George, Utah
April 21, 2022

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
BALANCE SHEETS
As of December 31, 2021, 2020, and 2019

Assets	**2021**	**2020**	**2019**
Current assets			
Cash and cash equivalents	$ 342,372	$ 140,752	$ 43,838
Deferred commissions, current	948	948	948
Total current assets	343,320	141,700	44,786
Non-current assets			
Notes receivable, related party	-	-	53,757
Property and equipment, net	2,284	2,830	4,491
Deferred commissions, non-current	4,156	5,104	6,052
Total assets	$ 349,760	$ 149,634	$ 109,086
Liabilities and Stockholders' Deficit			
Current liabilities			
Credit card payable	$ 2,897	$ 43,588	$ 53,749
Notes payable, current	5,663	90,197	-
Deferred revenue, current	23,915	20,205	59,000
Total current liabilities	32,475	153,990	112,749
Non-current liabilities			
Loan payable, related party	108,356	57,570	68,500
Notes payable, non-current	487,261	461,157	-
Deferred revenue, non-current	193,529	124,612	223,452
Total liabilities	821,621	797,329	404,701
Stockholders' deficit			
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 100,000 shares	100	100	100
Accumulated stockholders' deficit	(471,961)	(647,795)	(295,715)
Total stockholders' deficit	(471,861)	(647,695)	(295,615)
Total liabilities and stockholders' deficit	$ 349,760	$ 149,634	$ 109,086

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

CAMP RUN-A-MUTT ENTREPRENUEURIAL RESOURCES, INC.
STATEMENTS OF OPERATIONS
For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
Operating revenue			
Franchise sales	$ 24,373	$ 116,635	$ 155,864
Royalties	588,771	413,675	678,695
Ad fund fees	87,237	73,491	105,091
Total operating revenue	700,381	603,801	939,650
Operating expenses			
General and administrative expenses	664,340	855,187	687,926
Marketing expenses	70,516	63,805	112,112
Depreciation expense	2,063	1,661	1,661
Total operating expenses	736,919	920,653	801,699
Other income (expenses)			
Interest expense	(34,609)	(27,384)	(9,927)
Other income	298,331	73,823	34,467
Total other income (expense)	263,722	46,439	24,540
Net income (loss)	$ 227,184	$ (270,413)	$ 162,491

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
For the years ended December 31, 2021, 2020, and 2019

	Common Stock		Accumulated Stockholders' Earnings (Deficit)	Total
	Shares	**Amount**		
Balances as of January 1, 2019	100,000	$ 100	$ (276,063)	$ (275,963)
Adoption of ASC 606	-	-	(25,368)	(25,368)
Dividends to stockholders	-	-	(156,775)	(156,775)
Net income	-	-	162,491	162,491
Balances as of December 31, 2019	100,000	100	(295,715)	(295,615)
Dividends to stockholders	-	-	(81,667)	(81,667)
Net loss	-	-	(270,413)	(270,413)
Balances as of December 31, 2020	100,000	100	(647,795)	(647,695)
Dividends to stockholders	-	-	(51,350)	(51,350)
Net income	-	-	227,184	227,184
Balances as of December 31, 2021	100,000	$ 100	$ (471,961)	$ (471,861)

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2021, 2020, and 2019

	2021	2020	2019
Cash flows from operating activities:			
Net income (loss)	$ 227,184	$ (270,413)	$ 162,491
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	2,063	1,661	1,661
Forgiveness of notes payable	(167,400)	-	-
Accrual of interest	25,270	-	-
Change in operating assets and liabilities:			
Accounts receivable	-	-	20,000
Deferred commissions	948	948	948
Credit card payable	(40,691)	(10,161)	40,099
Deferred revenue	72,627	(137,635)	(85,864)
Loan payable, related party	50,786	(10,930)	22,500
Net cash provided (used) by operating activities	170,787	(426,530)	161,835
Cash flows from investment activities:			
Purchase of property and equipment	(1,517)	-	-
Loan to member	-	-	33,492
Advances (repayments) on related party notes receivable	-	53,757	(2,344)
Net cash provided (used) by investing activities	(1,517)	53,757	31,148
Cash flows from financing activities:			
Draws on notes payable	83,700	551,354	-
Dividends to stockholders	(51,350)	(81,667)	(156,775)
Net cash provided (used) by financing activities	32,350	469,687	(156,775)
Net change in cash and cash equivalents	201,620	96,914	36,208
Cash and cash equivalents at beginning of period	140,752	43,838	7,630
Cash and cash equivalents at end of period	$ 342,372	$ 140,752	$ 43,838
Supplementary disclosures of cash flows			
Cash paid for interest	$ 9,339	$ 9,927	$ 4,665
Cash paid for taxes	$ 853	$ 7,066	$ 2,638

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Camp Run-A-Mutt Entrepreneurial Resources, Inc. (the "Company") was incorporated on January 12, 2010 in the state of California. The Company is in the business of offering franchises for cage-free dog daycare and boarding facilities featuring playground activities, grooming, dog obedience training, cage-less sleepovers, real-time online viewing capabilities and a retail center offering pet products.

The Company has developed a proprietary system for establishing, operating, managing and marketing the franchised upscale dog daycare and boarding facility and offers a single territory unit franchise.

The Company uses the accrual basis of accounting for financial statement purposes, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission (SEC), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in the prior year have been reclassified to conform to the current year's presentation.

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. Also included within cash equivalents are deposits in-transit from banks for payments related to third-party credit card and debit card transactions. As of December 31, 2021, 2020, and 2019, the Company had cash and cash equivalents of $342,372, $140,752, and $43,838, respectively.

(f) Property and Equipment

Property and equipment are recorded at historical cost and depreciated using the straight-line method over the estimated useful lives of the assets. The useful lives generally range 5-15 years. Routine maintenance and repairs are charged to expense in the year incurred.

(g) Long Lived Assets

Long–lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset.

(h) Revenue Recognition

The Company's revenues consist of initial franchise fees, royalty fees, and marketing fund fees from locations operated by conventional franchisees. ASC 606, *Revenue from Contracts with Customers*, provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. This standard does not impact the Company's recognition of royalty and marketing fees from locations operated by franchisees. The standard does change the timing in which the Company recognizes initial fees received from new franchisees. The Company's policy through December 31, 2018 was to recognize initial fees upon the commencement of the franchisee's operations. Beginning on January 1, 2019, initial franchise fees and any direct costs related to the agreement are bifurcated, and the Company recognizes revenue attributable to pre-opening services when the franchisee has begun operations. The remaining initial fee is then recognized on a straight-line basis over the life of the agreement, which is generally 10 years.

The Company adopted ASC 606 as of January 1, 2019, using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch-up adjustment recognized upon adoption. As such, comparative information in the Company's financial statements has not been restated and continues to be reported under the accounting standards in effect for those periods. The cumulative adjustment recorded upon adoption of ASC 606 consisted of deferred contract costs of $7,948 and deferred initial franchise fees of $33,316.

(i) Income Taxes

The entity is structured as a Corporation under the laws of the state of California and has elected to be taxed as an "S" Corporation. Accordingly, the income or loss of the Company will be included in the income tax returns of the shareholders. California franchise taxes are provided at the greater of 1.5% of taxable net income or a minimum tax of $800.

The Company evaluates all significant tax positions as required by generally accepted accounting principles in the United States of America. As of December 31, 2021, the Company does not believe it has taken any tax positions that would require the recording of an additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

The Company follows the guidance under Accounting Standards Codification ("ASC") Topic 740, Accounting for Uncertainty in Income Taxes. ASC Topic 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the shareholders rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2021, the 2020, 2019, and 2018 tax years are subject to examination.

(j) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the periods ending December 31, 2021, 2020, and 2019 were $70,516, $63,805, and $112,112, respectively.

(k) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, related party receivables, and credit cards payable, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(l) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Property and Equipment

Property and equipment consist of the following as of December 31, 2021, 2020, and 2019:

	2021	2020	2019
Leasehold improvements	$ 8,190	$ 8,190	$ 8,190
Office furniture and equipment	16,024	14,507	14,507
	24,214	22,697	22,697
Less accumulated depreciation	(21,930)	(19,867)	(18,206)
	$ 2,284	$ 2,830	$ 4,491

Depreciation expense for the years ended December 31, 2021, 2020, and 2019 was $2,063, $1,661, and $1,661, respectively.

(3) Affiliated Business

A shareholder of the Company is the owner of Camp Run-A-Mutt, LLC, the original business substantially similar to the franchises being offered.

(4) Related Party Transactions

(a) Related Party Notes Payable

During the year ended December 31, 2015, a shareholder of the Company loaned $70,000 in cash to cover operating costs. The loan was due upon demand, did not accrue interest, and had no repayment terms. The balance of this loan as of December 31, 2021, 2020, and 2019 was $0, $0, and $28,500, respectively.

During the year ended December 31, 2019, a related party of the Company loaned $40,000 in cash to cover operating costs and provide working capital. The balance of this loan as of December 31, 2021, 2020, and 2019 was $0, $35,000, and $40,000, respectively. This amount was due on demand, accrued no interest, and had no repayment terms.

During the year ended December 31, 2020, the Company received a loan from a related party to cover operating costs and to provide working capital. During the year ended December 31, 2021, the Company took additional draws on this loan. This amount is due on demand, bears no interest, and has no repayment terms. The balance of this loan as of December 31, 2021 and 2020 was $108,356 and $22,570, respectively.

(b) Related Party Note Receivable

During the years ended December 31, 2019 and 2018, the Company made loans to affiliates to assist in the acquisition and construction of facilities. The balance of these loans as of December 31, 2021, 2020, and 2019 were $0, $0, and $53,757, respectively. These amounts were due on demand, accrued no interest and had no repayment terms.

(5) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalty and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Camp Run-a-Mutt system for a period of ten years. Under the Company's revenue recognition policy, the Company allocates a portion of the initial franchise fee to initial training grand opening assistance, which is recognized when the franchisee begins operations. The remainder is deferred, and the revenue is amortized over the life of the contract. In addition, the Company defers related contract costs such as broker commissions over the same period and records them as deferred contract costs.

The Company has estimated the following current and non-current portions of deferred contract costs as of December 31, 2021, 2020, and 2019:

	2021	2020	2019
Deferred commissions, current	$ 948	$ 948	$ 948
Deferred commissions, non-current	4,156	5,104	6,052
	$ 5,104	$ 6,052	$ 7,000

The Company has estimated the following current and non-current portions of deferred revenue as of December 31, 2021, 2020, and 2019:

	2021	2020	2019
Deferred revenue, current	$ 23,915	$ 20,205	$ 59,000
Deferred revenue, non-current	193,529	124,612	223,452
	$ 217,444	$ 144,817	$ 282,452

(6) Notes Payable

On April 4, 2020, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of April 4, 2022. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On February 3, 2021, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of February 3, 2023. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On May 5, 2020, the Company entered into a promissory note with the United States Small Business Administration ("SBA") with a principal balance of $464,500. The note accrues interest at 3.75% per annum, requires monthly payments of $2,264 beginning in May 2022, and has a maturity date of May 5, 2052. As of December 31, 2021, the outstanding balance on the promissory note is $492,924, which includes $28,424 of accrued interest.

(7) Commitments and Contingencies

(a) Litigation

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(b) COVID-19

On March 11, 2020, the World Health Organization classified the outbreak of a new strain of the coronavirus ("COVID-19") as a pandemic. The COVID-19 outbreak in the United States began in mid-March 2020 and has continued through 2020 and subsequent to the fiscal year end. It is continuing to disrupt supply chains and affect production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The extent of the impact of COVID-19 on the Company's future operational and financial performance continues to evolve and will depend on certain ongoing developments, including the duration and spread of the outbreak, impact on the Company's customers and vendors all of which are uncertain and cannot be reasonably estimated. At this point, the full extent to which COVID-19 may impact the Company's future financial condition or results of operations is uncertain.

(8) Subsequent Events

Management has reviewed and evaluated subsequent events through April 21, 2022, the date on which the financial statements were issued.

CONSENT

Kezos & Dunlavy, LLC consents to the use in the Franchise Disclosure Document issued by Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("Franchisor") on April 21, 2023, as it may be amended, of our report dated April 21, 2023, relating to the financial statements of Franchisor for the years ended December 31, 2022, 2021, and 2020.

Kezos & Dunlavy

Kezos & Dunlavy, LLC
April 21, 2023

Kezos & Dunlavy, LLC | 1240 East 100 South Suite #3 | St. George, UT 84790 | O 435.656.0360

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2022, 2021, AND 2020

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Stockholders
Camp Run-A-Mutt Entrepreneurial Resources, Inc.
San Diego, CA

Opinion

We have audited the accompanying financial statements of Camp Run-A-Mutt Entrepreneurial Resources, Inc., which comprise the balance sheets as of December 31, 2022, 2021, and 2020, and the related statements of operations, stockholders' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Run-A-Mutt Entrepreneurial Resources, Inc. as of December 31, 2022, 2021, and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezos & Dunlavy

St. George, Utah
April 21, 2023

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
BALANCE SHEETS
As of December 31, 2022, 2021, and 2020

	2022	2021	2020
Assets			
Current assets			
Cash and cash equivalents	$ 228,157	$ 342,372	$ 140,752
Deferred commissions, current	-	948	948
Total current assets	228,157	343,320	141,700
Non-current assets			
Property and equipment, net	245	2,284	2,830
Deferred commissions, non-current	-	4,156	5,104
Total non-current assets	245	6,440	7,934
Total assets	$ 228,402	$ 349,760	$ 149,634
Liabilities and Stockholders' Deficit			
Current liabilities			
Credit card payable	$ -	$ 2,897	$ 43,588
Notes payable, current	7,799	5,663	90,197
Deferred revenue, current	156,500	23,915	20,205
Total current liabilities	164,299	32,475	153,990
Non-current liabilities			
Loan payable, related party	103,828	108,356	57,570
Notes payable, non-current	499,476	487,261	461,157
Deferred revenue, non-current	-	193,529	124,612
Total non-current liabilities	603,304	789,146	643,339
Total liabilities	767,603	821,621	797,329
Stockholders' deficit			
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 100,000 shares	100	100	100
Accumulated stockholders' deficit	(539,301)	(471,961)	(647,795)
Total stockholders' deficit	(539,201)	(471,861)	(647,695)
Total liabilities and stockholders' deficit	$ 228,402	$ 349,760	$ 149,634

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

CAMP RUN-A-MUTT ENTREPRENUEURIAL RESOURCES, INC.
STATEMENTS OF OPERATIONS
For the years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Operating revenue			
Franchise sales	$ 35,000	$ 24,373	$ 116,635
Royalties	780,898	588,771	413,675
Ad fund fees	114,168	87,237	73,491
Total operating revenue	930,066	700,381	603,801
Operating expenses			
General and administrative expenses	736,410	664,340	855,187
Marketing expenses	51,498	70,516	63,805
Depreciation expense	2,039	2,063	1,661
Total operating expenses	789,947	736,919	920,653
Other income (expenses)			
Interest expense	(18,974)	(34,609)	(27,384)
Loss on sale of asset	(2,414)	-	-
Other income	-	298,331	73,823
Total other income (expense)	(21,388)	263,722	46,439
Net income (loss)	$ 118,731	$ 227,184	$ (270,413)

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
For the years ended December 31, 2022, 2021, and 2020

	Common Stock		Accumulated Stockholders' Earnings	
	Shares	**Amount**	**(Deficit)**	**Total**
Balances as of January 1, 2020	100,000	$ 100	$ (295,715)	$ (295,615)
Dividends to stockholders	-	-	(81,667)	(81,667)
Net loss	-	-	(270,413)	(270,413)
Balances as of December 31, 2020	100,000	100	(647,795)	(647,695)
Dividends to stockholders	-	-	(51,350)	(51,350)
Net income	-	-	227,184	227,184
Balances as of December 31, 2021	100,000	100	(471,961)	(471,861)
Adoption of ASC 952-606	-	-	87,340	87,340
Dividends to stockholders	-	-	(273,411)	(273,411)
Net income	-	-	118,731	118,731
Balances as of December 31, 2022	100,000	$ 100	$ (539,301)	$ (539,201)

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2022, 2021, and 2020

	2022	2021	2020
Cash flows from operating activities:			
Net income (loss)	$ 118,731	$ 227,184	$ (270,413)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	2,039	2,063	1,661
Forgiveness of notes payable	-	(167,400)	-
Accrual of interest	14,351	25,270	-
Loss on disposal of assets	2,414	-	-
Change in operating assets and liabilities:			
Deferred commissions	-	948	948
Credit card payable	(2,897)	(40,691)	(10,161)
Deferred revenue	31,500	72,627	(137,635)
Loan payable, related party	(4,528)	50,786	(10,930)
Net cash provided (used) by operating activities	161,610	170,787	(426,530)
Cash flows from investment activities:			
Purchase of property and equipment	(43,614)	(1,517)	-
Proceeds from sale of property	41,200	-	-
Advances on related party receivable	-	-	53,757
Net cash provided (used) by investing activities	(2,414)	(1,517)	53,757
Cash flows from financing activities:			
Draws on notes payable	-	83,700	551,354
Dividends to stockholders	(273,411)	(51,350)	(81,667)
Net cash provided (used) by financing activities	(273,411)	32,350	469,687
Net change in cash and cash equivalents	(114,215)	201,620	96,914
Cash and cash equivalents at beginning of period	342,372	140,752	43,838
Cash and cash equivalents at end of period	$ 228,157	$ 342,372	$ 140,752
Supplemental disclosures:			
Cash paid for interest	$ 4,622	$ 9,939	$ 9,927
Cash paid for taxes	$ 2,457	$ 853	$ 7,066

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Camp Run-A-Mutt Entrepreneurial Resources, Inc. (the "Company") was incorporated on January 12, 2010 in the state of California. The Company is in the business of offering franchises for cage-free dog daycare and boarding facilities featuring playground activities, grooming, dog obedience training, cage-less sleepovers, real-time online viewing capabilities and a retail center offering pet products.

The Company has developed a proprietary system for establishing, operating, managing and marketing the franchised upscale dog daycare and boarding facility and offers a single territory unit franchise.

The Company uses the accrual basis of accounting for financial statement purposes, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

The Financial Accounting Standards Board ("FASB") has issued the FASB Accounting Standards Codification ("ASC") that became the single official source of authoritative U.S. generally accepted accounting principles ("GAAP"), other than guidance issued by the Securities and Exchange Commission ("SEC"), superseding existing FASB, American Institute of Certified Public Accountants, emerging Issues Task Force and related literature. All other literature is not considered authoritative. The ASC does not change GAAP; it introduces a new structure that is organized in an accessible online research system.

(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in the prior year have been reclassified to conform to the current year's presentation.

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2022, 2021, and 2020, the Company had cash and cash equivalents of $228,157, $342,372, and $140,752, respectively.

(f) Property and Equipment

Property and equipment are recorded at historical cost and depreciated using the straight-line method over the estimated useful lives of the assets. The useful lives generally range 5-15 years. Routine maintenance and repairs are charged to expense in the year incurred.

(g) Long Lived Assets

Long–lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset.

(h) Revenue Recognition

The Company's revenues consist of fees from franchisees for initial franchise fees, royalties, and marketing fees.

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers*. On January 1, 2022, the Company adopted the practical expedient for private company franchisors outlined in ASC 952-606 using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch-up adjustment recognized upon adoption. As such, comparative information in the Company's financial statements has not been restated and continues to be reported under the accounting standards in effect for those periods. Upon adoption of the practical expedient on January 1, 2022, the Company removed deferred commissions and deferred revenue of $92,444 and $5,104, respectively. The net effect on the Company's retained earnings was an increase of $87,340, which is reflected on the statement of stockholders' deficit.

ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each area representative agreement and franchised location, the Company enters into a formal agreement that clearly outlines the transaction price, which includes an initial fee, ongoing royalties, and the Company's performance obligations.

Upon evaluation of the five-step process, the Company has determined that royalties from locations operated by franchisees, which are based on a percentage of gross revenue, are to be recognized at the time the underlying sales occur. For transfer fees, renewal fees, and services fees, revenue is recognized upon the provision of the corresponding services.

In allocating the transaction price and recognizing the revenue associated with initial franchise fees, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. The practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation. These pre-opening services include the following:

- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business

The Company has determined that the fair value of pre-opening services exceeds the initial fees received; as such, the initial fees are allocated to the pre-opening services, which are recognized as revenue upon commencement of operations.

(i) Income Taxes

The entity is structured as a Corporation under the laws of the state of California and has elected to be taxed as an "S" Corporation. Accordingly, the income or loss of the Company will be included in the income tax returns of the shareholders. California franchise taxes are provided at the greater of 1.5% of taxable net income or a minimum tax of $800.

The Company evaluates all significant tax positions as required by generally accepted accounting principles in the United States of America. As of December 31, 2022, the Company does not believe it has taken any tax positions that would require the recording of an additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the shareholders rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2022, the 2021, 2020, and 2019 tax years are subject to examination.

(j) Leasing

The Company adopted ASC 842, *Leases*, on January 1, 2022. The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any of its short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(k) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the years ended December 31, 2022, 2021, and 2020 were $51,498, $70,516, and $63,805, respectively.

(l) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, related party payables, and credit cards payable, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(m) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Affiliated Business

A shareholder of the Company is the owner of Camp Run-A-Mutt, LLC, the original business substantially similar to the franchises being offered.

(3) Property and Equipment

Property and equipment consist of the following as of December 31, 2022, 2021, and 2020:

	2022	2021	2020
Leasehold improvements	$ 8,190	$ 8,190	$ 8,190
Office furniture and equipment	16,024	16,024	14,507
	24,214	24,214	22,697
Less accumulated depreciation	(23,969)	(21,930)	(19,867)
	$ 245	$ 2,284	$ 2,830

Depreciation expense for the years ended December 31, 2022, 2021, and 2020 was $2,039, $2,063, and $1,661, respectively.

(4) Related Party Transactions

During the year ended December 31, 2019, a related party of the Company loaned $40,000 in cash to cover operating costs and provide working capital. As of December 31, 2022 and 2021, there was no balance due on this loan. The balance of this loan as of December 31, 2020 was $35,000. This amount was due on demand, accrued no interest, and had no repayment terms.

During the year ended December 31, 2020, the Company received a loan from a related party to cover operating costs and to provide working capital. During the year ended December 31, 2021, the Company took additional draws on this loan. This amount is due on demand, bears no interest, and has no repayment terms. The balance of this loan as of December 31, 2022, 2021, and 2020 was $103,828, $108,356, and $22,570, respectively.

(5) Franchise Agreements

The Company's franchise agreements generally provide for a payment of initial fees as well as continuing royalty and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Camp Run-a-Mutt system for a period of ten years. Prior to January 1, 2022, under the Company's revenue recognition policy, the Company allocated a portion of the initial franchise fee to initial training, which was recognized when the franchisee begins operations. The remainder was deferred, and the revenue was amortized over the life of the contract. In addition, the Company deferred related contract costs such as broker commissions over the same period and recorded them as deferred commissions.

As of January 1, 2022, under the Company's revenue recognition policy, franchise fees and any corresponding commissions are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers both the revenues and commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current.

The Company has estimated the following current and non-current portions of deferred contract costs as of December 31, 2022, 2021, and 2020:

	2022	2021	2020
Deferred commissions, current	$ -	$ 948	$ 948
Deferred commissions, non-current	-	4,156	5,104
	$ -	$ 5,104	$ 6,052

The Company has estimated the following current and non-current portions of deferred revenue as of December 31, 2022, 2021, and 2020:

	2022	2021	2020
Deferred revenue, current	$ 156,500	$ 23,915	$ 20,205
Deferred revenue, non-current	-	193,529	124,612
	$ 156,500	$ 217,444	$ 144,817

(6) Notes Payable

On April 4, 2020, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of April 4, 2022. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On February 3, 2021, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of February 3, 2023. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On May 5, 2020, the Company entered into a promissory note with the United States Small Business Administration ("SBA") with a principal balance of $464,500. The note accrues interest at 3.75% per annum, requires monthly payments of $2,264 beginning in November 2022, and has a maturity date of May 5, 2052. As of December 31, 2022, 2021, and 2020, the outstanding balance on the promissory note, including accrued interest, was $499,476, $492,924, and $467,654, respectively.

(7) Commitments and Contingencies

(a) Litigation

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC Topic 450 Contingencies, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(b) COVID-19

On March 11, 2020, the World Health Organization classified the outbreak of a new strain of the coronavirus ("COVID-19") as a pandemic. The COVID-19 outbreak in the United States began in mid-March 2020 and has continued through 2022 and subsequent to the fiscal year end. It is continuing to disrupt supply chains and affect production and sales across a range of industries. Management believes the pandemic has had a material effect on the Company's operations, reducing revenue from both new and existing franchisees. The extent of the impact of COVID-19 on the Company's future operational and financial performance continues to evolve and will depend on certain ongoing developments, including the duration and spread of the outbreak, impact on the Company's customers and vendors all of which are uncertain and cannot be reasonably estimated. At this point, the full extent to which COVID-19 may impact the Company's future financial condition or results of operations is uncertain.

(8) Subsequent Events

Management has reviewed and evaluated subsequent events through April 21, 2023, the date on which the financial statements were issued.

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CONSENT

Kezos & Dunlavy, LLC consents to the use in the Franchise Disclosure Document issued by Camp Run-A-Mutt Entrepreneurial Resources, Inc. (“Franchisor”) on March 1, 2024, as it may be amended, of our report dated March 1, 2024, relating to the financial statements of Franchisor for the years ended December 31, 2023, 2022, and 2021.

Kezos & Dunlavy

Kezos & Dunlavy, LLC
March 1, 2024

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2023, 2022, AND 2021

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Stockholders
Camp Run-A-Mutt Entrepreneurial Resources, Inc.
San Diego, CA

Opinion

We have audited the accompanying financial statements of Camp Run-A-Mutt Entrepreneurial Resources, Inc., which comprise the balance sheets as of December 31, 2023, 2022, and 2021, and the related statements of operations, stockholders' deficit, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Camp Run-A-Mutt Entrepreneurial Resources, Inc. as of December 31, 2023, 2022, and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Restrictions on Use

The use of this report is restricted to inclusion within the Company's Franchise Disclosure Document (FDD) and is not intended to be, and should not be, used or relied upon by anyone for any other use.

Kezos & Dunlavy

St. George, Utah
March 1, 2024

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
BALANCE SHEETS
As of December 31, 2023, 2022, and 2021

	2023	2022	2021
Assets			
Current assets			
Cash and cash equivalents	$ 148,786	$ 228,157	$ 342,372
Deferred commissions, current	-	-	948
Total current assets	148,786	228,157	343,320
Non-current assets			
Property and equipment, net	-	245	2,284
Deferred commissions, non-current	-	-	4,156
Total non-current assets	-	245	6,440
Total assets	$ 148,786	$ 228,402	$ 349,760
Liabilities and Stockholders' Deficit			
Current liabilities			
Credit card payable	$ -	$ -	$ 2,897
Notes payable, current	8,044	7,799	5,663
Deferred revenue, current	156,500	156,500	23,915
Total current liabilities	164,544	164,299	32,475
Non-current liabilities			
Loan payable, related party	75,910	103,828	108,356
Notes payable, non-current	491,432	499,476	487,261
Deferred revenue, non-current	-	-	193,529
Total non-current liabilities	567,342	603,304	789,146
Total liabilities	731,886	767,603	821,621
Stockholders' deficit			
Common stock, no par value, authorized 1,000,000 shares; issued and outstanding 100,000 shares	100	100	100
Accumulated stockholders' deficit	(583,200)	(539,301)	(471,961)
Total stockholders' deficit	(583,100)	(539,201)	(471,861)
Total liabilities and stockholders' deficit	$ 148,786	$ 228,402	$ 349,760

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

CAMP RUN-A-MUTT ENTREPRENUEURIAL RESOURCES, INC.
STATEMENTS OF OPERATIONS
For the years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Operating revenue			
Franchise sales	$ -	$ 35,000	$ 24,373
Royalties	800,806	780,898	588,771
Ad fund fees	116,855	114,168	87,237
Total operating revenue	917,661	930,066	700,381
Operating expenses			
General and administrative expenses	791,207	736,410	664,340
Marketing expenses	73,877	51,498	70,516
Depreciation expense	245	2,039	2,063
Total operating expenses	865,329	789,947	736,919
Other income (expenses)			
Interest expense	(18,922)	(18,974)	(34,609)
Loss on sale of asset	-	(2,414)	-
Other income	-	-	298,331
Total other income (expense)	(18,922)	(21,388)	263,722
Net income (loss)	$ 33,410	$ 118,731	$ 227,184

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIT
For the years ended December 31, 2023, 2022, and 2021

	Common Stock		Accumulated Stockholders' Earnings	
	Shares	Amount	(Deficit)	Total
Balances as of January 1, 2021	100,000	$ 100	$ (647,795)	$ (647,695)
Dividends to stockholders	-	-	(51,350)	(51,350)
Net income	-	-	227,184	227,184
Balances as of December 31, 2021	100,000	100	(471,961)	(471,861)
Adoption of ASC 952-606	-	-	87,340	87,340
Dividends to stockholders	-	-	(273,411)	(273,411)
Net income	-	-	118,731	118,731
Balances as of December 31, 2022	100,000	100	(539,301)	(539,201)
Dividends to stockholders	-	-	(77,309)	(77,309)
Net income	-	-	33,410	33,410
Balances as of December 31, 2023	100,000	$ 100	$ (583,200)	$ (583,100)

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

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.
STATEMENTS OF CASH FLOWS
For the years ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Cash flows from operating activities:			
Net income	$ 33,410	$ 118,731	$ 227,184
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation expense	245	2,039	2,063
Forgiveness of notes payable	-	-	(167,400)
Accrual of interest	-	14,351	25,270
Loss on disposal of assets	-	2,414	-
Change in operating assets and liabilities:			
Deferred commissions	-	-	948
Credit card payable	-	(2,897)	(40,691)
Deferred revenue	-	31,500	72,627
Loan payable, related party	(27,918)	(4,528)	50,786
Net cash provided by operating activities	5,737	161,610	170,787
Cash flows from investment activities:			
Purchase of property and equipment	-	(43,614)	(1,517)
Proceeds from sale of property	-	41,200	-
Net cash used in investing activities	-	(2,414)	(1,517)
Cash flows from financing activities:			
Draws on notes payable	-	-	83,700
Principal payments on note payable	(7,799)	-	-
Dividends to stockholders	(77,309)	(273,411)	(51,350)
Net cash provided by (used in) financing activities	(85,108)	(273,411)	32,350
Net change in cash and cash equivalents	(79,371)	(114,215)	201,620
Cash and cash equivalents at beginning of period	228,157	342,372	140,752
Cash and cash equivalents at end of period	$ 148,786	$ 228,157	$ 342,372
Supplemental disclosures:			
Cash paid for interest	$ 18,922	$ 4,622	$ 9,939
Cash paid for taxes	$ 19,988	$ 2,457	$ 853

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

(1) Nature of Business and Summary of Significant Accounting Policies

(a) Nature of Business

Camp Run-A-Mutt Entrepreneurial Resources, Inc. (the "Company") was incorporated on January 12, 2010 in the state of California. The Company is in the business of offering franchises for cage-free dog daycare and boarding facilities featuring playground activities, grooming, dog obedience training, cage-less sleepovers, real-time online viewing capabilities and a retail center offering pet products.

The Company has developed a proprietary system for establishing, operating, managing and marketing the franchised upscale dog daycare and boarding facility and offers a single territory unit franchise.

The Company uses the accrual basis of accounting for financial statement purposes, and their accounting period is the 12-month period ending December 31 of each year.

(b) Accounting Standards Codification

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(c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures. Actual results could differ from those estimates.

(d) Reclassification

Certain items in the prior year have been reclassified to conform to the current year's presentation.

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase. As of December 31, 2023, 2022, and 2021, the Company had cash and cash equivalents of $148,786, $228,157, and $342,372, respectively.

(f) Property and Equipment

Property and equipment are recorded at historical cost and depreciated using the straight-line method over the estimated useful lives of the assets. The useful lives generally range 5-15 years. Routine maintenance and repairs are charged to expense in the year incurred.

(g) Long Lived Assets

Long–lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset.

(h) Revenue Recognition

The Company's revenues consist of fees from franchisees for initial franchise fees, royalties, and marketing fees.

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers*. On January 1, 2022, the Company adopted the practical expedient for private company franchisors outlined in ASC 952-606 using the modified retrospective method. This method allows the standard to be applied retrospectively through a cumulative catch-up adjustment recognized upon adoption. As such, comparative information in the Company's financial statements has not been restated and continues to be reported under the accounting standards in effect for those periods. Upon adoption of the practical expedient on January 1, 2022, the Company removed deferred commissions and deferred revenue of $92,444 and $5,104, respectively. The net effect on the Company's retained earnings was an increase of $87,340, which is reflected on the statement of stockholders' deficit.

ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue.

For each area representative agreement and franchised location, the Company enters into a formal agreement that clearly outlines the transaction price, which includes an initial fee, ongoing royalties, and the Company's performance obligations.

Upon evaluation of the five-step process, the Company has determined that royalties from locations operated by franchisees, which are based on a percentage of gross revenue, are to be recognized at the time the underlying sales occur. For transfer fees, renewal fees, and services fees, revenue is recognized upon the provision of the corresponding services.

In allocating the transaction price and recognizing the revenue associated with initial franchise fees, the Company has elected to adopt the practical expedient for private company franchisors outlined in ASC 952-606, *Franchisors—Revenue from Contracts with Customers*. The practical expedient allows franchisors to account for pre-opening services as a single distinct performance obligation. These pre-opening services include the following:

- Training of the franchisee's personnel or the franchisee
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping
- Bookkeeping, information technology, and advisory services, including setting up the franchisee's records and advising the franchisee about income, real estate, and other taxes about local regulations affecting the franchisee's business

The Company has determined that the fair value of pre-opening services exceeds the initial fees received; as such, the initial fees are allocated to the pre-opening services, which are recognized as revenue upon provision of these services, which is generally the commencement of operations.

(i) Income Taxes

The entity is structured as a Corporation under the laws of the state of California and has elected to be taxed as an "S" Corporation. Accordingly, the income or loss of the Company will be included in the income tax returns of the shareholders. California franchise taxes are provided at the greater of 1.5% of taxable net income or a minimum tax of $800.

The Company evaluates all significant tax positions as required by generally accepted accounting principles in the United States of America. As of December 31, 2023, the Company does not believe it has taken any tax positions that would require the recording of an additional tax liability nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions taken by the Company, the additional income taxes, if any, would be imposed on the shareholders rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2023, the 2022, 2021, and 2020 tax years are subject to examination.

(j) Leasing

The Company adopted ASC 842, *Leases*, on January 1, 2022. The Company has made an accounting policy election not to recognize right-of-use assets and lease liabilities that arise from any of its short-term leases. All leases with a term of 12 months or less at commencement, for which the Company is not reasonably certain to exercise available renewal options that would extend the lease term past 12 months, will be recognized on a straight-line basis over the lease term.

(k) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the years ended December 31, 2023, 2022, and 2021 were $73,877, $51,498, and $70,516, respectively.

(l) Financial Instruments

For certain of the Company's financial instruments, including cash and cash equivalents, related party payables, and credit cards payable, the carrying amounts approximate fair value due to their short maturities. The amounts shown for notes payable also approximate fair value because current interest rates and terms offered to the Company for similar debt are substantially the same.

(m) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risks on cash or cash equivalents.

(2) Affiliated Business

A shareholder of the Company is the owner of Camp Run-A-Mutt, LLC, the original business substantially similar to the franchises being offered.

(3) Property and Equipment

Property and equipment consist of the following as of December 31, 2023, 2022, and 2021:

	2023	2022	2021
Leasehold improvements	$ 8,190	$ 8,190	$ 8,190
Office furniture and equipment	16,024	16,024	16,024
	24,214	24,214	24,214
Less accumulated depreciation	(24,214)	(23,969)	(21,930)
	$ -	$ 245	$ 2,284

Depreciation expense for the years ended December 31, 2023, 2022, and 2021 was $245, $2,039, and $2,063, respectively.

(4) Related Party Transactions

During the year ended December 31, 2020, the Company received a loan from a related party to cover operating costs and to provide working capital. This amount is due on demand, bears no interest, and has no repayment terms. The balance of this loan as of December 31, 2023, 2022, and 2021 was $75,910, $103,828, and $108,356, respectively.

(5) Franchise Agreements

The Company's franchise agreements generally provide for payment of initial fees as well as continuing royalty and marketing fees to the Company based on a percentage of sales. Under the franchise agreement, franchisees are granted the right to operate a location using the Camp Run-a-Mutt system for a period of ten years. Prior to January 1, 2022, under the Company's revenue recognition policy, the Company allocated a portion of the initial franchise fee to initial training, which was recognized when the franchisee begins operations. The remainder was deferred, and the revenue was amortized over the life of the contract. In addition, the Company deferred related contract costs such as broker commissions over the same period and recorded them as deferred commissions.

As of January 1, 2022, under the Company's revenue recognition policy, franchise fees and any corresponding commissions are recognized when the franchisee begins operations. For any franchisees that have not yet begun operations as of year-end, the Company defers both the revenues and commissions. All locations that are expected to begin operations within the following year are categorized as current, while all others are classified as non-current.

The Company has estimated the following current and non-current portions of deferred contract costs as of December 31, 2023, 2022, and 2021:

	2023	2022	2021
Deferred commissions, current	$ -	$ -	$ 948
Deferred commissions, non-current	-	-	4,156
	$ -	$ -	$ 5,104

The Company has estimated the following current and non-current portions of deferred revenue as of December 31, 2023, 2022, and 2021:

	2023	2022	2021
Deferred revenue, current	$ 156,500	$ 156,500	$ 23,915
Deferred revenue, non-current	-	-	193,529
	$ 156,500	$ 156,500	$ 217,444

(6) Notes Payable

On April 4, 2020, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of April 4, 2022. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On February 3, 2021, the Company entered into a note payable with a third-party financial institution as part of the Payroll Protection Program administered by the United States Small Business Administration ("SBA"). The loan had an initial principal balance of $83,700, accrued interest at an annual rate of 1%, and had a maturity date of February 3, 2023. During the year ended December 31, 2021, the Company received forgiveness on the entire balance, which is recorded under other income.

On May 5, 2020, the Company entered into a promissory note with the United States Small Business Administration ("SBA") with a principal balance of $464,500. The note accrues interest at 3.75% per annum, requires monthly payments of $2,264 beginning in November 2022, and has a maturity date of May 5, 2052. As of December 31, 2023, 2022, and 2021, the outstanding balance on the promissory note, including accrued interest, was $499,476, $507,275, and $492,924, respectively.

(7) Commitments and Contingencies

The Company may be subject to various claims, legal actions and complaints arising in the ordinary course of business. In accounting for legal matters and other contingencies, the Company follows the guidance in ASC 450, *Contingencies*, under which loss contingencies are accounted for based upon the likelihood of incurrence of a liability. If a loss contingency is "probable" and the amount of loss can be reasonably estimated, it is accrued. If a loss contingency is "probable" but the amount of loss cannot be reasonably estimated, disclosure is made. If a loss contingency is "reasonably possible," disclosure is made, including the potential range of loss, if determinable. Loss contingencies that are "remote" are neither accounted for nor disclosed.

In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

(8) Subsequent Events

Management has reviewed and evaluated subsequent events through March 1, 2024, the date on which the financial statements were issued.

EXHIBIT B

FRANCHISE AGREEMENT

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

FRANCHISE AGREEMENT

Franchise #: ____

Franchisee: ____

Date: ____

Territory:____

____

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FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Franchise Agreement") is made and entered into by and between CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC., a California Corporation located at 2900 Fourth Avenue, #206, San Diego, CA 92103 ("we", "us", "our" or "Franchisor"), and the "Franchise Owner" identified in Attachment A of this Franchise Agreement ("you", "your" or "Franchisee") effective as of the "Effective Date" identified in Attachment A of this Franchise Agreement.

RECITALS

WHEREAS, Franchisor is offering franchises ("Camp Run-A-Mutt Franchise(s)" or "Franchise(s)") for the operation of upscale cage-free doggie daycare and boarding facilities that feature playground activities, washing, grooming, dog obedience training, real-time online viewing capabilities and a retail center offering pet products, toys and various types of pet supplies ("Camp Run-A-Mutt Business").

WHEREAS, Camp Run-A-Mutt Businesses are operated under a business format utilizing a unique system with high standards of service, including valuable know-how, information, trade secrets, confidential information, training methods, standards, designs, methods of trademark usage, copyrights, sources and specifications, confidential electronic and other communications, methods of Internet usage, and research and development ("System").

WHEREAS, the distinguishing characteristics of the System include the trademark "CAMP RUN-A-MUTT" and other trademarks and trade names, confidential operating procedures, the confidential Brand Standards Manual, standards and specifications for equipment, services and products, methods of service, management and marketing programs and sales techniques and strategies. All of these distinguishing characteristics may be changed, improved, and further developed by Franchisor. They are Franchisor's confidential information and trade secrets and are designated by and identified with the Marks described in this Franchise Agreement.

WHEREAS, Franchisee acknowledges the benefits of being identified with the System and the value of the Mark.

WHEREAS, Franchisee acknowledges the importance to the System and uniform standards of quality, service and customer satisfaction, and recognizes the necessity of opening and operating a Camp Run-A-Mutt Business in conformity with the System.

WHEREAS, Franchisee recognizes that this Franchise Agreement places detailed obligations on Franchisee, including strict adherence to Franchisor's reasonable present and future requirements regarding the types of products sold, services offered, advertising used, operational techniques and marketing and sales strategies.

WHEREAS, Franchisee is aware of the foregoing and desires the right to use the System and the Marks, and wishes to be assisted, trained, and licensed to operate Camp Run-A-Mutt Business under the provisions and within the territory specified in this Franchise Agreement, subject to the terms and conditions in this Franchise Agreement.

The parties agree as follows:

DEFINITIONS

For the purposes of this Franchise Agreement, the following terms are hereby defined:

(a) "Affiliate" - means any person or Entity that controls, is controlled by, or is in common control with, Franchisor or Franchisee.

(b) "Anti-Terrorism Laws" - means Executive Order 13224 issued by the President of the United States, the Terrorism Sanctions Regulations (Title 31, Part 595 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31, Part 597 of the U.S. Code of Federal Regulations), the Cuban Assets Control Regulations (Title 31, Part 515 of the U.S. Code of Federal Regulations), the USA PATRIOT Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any governmental authority (including, without limitation, the United States Department of Treasury Office of Foreign Assets Control and any government agency outside the U.S.) addressing or in any way relating to terrorist acts and/or acts of war.

(c) "Brand Fund Contribution" – is defined in Section 11.2.

(d) "Brand Standards Manual" means, but is not limited to, all directives, books, pamphlets, bulletins, memoranda, order forms, packing slips, invoices, letters, email, Internet or intranet data, or other publications, documents, software programs, videos, transmittances or communications, in any form (including electronic form) prepared by or for Franchisor for use by franchisees generally or for Franchisee in particular, including information, advice and standards, requirements, marketing information and procedures, operating procedures, instructions or policies relating to the operation of the Camp Run-A-Mutt Business or the operation of franchises, as may be amended by Franchisor.

(e) "Center" - means the retail location, commercial facility, or other approved location from which you will operate your Camp Run-A-Mutt Business.

(f) "Confidential Information" - means all knowledge, know-how, standards, methods and procedures related to the establishment and operation of the System and includes all records pertaining to customers, suppliers, and other service providers of, and/or related in any way to, Franchisee's Camp Run-A-Mutt Business including, without limitation, all databases (whether in print, electronic or other form), all names, addresses, phone numbers, email addresses, customer purchase records, customer information, customer lists, manuals, promotional and marketing materials, marketing strategies and any other data Franchisor designates as confidential. For purposes of clarification, and not by way of limitation, Confidential Information shall include "Business Records" as described in Section 6.9.

(g) "Entity" – means a legal entity such as a limited liability company, partnership or corporation.

(h) "Franchise" - means Camp Run-A-Mutt Business by Franchisee under the terms of this Franchise Agreement.

(i) "Franchise Agreement" - means this agreement, attachments, and subsequent, written amendments.

(j) "Franchise Disclosure Document" - means the franchise disclosure document that was presented to you that contained this Franchise Agreement as an exhibit.

(k) "Gross Sales"- means the total selling price of all services and products sold at or sold from or through the Camp Run-A-Mutt Business, including the full redemption value of any gift certificate or coupon sold for use at Camp Run-A-Mutt Business (fees retained by or paid to third party sellers of such gift certificates or coupons are not excluded from this calculation) and all other income related to the operation of the Camp Run-A-Mutt Business, whether for cash or credit and regardless of collection of credit. Gross Sales do not include:

(l) amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales and collected from customers, provided the amount of any such tax is shown separately and paid by Franchisee to the appropriate governmental authority; and

(m) all customer refunds, Franchisor authorized discounts and coupons, and credits made by the Camp Run-A-Mutt Business (exclusions will include no reductions for credit card user fees, returned checks or reserves for bad credit or doubtful accounts).

Gross Sales shall be deemed received by Franchisee when the services or products from which they were derived are delivered or rendered or when the relevant sale takes place, whichever occurs first, regardless of whether final payment (e.g., collection on a customer's personal check) has been received by Franchisee. Gross Sales from products or services bartered shall be valued at the retail prices applicable and in effect when they are received.

(n) "Initial Term" - means the period covering the Effective Date until midnight on the day before the 10th (tenth) anniversary of the date the Center opened for business, and any applicable "Interim Periods" (as defined in Section 3.5 below).

(o) "Lease" – means any agreement (oral or written) which grants the right to occupy a Center and any amendment. Franchisee acknowledges and agrees that before any Lease will be accepted by Franchisor, the Lease must incorporate the "Required Terms" (as defined in Section 8.2 below).

(p) "Marks" - shall mean the trademark "CAMP RUN-A-MUTT" and any other trade names, trademarks, symbols, logos, distinctive names, service marks, certification marks, logo designs, insignia or other identifying items designated by Franchisor as part of the System for use by franchisees, and not later withdrawn.

(q) "Opening Date" – means the date Franchisee's Camp Run-A-Mutt Business first opens to the public to provide the Products and Services.

(r) "Products" - means all supplies, material, equipment, and ancillary items sold, leased, prepared or otherwise dealt with in connection with the Camp Run-A-Mutt Business and associated with the Marks.

(s) "Site Selection Assistance" - means all services provided by Franchisor for the selection and authorization of the Center. Site Selection Assistance is fully defined in the Brand Standards Manual, and Franchisor has the right to modify the site selection services in Franchisor's discretion.

(t) "Services" - means the services provided to the general public, including additional services (as defined in Section 2.1(a) below), and related activities conducted or otherwise provided in connection with the Camp Run-A-Mutt Business and associated with the Marks.

(u) "Successor Term" - means the Successor Term (as defined in Section 3.1 below).

(v) "Trade Secret(s)" - means information, formulas, patterns, compilations, programs, devices, methods, training techniques or processes related to the System that derive independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

1. COVENANTS, REPRESENTATIONS, AND WARRANTIES OF FRANCHISEE

Franchisee covenants, represents, and warrants the following and acknowledges Franchisor is relying on the same in deciding to enter into this Franchise Agreement:

1.1 Franchisee acknowledges it has received, has had time to read, and has read this the Franchise Disclosure Document, the Franchise Agreement and all related agreements with Franchisor. Franchisee acknowledges it has had an adequate opportunity to be advised by legal, accounting and other professional advisors of its own choosing regarding all pertinent aspects of the Camp Run-A-Mutt Business, Franchisor and this Franchise Agreement.

1.2 Franchisee has funds or has made firm arrangements to acquire funds to commence, open and operate the Camp Run-A-Mutt Business and it is financially and otherwise able to accept the risks attendant upon entering into this Franchise Agreement.

1.3 All statements made by Franchisee in writing in connection with its application for this Franchise were, to the best of Franchisee's knowledge, true when made and continue to be true as of the date of this Franchise Agreement.

1.4 Franchisee did not sign this Franchise Agreement in reliance on the continued participation by or employment of any of our shareholders, directors, officers, or employees.

1.5 There are no outstanding actual or contingent material financial obligations of Franchisee as of the date of this Franchise Agreement other than those disclosed to Franchisor by Franchisee in writing.

1.6 Franchisee is not a party to or subject to any court or administrative order or action of any governmental authority which would limit or interfere in any way with the performance of its obligations under this Franchise Agreement or any related agreement.

1.7 Franchisee is not a party to any litigation or legal proceedings other than as disclosed to Franchisor in writing.

1.8 Franchisee represents it is not a party to or subject to agreements that might conflict with this Franchise Agreement and agrees not to enter into any conflicting agreements during the Initial Term or the Successor Term.

1.9 Franchisee acknowledges that Franchisee has been granted franchise rights based on the information supplied to Franchisor in Franchisee's application.

1.10 Franchisee and its owners agree to comply with and/or to assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Anti-Terrorism Laws. In connection with such compliance, Franchisee and its owners certify, represent, and warrant that none of their property or interests is subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws.

(a) Franchisee and its owners certify that neither they, their respective employees, or anyone associated with Franchisee is listed in the Annex to Executive Order 13224. Franchisee agrees not to hire (or, if already employed, retain the employment of) any individual who is listed in the Annex.

(b) Franchisee certifies that it has no knowledge or information that, if generally known, would result in Franchisee, its owners, their employees, or anyone associated with Franchisee to be listed in the Annex to Executive Order 13224.

(c) Franchisee is solely responsible for ascertaining what actions it must take to comply with the Anti-Terrorism Laws, and Franchisee specifically acknowledges and agrees that its indemnification responsibilities set forth in this Franchise Agreement pertain to its obligations under this Section 1.9.

(d) Any misrepresentation under this Section or any violation of the Anti-Terrorism Laws by Franchisee, its owners, agents, its employees shall constitute grounds for immediate termination of this Franchise Agreement and any other agreement Franchisee has entered into with Franchisor or any of Affiliates.

1.11 If Franchisee is an Entity, each of Franchisee's owners will execute an Owners Agreement in the form attached hereto as Attachment B undertaking personally to be bound, jointly and severally, by all provisions of this Franchise Agreement and any ancillary agreements between Franchisor and Franchisee. Subject to Franchisor's rights and Franchisee's obligations under Section 15, Franchisee and Franchisee's owners agree to sign and to deliver to Franchisor revised versions of Attachment B from time to time to reflect any changes in the information that Attachment B now contains.

2. GRANT OF LICENSE

2.1 Subject to all the terms and conditions of this Franchise Agreement, Franchisor grants to Franchisee, and Franchisee accepts, for Initial Term, the right and license ("License") to:

(a) Operate one (1) Camp Run-A-Mutt Business in the territory described in Attachment A ("Territory"), and if selected by you, to also provide additional services and products which include pet pickup and delivery services, dog walking services, in home pet sitting, behavioral therapy, pet waste removal services, vaccination clinics, veterinarian services, dog competition event and other pet related products and services approved by us (the "Additional Services") in the Territory (as described below in Section 4.1).

(b) Use the Marks and the System; and

(c) Offer and market only Franchisor's approved Services and Products, unless Franchisor approves in writing in its sole and absolute discretion, Franchisee's request to offer and market complementary and non-competing services or products.

2.2 Franchisee recognizes that variations and additions to the System may be required to preserve and/or enhance the System. Franchisor expressly reserves the right to add to, subtract from, revise, modify or change the System or any part thereof, and Franchisee agrees to promptly accept and comply with any such addition, subtraction, revision, modification or change and to make such reasonable expenditures to comply with Section 8.

2.3 Franchisee recognizes that the rights granted to Franchisee are for the specific Territory defined in Section 4.1 below and no other, and cannot be transferred to an alternate Territory without the prior written approval of Franchisor, which may be granted or withheld in Franchisor's sole discretion.

3. TERM OF THE AGREEMENT AND LICENSE

3.1 This Franchise Agreement is effective on the Effective Date and continues through the end of the Initial Term, unless terminated sooner under Section 17. Upon the expiration of the Initial Term, Franchisee shall have the option, subject to the terms of this Franchise Agreement, to extend Franchisee's rights to operate Camp Run-A-Mutt Business for one additional, consecutive term of ten (10) years, the "Successor Term." With the Successor Term, Franchisee must pay the Renewal Franchise Fee in Section 3.2(b) and comply with the requirements in this Section 3.

3.2 To qualify for the Successor Term, Franchisee must:

(a) Unless otherwise prohibited by state law, execute a general release of all claims Franchisee may have against Franchisor, its officers, directors, members, shareholders, agents, Affiliates, and employees, whether in their corporate and/or individual capacities. This release shall include all claims arising under any federal, state, or local law, rule, or ordinance arising out of or concerning this Franchise Agreement (to the fullest extent permitted by law) and shall be in a form satisfactory to Franchisor. Unless otherwise prohibited by state law, Franchisee's failure or refusal to sign such a release in the form presented by Franchisor shall be deemed a rejection by Franchisee of its option to extend its rights to operate the Camp Run-A-Mutt Business;

(b) Pay the renewal fee ("Renewal Fee") of twenty-five percent (25%) of the then-current initial franchise fee, which is due and payable to Franchisor at the time of signing a Successor Franchise Agreement;

(c) Upgrade the Center, vehicle (if you use one), computer systems and other provisions used in the operation of Franchisee's Camp Run-A-Mutt Business to Franchisor's then-current standards;

(d) Comply with all other provisions contained in the Brand Standards Manual, as modified periodically by Franchisor in Franchisor's sole discretion; and

(e) Provide proof of current licenses, insurance and permits.

3.3 Franchisor may refuse to allow Franchisee to enter into the Successor Term if Franchisee has done any of the following:

(a) Failed to remedy any breach of this Franchise Agreement specified by Franchisor in a written notice to Franchisee required by Sections 17.1 or 17.2; or

(b) Committed and received notice of two (2) or more breaches of this Franchise Agreement in the 24 months prior to the end of the Initial Term, even if such breaches were timely remedied; or

(c) Franchisee has failed to give Franchisor a written notice of intent to renew no less than six (6) months or over nine (9) months prior to expiration of the Term; or

(d) Franchisee is not current in payments to Franchisor or to Franchisee's lessor, suppliers, or trade creditors.

3.4 If Franchisee extends its rights to operate Camp Run-A-Mutt Business at the end of the Term or a Successor Term and Franchisor consents to such extension, Franchisee will execute a new Franchise Agreement ("Successor Franchise Agreement") and all other agreements or ancillary documents in the form then being used by Franchisor in granting new franchises, which may contain materially different terms and conditions, including but not limited to higher fees. Franchisor reserves the right to change any term(s) of the Franchise Agreement form to be signed by Franchisee when Franchisee extends its rights to operate Camp Run-A-Mutt Business (except as specified below). Franchisor will not charge another Initial Franchise Fee when Franchisee signs the Successor Franchise Agreement. In Franchisor's sole discretion, Franchisee may be deemed to have irrevocably declined to extend its rights to operate the Franchise (and its option shall thereupon terminate) if it fails to execute and return to Franchisor the Successor Franchise Agreement and other documents required by Franchisor within 30 days after their delivery to Franchisee, or fails to comply in any other way with the provisions of this Section 3.

3.5 If Franchisee does not sign a Successor Franchise Agreement this Franchise Agreement expires and continues to accept the benefits of this Franchise Agreement after the expiration, then at the option of Franchisor, this Franchise Agreement may be treated either as (i) expired as of the date of expiration with Franchisee then operating in violation of this Franchise Agreement; or (ii) continued on a month-to-month basis ("Interim Period") until one party provides the other with written notice of its intent to terminate the Interim Period, in which case the Interim Period will terminate 30 days after receipt of the notice to terminate the Interim Period. All obligations of Franchisee shall remain in full force and effect during the Interim Period as if this Franchise Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration shall be deemed to take effect upon termination of the Interim Period.

4. TERRITORY

4.1 During the Initial Term, except as otherwise provided in this Franchise Agreement, neither Franchisor nor any Affiliate will establish or license another person or entity to establish a Camp Run-A-Mutt Business using the Marks licensed to Franchisee within the Territory. Franchisee must actively market, promote, and develop Franchisee's Camp Run-A-Mutt Business in Franchisee's Territory. Franchisee may advertise or market Franchisee's Camp Run-A-Mutt Business outside Franchisee's Territory, provided, however Franchisee must not specifically engage in target marketing ("Target Marketing") of customers within the Territory of another Camp Run-A-Mutt Franchise (and/or company/affiliate owned business or franchise). "Target Marketing" means a concerted effort by a franchisee to solicit and obtain customers through any type of advertisement or marketing, directed at all or a portion of another franchisee's Territory. Franchisor will use commercially reasonable efforts to enforce this requirement regarding Target Marketing if any franchisee violates it. A breach of this provision is material and could result in the termination of this Franchise Agreement. You must follow any marketing and soliciting policies and procedures contained in our Brand Standards Manual. Franchisee is not granted any rights to pursue any of Franchisor's or its Affiliates' other business concepts, if any, other than the Camp Run-A-Mutt Business.

If Franchisee elects to offer the Additional Services, Franchisee must provide the Additional Services in compliance with Franchisor's standards, but only in the Territory. Franchisee must follow

Franchisor's rules for delivery services and any minimum requirements Franchisor may establish, from time to time, for delivery drivers. In particular, Franchisee may deliver the Center's products to customers only with Franchisee's own employed delivery drivers and not through third party delivery services or systems.

Franchisee may accept business and provide services to customers who live outside Franchisee's Territory even if such customers may live within another franchisee's Territory so long as the services, including any Additional Services, that Franchisee is providing are being performed within Franchisee's defined Territory. Franchisor and other franchisees reserve the same right to provide services to people who may live within Franchisee's defined Territory.

In some cases Franchisor may allow Franchisee to establish a satellite location within Franchisee's Territory. A satellite location is a business location within Franchisee's Territory which functions as part of a Center, such as a warehouse that does not have outdoor area that could be used for overnight boarding overflow. A satellite location cannot exceed a maximum of 2,000 square feet and may have a separate entrance that services only the Franchisee's facility. There are no protected territories associated with satellite locations Franchisee may open, and Franchisor reserves the right to own, franchise or operate other satellite locations regardless of proximity to Franchisee's satellite location as long as it is not in Franchisee's Territory. Other franchisees are not permitted to establish satellite locations in Franchisee's Territory. Franchisee must be in good standing in order to request authorization to open a satellite location. Franchisor will consider a variety of factors and decide each request on a case-by-case basis. Franchisor reserves the right to make this determination at Franchisor's sole discretion. If Franchisee operates a Center and Franchisee is authorized to operate a satellite location within Franchisee's Territory, Franchisee will not be charged any additional franchise fees, however Franchisee's minimum representation of branded products will be increased and all sales generated from the satellite location are subject to royalty payments and advertising allocations. Franchisee must own 100% of any satellite location that Franchisor authorizes Franchisee to operate. Franchisee must operate the satellite location pursuant to the Franchise Agreement, Brand Standards Manual and any other guidelines set by Franchisor.

4.2 Franchisee acknowledges that the Franchise granted hereunder is non-exclusive and Franchisor and its Affiliates retain the exclusive right, among others:

(a) to own, franchise, acquire, operate or license to others to operate a Camp Run-A-Mutt Business at any location outside of the Territory, regardless of the proximity to the Center;

(b) to use the Marks and the System to sell any products or services, the same as or similar to those which Franchisee will sell, through any alternate channels of distribution within or outside of the Territory (even if these businesses are in competition with Franchisee). This includes, but is not limited to, retail locations and other channels of distribution such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the Internet. Franchisor reserves the right to distribute labeled products branded with our logo. Franchisor exclusively reserves the Internet as a channel of distribution, and Franchisee may not independently market on the Internet or conduct e-commerce unless authorized by Franchisor, which authorization may be revoked by Franchisor in its discretion;

(c) to use and license the use of other proprietary and non-proprietary marks or methods which are not the same as or confusingly similar to the Marks, whether in alternative channels of distribution or in the operation of a business offering doggie day care, overnight boarding and related products and services, at any location, including within the Territory, which may be the same as, similar to or different from the business operated by Franchisee;

(d) to purchase or be purchased by, or merge or combine with, any business, including a business that competes directly with your Camp Run-A-Mutt Franchise, wherever located;

(e) to acquire and convert to the System operated by Franchisor any businesses offering doggie day care, overnight boarding and related products and services, including businesses operated by competitors or operated independently or as part of, or in association with, any other system or chain, whether franchised or corporately owned and whether located inside or outside of the Territory; and

(f) to implement multi-area marketing programs which may allow Franchisor or others to solicit or sell to customers anywhere. Franchisor has the right to issue mandatory policies to coordinate such multi-area marketing programs.

5. FEES

5.1 Initial Fees.

(a) Franchisee shall pay forty thousand dollars ($40,000) and, if due and payable, all federal, state or municipal taxes, as a non-recurring initial franchise fee ("Initial Franchise Fee") to Franchisor upon the execution of this Franchise Agreement. The Initial Franchise Fee shall be paid by cashier's check, money order or wire transfer. The Initial Franchise Fee is fully earned by Franchisor and non-refundable. The Initial Franchise Fee is in consideration of all of the pre-opening assistance we provide to allow you to open your Camp Run-A-Mutt Franchise, our lost or deferred opportunity to enter into this Franchise Agreement with others, and offsets some of our expenses for franchisee recruitment. Some states have imposed a fee deferral. Please refer to the Addendum in Exhibit E to the Franchise Disclosure Document.

(b) You may also purchase the rights to open multiple Camp Run-A-Mutt Franchises ("Multi-Franchises") by paying a development fee ("Initial Development Fee") that is based on the number of Franchises you intend to open. The Initial Development Fees are:

Number of Franchises	Initial Development Fee
Up to 2	$68,000
Up to 3	$102,000
Up to 5	$170,000

If you purchase a Multi-Franchise, you will sign the "Multi-Franchise Addendum" which is attached to the Franchise Disclosure Document in Exhibit G-7. There is no development territory or development schedule to open additional Camp Run-A-Mutt Businesses. To open additional Camp Run-A-Mutt Businesses under a Multi-Franchise, you will be required to sign the then-current Camp Run-A-Mutt franchise agreement, but you will not be required to pay an Initial Franchise Fee (all other fees will apply). The Initial Development Fee is due in full at the time you sign the first Franchise Agreement(s) with the Multi-Franchise Addendum, and is deemed fully earned by us once paid and is non-refundable.

(c) Franchisees will be required to purchase synthetic flooring from us to cover a specified percentage of their Center (the "Turf Fee"), rubber flooring to cover a specified percentage of their Center (the "Rubber Fee"), and if the surface underneath the turf area is not dirt, risers (the "Riser Fee" and together with the Turf Fee and the Rubber Fee, the "Flooring Fee") to cover the same area as the turf. The Flooring Fee is our then-current fee, currently: (a) for the Turf Fee, currently a range between $2.50 and $3.50 per square foot for an estimated 4,000 to 8,000 square feet, or $10,000 to $28,000; (b) for the Rubber Fee, currently a range between $5.50 and $6.00 per square foot for an estimated 3,500 to 5,000 square feet, or $19,250 to $30,000; and (c) for the Riser Fee, currently a range between $1.20 and $2.00 per square foot for an estimated 4,000 to 8,000 square feet, or $4,800 to $16,000. These estimates do not include installation at your Center or shipping based on quantity and geographical location. The Flooring Fee is due in full prior to the opening of your Center, at the time we deliver the synthetic turf flooring, rubber flooring, and (if needed) risers, to you, and is deemed fully earned by us once paid and is non-refundable.

5.2 Franchisee shall pay to Franchisor a monthly royalty fee ("Royalty Fee"). The Royalty Fee shall be six percent (6%) of Gross Sales for the previous month. The Royalty Fee shall be paid to Franchisor on or before the 10th day of each month for the preceding calendar month and payable throughout the Initial Term of this Franchise Agreement. The Royalty Fee is an ongoing payment that allows Franchisee to use the Marks and the other intellectual property of the System and that pays for Franchisor's ongoing support and assistance.

5.3 Franchisor may charge Franchisee a monthly technology fee ("Technology Fee") of $50 (subject to increase upon the addition of new software, technologies or upgrades) for the use of the Camp Run-A-Mutt intranet, email account, file sharing and storage, and our services in maintaining and administering the Camp Run-A-Mutt intranet. The Technology Fee shall be paid to Franchisor at the same time and in the same manner as the Royalty Fee. Franchisor currently accesses reports regarding Gross Sales through the software program for the Center. If the software is not functioning or this feature is not available, Franchisee shall prepare monthly reports regarding Gross Sales.

5.4 Franchisor may charge Franchisee a monthly "Muttcam Website Fee" of one hundred dollars ($100) (subject to increase upon the addition of new software, technologies or upgrades) for the use of the Camp Run-A-Mutt customer website (the "Muttcam Website"), availability of the Muttcam Website for your customers, and our services in maintaining and administering the Muttcam Website. The Muttcam Website Fee shall be paid to Franchisor at the same time and in the same manner as the Royalty Fee.

5.5 Franchisor may charge Franchisee hourly Web Site Maintenance and Promotion fees ("Maintenance and Promotion Fee") of $65 to $120 per hour (subject to increase upon the addition of new software, technologies or upgrades) for any work Franchisor provides for web site content revisions and web site promotions.

5.6 Unless specified otherwise in this Franchise Agreement or in the Brand Standards Manual, all payments to Franchisor required under this Franchise Agreement Franchisee shall be made by electronic funds transfer ("EFT") or other similar means utilizing a Franchisor approved computer system or otherwise. The EFT Authorization is attached to the Franchise Disclosure Document. Franchisee agrees to comply with procedures specified by Franchisor and/or perform such acts and deliver and execute such documents, including authorization for direct debits from Franchisee's business bank operating account to assist in or accomplish payment. Franchisee shall authorize Franchisor to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of fees and other amounts payable to Franchisor and any interest. Franchisee shall make funds available to Franchisor for withdrawal by electronic transfer no later than the due date for payment. If Franchisee has not timely reported the Gross Sales to Franchisor for any reporting period, Franchisor shall be authorized, at Franchisor's option, to debit Franchisee's account in an amount equal to (a) the fees transferred from

Franchisee's account for the last reporting period for which a report of the Gross Sales was provided to Franchisor as required hereunder or (b) the amount due based on information retrieved from Franchisor's approved software. Franchisee shall not subordinate to any other obligation its obligation to pay the Royalty Fee or any other fee or charge due Franchisor or any Affiliate of Franchisor under this Franchise Agreement.

5.7 Franchisor has the right to periodically specify (in the Brand Standards Manual or otherwise in writing) different payees and/or payment methods, such as, but not limited to, monthly payment, payment by auto-draft, credit card and payment by check. If Franchisee makes any payment to Franchisor or its Affiliates by credit card for any payment required, Franchisor may charge a service charge of up to four percent (4%) of the total charge.

6. ACCOUNTING, RECORDS, AUDITS AND LATE PAYMENT CHARGES

6.1 Franchisee shall keep such complete records of its Camp Run-A-Mutt Business as a prudent and careful businessperson would normally keep. Franchisee must use any required accounting system or pre-formatted templates prescribed by Franchisor. Franchisee shall keep its financial books and records as Franchisor may periodically direct in the Brand Standards Manual or otherwise, including retention of all invoices, order forms, payroll records, cash register tapes, check records, bank deposit receipts, sales tax records, refunds, cash disbursements, journals and general ledgers. Franchisee shall advise Franchisor of the location of all original documents and shall not destroy any records without the written consent of Franchisor.

6.2 Franchisee shall regularly prepare complete and accurate records concerning all financial, marketing and other operating aspects of the Camp Run-A-Mutt Business conducted under this Franchise Agreement. Franchisee shall maintain an accounting system which accurately reflects all operational aspects of the Camp Run-A-Mutt Business including any reports required by Franchisor. Franchisee's records shall include tax returns, daily reports, statements of Gross Sales (to be prepared each month for the preceding month), profit and loss statements (to be prepared at least quarterly), and balance sheets (to be prepared at least annually by an independent accountant, unless Franchisor has otherwise approved in writing).

6.3 Franchisee shall also submit to Franchisor current financial statements and any other reports Franchisor may reasonably request to evaluate or compile research and performance data on any operational or other aspect of the Camp Run-A-Mutt Business. Franchisee shall submit Local Advertisement Requirement (as defined in Section 11.1 below) statements to Franchisor once each quarter. By April 15 of each year, Franchisee shall provide Franchisor with a copy of its federal tax return for the Camp Run-A-Mutt Business for the previous tax year.

6.4 The records required under this Section 6 pertain only to Franchisee's operation of the Camp Run-A-Mutt Business. Franchisor has no right to inspect, audit or copy the records of any unrelated business activity of Franchisee unless Franchisee comingles these records with its Camp Run-A-Mutt Business records. Franchisee shall keep the books and records of the Camp Run-A-Mutt Business separate from the records of any unrelated business activity or personal activity.

6.5 From the date of this Franchise Agreement until five (5) years after the end of the Initial Term of this Franchise Agreement, including the Successor Term, Franchisor or Franchisor's authorized agent shall have the right to request, receive, inspect and audit any of the records referred to above wherever they may be located. Franchisor agrees to do inspections and audits at reasonable times. Franchisee agrees to keep all records and reports for seven (7) years from the date such records are created. Should any inspection or audit disclose a deficiency in the payment of any Royalty Fee, Brand

Fund Contribution, or other amounts required to be paid under this Franchise Agreement, Franchisee shall immediately pay the deficiency to Franchisor, without prejudice to any other remedy of Franchisor under this Franchise Agreement. If the deficiency for any audit period discloses that Franchisee understated Gross Sales by two percent (2%) or more, or Franchisee fails to submit required reports, Franchisee shall, in addition to paying the deficient amount to Franchisor under the preceding sentence, immediately pay to Franchisor the entire cost of the inspection or audit including travel, lodging, meals, salaries and other expenses of the inspecting or auditing personnel. For the purposes of this Section 6.5, an audit period shall be each fiscal year. If an audit discloses an overpayment of any Royalty Fees, Brand Fund Contributions, or other amounts due, Franchisor shall credit the overpayment to Franchisee's payments of future Royalty Fees and Brand Fund Contributions.

6.6 To encourage prompt payment and to cover the costs and expenses involved in handling and processing late payments, Franchisee shall also pay, upon demand, a late interest charge equal to: (i) $25 per occurrence; plus the lesser of (A) one percent (1%) of the unpaid amount per month; or (B) the highest legal rate permitted by applicable law, on all payments due to Franchisor during the period of time said payments are due and unpaid. Each failure to pay Royalty Fees, Brand Fund Contributions and other amounts payable to Franchisor when due shall constitute a material breach of this Franchise Agreement. Franchisee acknowledges this Section shall not constitute Franchisor's agreement to accept such payments after they are due or a commitment by Franchisor to extend credit to, or otherwise finance Franchisee's operation of the Camp Run-A-Mutt Business. Franchisee acknowledges that failure to pay all such amounts when due shall, notwithstanding this Section, constitute grounds for termination of this Franchise Agreement, as provided in this Franchise Agreement.

6.7 Any report of the auditor selected by Franchisor under this Section 6 shall be final and binding upon parties to this Franchise Agreement.

6.8 Franchisee authorizes Franchisor to make reasonable inquiries of Franchisee's bank, suppliers and trade creditors concerning the Camp Run-A-Mutt Business and directs such persons and companies to provide to Franchisor information and copies of documents pertaining to the Camp Run-A-Mutt Business as Franchisor requests under the authority granted by Franchisee in this Section 6.8.

6.9 Franchisee acknowledges and agrees that Franchisor owns all business records ("Business Records") regarding customers and/or related to the Camp Run-A-Mutt Business including, without limitation, all databases (whether in print, electronic or other form), including all names, addresses, telephone numbers, email addresses, customer purchase records, and all other records contained in such databases, and all other Business Records created and maintained by Franchisee. Franchisee further acknowledges and agrees that, at all times during and after the termination, expiration or cancellation of this Franchise Agreement, Franchisor may access the Business Records and may utilize, transfer, or analyze the Business Records as Franchisor determines in its sole discretion to be in the best interest of the System. Franchisor hereby licenses to Franchisee the right to use the Business Records during the term of the Franchise Agreement, solely for purposes of operating the Camp Run-A-Mutt Business.

6.10 If any payment by Franchisee to Franchisor or its Affiliates does not successfully convey funds due to insufficient funds, stop payment instructions, or any similar event, Franchisee shall pay, upon demand, a non-sufficient funds fee of one hundred dollars ($100) per occurrence. If this occurs more than once in any calendar year, in addition to all other remedies which may be available, Franchisor shall have the right to any payments and any other sums due to Franchisor under this Franchise Agreement be made by certified or cashier's checks.

6.11 If Franchisee fails to input Gross Sales information into the computer system (as defined in Section 8.3(s) below), or otherwise fails to submit any required report or financial statement when due, Franchisee shall pay Franchisor, or the Brand Fund, one hundred dollars ($100) per occurrence and one hundred dollars ($100) for every week it is past due. Franchisee's bank account will be debited for failure to submit any requested report within five days of request.

6.12 If Franchisee's copy of the Brand Standards Manual is lost, stolen, destroyed, or otherwise made unavailable and Franchisor must provide another copy of the Brand Standards Manual to Franchisee, Franchisee shall pay Franchisor two thousand five hundred dollars ($2,500).

6.13 If Franchisee offers any unauthorized product or service in the operation of the Camp Run-A-Mutt Business and does not cease to offer such product or service within ten (10) days after receiving notice from Franchisor, Franchisee shall pay Franchisor one hundred dollars ($100) per day until Franchisee ceases to offer the product or service. Franchisor and Franchisee agree and acknowledge that such fee shall not be construed as a penalty, as such fee is a reasonable, good faith representation of the actual damages sustained by Franchisor upon the occurrence of the defaults listed in this Section 6.13.

6.14 Franchisee agrees during the Initial Term and for three (3) years after the expiration and termination of this Franchise Agreement, Franchisee shall supply to Franchisor Franchisee's then-current home address and home telephone number for disclosure in the Franchise Disclosure Document as required by law.

7. SERVICES AND ASSISTANCE

7.1 The Initial Franchise Fee and Royalty Fee are paid for the License, which includes the use of the Marks, the System and the use of Franchisor's Trade Secrets and Confidential Information provided under this Franchise Agreement and for certain services, including training, rendered by Franchisor.

7.2 During the Initial Term, Franchisor (or its designee) shall offer Franchisee initial and continuing services as Franchisor deems necessary or advisable for Franchisee's Camp Run-A-Mutt Business.

7.3 The initial services provided by Franchisor (or its designee) prior to the Opening Date include:

(a) Designating Franchisee's Territory as stipulated in Section 4 and on Attachment A.

(b) Furnishing Franchisee with specifications for all layout, construction, furniture, fixtures, equipment, inventory, bookkeeping, and supplies required for the operation of Franchisee's Camp Run-A-Mutt Business as stipulated in Section 9.

(c) Providing Franchisee with written site selection guidelines and criteria and providing Site Selection Assistance to determine an acceptable location for Franchisee's Center, as outlined in the Brand Standards Manual.

(d) Assisting you in your site selection process by authorizing a site for Franchisee's proposed Center under Section 7.4 and reviewing and authorizing the Lease.

(e) Providing one initial training program ("Initial Training Program") for up to three (3) people (attending at the same time) which must include Franchisee (if Franchisee is an individual) or managing owner (if Franchisee is an entity), and Franchisee's designated manager (if applicable and as defined in Section 8.8), to be completed at least 30 days before the Opening Date. The Initial Training Program may include a discussion of the System, procedures, methods of training and operation, advertising, sales techniques, promotional ideas, marketing plans, customer relations, instructions on quality standards and practical experience in the operation of a Camp Run-A-Mutt Business. If Franchisee desires to bring additional attendees to any Initial Training Program, is required to train a new designated manager, or is otherwise required to bring additional persons to the Initial Training Program, Franchisee must pay Franchisor three thousand dollars ($3,000) per attendee ("Initial Training Fee") and $600 per attendee per day for additional training, and $600 per day for requested training that we provide at your Center. Franchisee is responsible for all travel, living, and other related expenses associated with the Initial Training Program.

(f) Delivering your Muttcam Website, synthetic turf flooring and rubber flooring and the initial inventory of any branded Camp Run-A-Mutt products. Franchisor shall approve or disapprove any promotions, edits, changes or updates to your Muttcam Website.

(g) Loaning or making available to Franchisee on our website during the Initial Term (including any Successor Terms) one (1) copy the Brand Standards Manual. Specifications, standards and operating procedures prescribed by Franchisor in the Brand Standards Manual or otherwise communicated to Franchisee in writing shall constitute provisions of this Franchise Agreement as if fully set forth in this Franchise Agreement herein. Franchisee shall operate the Camp Run-A-Mutt Business strictly in compliance with the Brand Standards Manual. Failure to comply with the standards in the Brand Standards Manual shall constitute a material breach of this Franchise Agreement. Franchisor reserves the right to provide the Brand Standards Manual and updates to the Brand Standards Manual in electronic or other form. Franchisor shall have the right to add to, delete, and otherwise modify, the Brand Standards Manual to reflect changes in authorized Products and Services, business image or the operation of the Camp Run-A-Mutt Business; provided, however, no addition or modification shall alter Franchisee's fundamental status and rights under this Franchise Agreement. Some revisions to the Brand Standards Manual may include changes regarding: (i) sales and marketing strategies; (ii) equipment and supplies; (iii) accounting and reporting systems and forms; (iv) insurance requirements; (v) operating procedures; (vi) Services; (vii) Products; and (viii) Site Selection Assistance.

(i) Franchisee agrees to accept, implement and adopt any modifications at its own cost. Franchisee shall keep its Brand Standards Manual with replacement pages and insertions as instructed by Franchisor. The form and content of the Brand Standards Manual maintained by Franchisor will control if any dispute occurs regarding the form or content of the Brand Standards Manual.

(ii) Franchisee acknowledges the Brand Standards Manual is loaned to Franchisee and shall at all times remain the sole and exclusive property of Franchisor, and upon termination of this Franchise Agreement for any reason whatsoever, Franchisee shall return the Brand Standards Manual together with all copies of any portion of the Brand Standards Manual Franchisee made, to Franchisor.

(h) Providing pre-opening assistance and pre-opening training to Franchisee and Franchisee's designated manager (if applicable) ("Pre-Opening Training Program") for approximately three (3) days at your Center. The Pre-Opening Training will occur immediately prior to and immediately following the Opening Date. If Franchisee, in Franchisor's sole discretion, requires additional assistance after completing Pre-Opening Training, Franchisor may require Franchisee to attend extended Pre-Opening Training and charge Franchisee six hundred dollars ($600) per day plus travel expenses. Additionally, if Franchisee requires additional opening assistance, Franchisee will pay Franchisor six hundred dollars ($600) per day plus any travel expenses.

7.4 Franchisee is solely responsible for locating a site for the Center and negotiating a Lease for the property (if required). Franchisee acknowledges that any Lease that is to be signed may require Franchisee, its owners and their spouses to sign a personal guaranty. As part of the Site Selection Assistance, Franchisor will provide Franchisee with written site selection guidelines and criteria and may provide other site selection assistance as outlined in the Brand Standards Manual. Franchisee acknowledges Franchisee is solely responsible for negotiating the legal and business terms of the Lease and for retaining its own legal counsel for this purpose. The Center site and the Lease are subject to Franchisor's written authorization, which may be granted or denied in Franchisor's sole discretion. Franchisee agrees the location of the Center is a factor in the potential success of the Camp Run-A-Mutt Business and Franchisor may reject any location in its sole discretion. However, Franchisee agrees that Franchisor's assistance does not constitute a representation or warranty regarding the success or viability of the property or the Lease. Franchisee agrees Franchisor's authorization of the Territory and the specific site for the Center indicates only that Franchisor believes the site falls within acceptable criteria established by Franchisor as of the approval date. Franchisee agrees that it is not guaranteed any specific location and it may not be able to obtain its preferred location for the Center. If the Lease for Franchisee's Center expires or is terminated without Franchisee's fault or if the site for Franchisee's Center is destroyed, condemned, or otherwise rendered unusable, Franchisor will allow Franchisee to relocate the Camp Run-A-Mutt Business to a new site acceptable to Franchisor, provided Franchisee will be required to pay Franchisor its costs, up to two thousand five hundred dollars ($2,500). Relocation for any other reason will be subject to Franchisor's approval, which may be withheld in Franchisor's sole discretion. Any relocation will be subject to the site selection and lease provisions in this Franchise Agreement and will be at Franchisee's sole expense.

7.5 Currently, the services provided by Franchisor (or its designee) to Franchisee after the Opening Date include:

(a) Informing Franchisee of mandatory specifications, standards and procedures for the operation of the Camp Run-A-Mutt Business;

(b) Upon reasonable request, providing advice regarding the operation of the Camp Run-A-Mutt Business based on reports or inspections. Advice will be provided during Franchisor's regular business hours and via written materials, electronic media, telephone or other methods in Franchisor's discretion. Franchisor may, but is not obligated to, provide assistance to Franchisee in the development and operation of Franchisee's Camp Run-A-Mutt Business through periodic visits by one of Franchisor's field representatives, in Franchisor's sole discretion;

(c) For as long as Franchisor determines to continue the Brand Fund (as defined in section 11.2 below), Franchisor shall maintain and use the funds to develop promotional and advertising programs for Camp Run-A-Mutt Franchisees;

(d) Franchisor will provide Franchisee with advice and guidance on advertising and marketing;

(e) Providing additional assistance, in Franchisor's sole discretion. There may be additional charges for these services. Franchisee will be required to pay the then-current tuition fees for any mandatory or optional additional training. If Franchisor provides additional assistance at Franchisee's request, Franchisor and Franchisee must agree in advance on the charges and the length of the visit;

(f) Providing ongoing training programs to Franchisee, in Franchisor's sole discretion.

(g) Allowing Franchisee to continue to use the System and Marks.

7.6 If Franchisee believes Franchisor has failed to adequately provide pre-opening services to Franchisee as provided in this Franchise Agreement in Sections 7.3 and 7.4, Franchisee shall notify Franchisor in writing within 30 days of the Opening Date. Absent the timely provision of notice to Franchisor, Franchisee shall be deemed to conclusively acknowledge that all pre-opening and opening services required to be provided by Franchisor were sufficient and satisfactory in Franchisee's judgment.

7.7 Franchisor is not obligated to perform services in this Franchise Agreement to Franchisee's level of satisfaction, but as a function of Franchisor's experience, knowledge and judgment. Franchisor does not represent or warrant that any other services will be provided to Franchisee, other than those in this Franchise Agreement. To the extent any other services, or any specific level or quality of service is expected, Franchisee must obtain a commitment to provide such service or level of service in writing signed by an authorized officer of Franchisor, otherwise Franchisee acknowledges and agrees that Franchisor shall not be obligated to provide any other services or specific level or quality of services.

8. FRANCHISEE'S DUTIES, OBLIGATIONS AND OPERATING STANDARDS

8.1 Franchisee shall, consistent with this Franchise Agreement, diligently develop the Camp Run-A-Mutt Business and use its best efforts to market and promote the required Services and Products.

8.2 Franchisee shall complete construction of Franchisee's Center and shall maintain the Center, in accordance with the following requirements:

(a) Franchisee shall, at Franchisee's sole cost and expense, complete the interior build-out and install all equipment, furniture, fixtures and signage as specified by Franchisor in the Brand Standards Manual, and required by this Franchise Agreement.

(b) The Opening Date must be within 270 days immediately following the Effective Date of this Franchise Agreement. Franchisee's failure to open the Camp Run-A-Mutt Business within this 270-day window is a material breach of the Franchise Agreement, which provides Franchisor the right to terminate the Franchise Agreement.

(c) Franchisee must deliver a copy of any proposed Lease to Franchisor, in a form acceptable to Franchisor, and such Lease must incorporate the "Lease Addendum" contained in Exhibit G-6 of the Franchise Disclosure Document. If Franchisee is unable to incorporate the Lease Addendum, the Lease must contain the following terms ("Required Terms"):

(i) A provision granting Franchisor the right to receive an assignment of the Lease upon termination or expiration of the Franchise, for it, an Affiliate or another Camp Run-A-Mutt Franchisee;

(ii) A provision requiring the lessor to give Franchisor all sales and other information Franchisor requests relating to the Center's operation;

(iii) A provision requiring the lessor to concurrently send Franchisor a copy of any written notice of a Lease default sent to Franchisee and granting Franchisor the right (but no obligation) to cure any Lease default within 15 business days after the expiration of Franchisee's cure period (if Franchisee fails to do so);

(iv) A provision evidencing Franchisee's right to display the Marks according to the specifications in the Brand Standards Manual (subject only to applicable any law);

(v) A provision that the Center may be used only for the operation of the Camp Run-A-Mutt Business;

(vi) A provision allowing Franchisor to enter the Center upon termination or expiration of this Franchise Agreement, or any Successor Franchise Agreement, to de-identify the Center as a Camp Run-A-Mutt Business and/or to take possession of the Center; and

(vii) A provision requiring the landlord to subordinate its interests in all equipment, Products, inventory and assets of Franchisee to those of Franchisor.

(d) Franchisee must at all times comply with Franchisor's standards, specifications, processes, procedures, requirements and instructions regarding the Center's physical facilities, including the layout of the equipment, furnishings, fixtures and signage. Franchisee must maintain the Center and any parking areas in good and safe condition, as specified in the Brand Standards Manual. Franchisee must remodel or upgrade the Center at its sole cost and expense according to Franchisor's standards set forth in the Brand Standards Manual, which may be modified by Franchisor at any time at Franchisor's discretion.

8.3 Franchisee shall comply with all present and future standards, specifications, processes, procedures, requirements, and instructions of Franchisor regarding the operation of the Camp Run-A-Mutt Business and Franchisee must comply with the following requirements:

(a) Franchisee (or managing owner, if Franchisee is an entity) and its designated manager (if applicable) must attend and successfully complete the Initial Training Program.

(b) Franchisee (or managing owner if Franchisee is an entity) or its designated manager must attend mandatory annual conferences at locations Franchisor reasonably designates and Franchisee shall pay any conference fees and travel expenses it occurs. We may preclude you from attending an annual conference if you have had two notices of default within 12 months prior to any annual conference or if you are in default at the time of the annual conference. We may also preclude you from participating in any system calls, meetings or webinars while you are in default of this Franchise Agreement.

(c) Subject to Section 9, any additional required Service or Product introduced into the System by Franchisor must be offered for sale on a continuing basis at the Camp Run-A-Mutt Business as required by Franchisor. Franchisor shall provide Franchisee at least 30 days' prior written notice of any new required Service or Product. All equipment, facilities, products, supplies, and other items necessary to add the newly required Services or Products must be acquired, installed, and utilized at the time and in the manner required by Franchisor. The marketing of new Services and Products must begin at the Camp Run-A-Mutt Business as reasonably required by Franchisor.

(d) Only approved Services or Products may be offered for sale through the Camp Run-A-Mutt Business, unless Franchisee receives Franchisor's prior written consent (which may be granted or denied in Franchisor's sole discretion).

(e) Only advertising and promotional materials, services, equipment, tools, inventory, products, signage, supplies, and uniforms that meet Franchisor's standards and specifications shall be used at the Camp Run-A-Mutt Business.

(f) Services, Products, equipment, inventory, supplies, signage and other items must be added, eliminated, substituted and modified at the Camp Run-A-Mutt Business as soon as possible in accordance with Franchisor's specifications and requirements.

(g) The Camp Run-A-Mutt Business and everything related to Camp Run-A-Mutt Business must be maintained in good condition and kept clean, neat and sanitary. All maintenance, repairs and replacements reasonably requested by Franchisor or required for Camp Run-A-Mutt Business must be promptly made.

(h) No alterations of Camp Run-A-Mutt Business materially affecting the image of the Camp Run-A-Mutt Business may be made except at Franchisor's direction, request or approval, and any alterations must conform to specifications and requirements established or approved by Franchisor.

(i) The Camp Run-A-Mutt Business and the Services provided and Products sold by Franchisee must comply with all applicable federal, state, and local laws, ordinances, rules, regulations and other requirements applicable to the Camp Run-A-Mutt Business. Franchisee must obtain all business licenses and permits required by federal, state and local laws, ordinances, rules and regulations before operating its Camp Run-A-Mutt Business. If Franchisee does not obtain all required permits and licenses and other certifications necessary to operate its Camp Run-A-Mutt Business. within six (6) months after the Effective Date, Franchisor may terminate this Franchise Agreement.

(j) Franchisee shall maintain a competent, conscientious and trained staff and shall take all steps as are necessary to ensure its employees preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as Franchisor may periodically establish in the Brand Standards Manual or otherwise in writing. All employees or independent contractors hired by or working for Franchisee will be Franchisee's employees or independent contractors alone and will not, for any purpose, be deemed Franchisor's employees or subject to Franchisor's control. Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee shall be solely responsible for all employment decisions and functions of the Camp Run-A-Mutt Business, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, taxes, work schedules, work conditions, assignments, record keeping, supervision, compliance with workplace laws and discipline of employees, regardless of whether Franchisee has received advice from Franchisor on the subject. You will use your legal name on all documents for use with employees and contractors, including but not limited to, employment applications, time cards, pay checks, and employment and independent contractor agreements and will not use the Marks on these documents. Franchisee agrees to post a conspicuous back of house notice informing each of Franchisee's employees and independent contractors that Franchisee alone is their employer/contractor, and Franchisor is not. Franchisee agrees to explain to Franchisee's employees and independent contractors the respective roles of a franchisor and franchisee and the franchise relationship and Franchisee will request that its employees and contractors sign, within seven (7) days, any employment relationship acknowledgment form or disclosure explaining the differences between Franchisor and Franchisee, their employer or contractor. Without limiting the generality of anything contained herein, Franchisee is responsible for complying with all applicable employment laws.

(k) All debts and taxes arising in connection from the Camp Run-A-Mutt Business must be paid when due, except those duly contested in a bona fide dispute.

(l) Franchisee will use its best efforts to ensure customer satisfaction; use good faith in all dealings with customers, potential customers, referral sources, suppliers and creditors; respond to customer complaints in a courteous, prompt and professional manner; use its best efforts to promptly and fairly resolve customer disputes in a mutually agreeable manner; and take such actions as Franchisor deems necessary or appropriate to resolve customer disputes. If Franchisor, in its discretion, addresses a customer complaint by providing a gift card, refund, or other value to the customer to address the issue, Franchisee must reimburse Franchisor for reasonable costs in responding to the customer complaint.

(m) Franchisee must keep the business hours specified in the Brand Standards Manual.

(n) Franchisee shall, at Franchisor's request, use credit card vendors and accept debit cards, credit cards, stored value gift cards or other non-cash systems specified by Franchisor to enable customers to purchase the Products and Services offered by the Camp Run-A-Mutt Business Franchisee shall acquire all necessary hardware and software used in connection with these non-cash systems at its expense. The term "credit card vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet").

(o) Franchisee shall comply with all terms and pay all fees due under any software license agreement for any software that Franchisor requires Franchisee to use in the operation of its Camp Run-A-Mutt Business.

(p) Franchisee shall promptly pay Franchisor any amount equal to all taxes levied or assessed, including, but not limited to, unemployment taxes, sales taxes, use taxes, withholding taxes, excise taxes, personal property taxes, intangible property taxes, gross receipts taxes, taxes on Royalty Fees, or any similar taxes or levies imposed upon or required to be collected or paid by Franchisor for reason of the furnishing of products, intangible property (including trademarks or trade names) or services to Franchisee through the sale, license or lease of property or property rights provided by this Franchise Agreement.

(q) If any bona fide dispute occurs as to Franchisee's liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness under the procedures of the taxing authority or applicable law; however, Franchisee shall not permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor, to occur against the Center, or any improvements.

(r) Franchisee shall comply with the advertising requirements in Section 11.

(s) Franchisee shall, at its expense, purchase or lease and thereafter maintain and use, only the computer(s), hardware (including desktops, laptops, monitors, cash drawers, credit card processing equipment, copy machine, fax machine, telephones with voicemail service, monitors), software (including point-of-sale software, credit card processing software, accounting software, and web-streaming video software), firmware, web technologies or applications, required dedicated internet access and power lines, modem(s), printer(s), and other related accessories or peripheral equipment and methods of operation, specified by Franchisor in the Brand Standards Manual or otherwise in writing (collectively the "Computer System"). The Computer System will have the capacity to electronically exchange information, messages, and other data with other computers (including but not limited to, means such as the Internet), and using protocols Franchisor may reasonably prescribe in the Brand Standards Manual or otherwise in writing. Franchisee will keep the Computer System in good maintenance and repair and promptly make any and all additions, changes, modifications, substitutions, and/or replacements at its expense to the Computer System as Franchisor directs. Franchisee will pay any and all software or other fees required by Franchisor to maintain the Computer System. Franchisee acknowledges and agrees that Franchisor's suppliers have the right to increase or decrease the software fees at any time, in their sole discretion, upon written notice to Franchisee. Franchisee acknowledges and agrees that Franchisor reserves the right to change its approved suppliers, including any software suppliers, at any time in its sole discretion. Franchisee may not alter the Computer System or use alternative software or suppliers of technology without Franchisor's prior written approval. Franchisee acknowledges and agrees that changes to technology are dynamic and not predictable within the term of this Franchise Agreement. In order to provide for inevitable but unpredictable changes to technological needs and opportunities, Franchisee agree that Franchisor will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System and the Computer System and Franchisee agree to comply with those reasonable new standards that Franchisor establishes as if Franchisor periodically revised this Section for that purpose. Franchisee must upgrade or replace its Computer System at such time as specifications are revised. There is no limitation on the frequency and cost of this obligation. If Franchisee is in default of any obligations under this Franchise Agreement, Franchisor may, besides any other remedy Franchisor may have under this Franchise Agreement, temporarily inhibit Franchisee's access to all or part of the Computer System, including point-of-sale software, until Franchisee has cured such default completely. Upon termination or expiration of this Franchise Agreement, all software, hard drives and other storage media provided to Franchisee by Franchisor must be returned to Franchisor in good condition (reasonable wear and tear accepted) and Franchisee must not delete any materials from the hard drives or other storage devices.

(t) Franchisee must sell or offer for sale only those Services and Products authorized by Franchisor and which meet Franchisor's standards and specifications. Franchisee must follow Franchisor's policies, procedures, methods, and techniques. Franchisee must sell or offer for sale all Services and Products specified by Franchisor. Franchisor may change or add to its required Services and Products at its discretion with prior notice to Franchisee. Franchisee must discontinue selling and offering for sale any services or products Franchisor in its discretion, disapproves in writing at any time.

(u) Franchisee will abide by Franchisor's requirements for alterations, remodeling, upgrading or any other improvements to the Center to achieve the strategic marketing goals of the System. Generally, the standards to satisfactorily comply will not exceed those applicable to new Camp Run-A-Mutt Businesses. These requirements will not impose an undue economic burden or occur more frequently than every three (3) years. Franchisee will bear all costs of changes or additions, for any changes in, or additions of, equipment, furnishings, fixtures, lighting, carpeting, painting or the taking of other Camp Run-A-Mutt Businesses that Franchisor specifies to satisfy its then-current standards for image, positioning, marketing strategy, cleanliness or appearance as Franchisor reasonably requires. Carpet and paint for the Center must be replaced every two (2) years. The Center will be required to be updated, repaired and maintained under the specifications in the Brand Standards Manual.

(v) Franchisee will be required to maintain a membership with any industry associations Franchisor requires. Franchisee will also be required to pay any required fees.

(w) Franchisee agrees to comply with all applicable laws pertaining to the privacy of customer, employee, and transactional information ("Privacy Laws"). Franchisee also agrees to comply with our standards and policies pertaining to Privacy Laws. If there is a conflict between our standards and policies pertaining to Privacy Laws and actual applicable law, you will: (i) comply with the requirements of applicable law; (ii) immediately give us written notice of said conflict; and (iii) promptly and fully cooperate with us and our counsel in determining the most effective way, if any, to meet our standards and policies pertaining to Privacy Laws within the bounds of applicable law. You agree not to publish, disseminate, implement, revise, or rescind a data privacy policy without our prior written consent as to said policy.

Franchisee may also choose to offer Additional Services. Any required standards exist to protect Franchisor's interests in the 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 Brand Standards Manual or other written materials. The Brand Standards 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 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.

8.4 In prescribing standards, specifications, processes, procedures, requirements or instructions under Section 8.3 or any other provision of this Franchise Agreement, Franchisor shall provide guidance to Franchisee, as required in Franchisor's sole discretion, in determining the prices to be charged by Franchisee for Services and Products. Franchisor shall not have control over the day-to-day managerial operations of the Camp Run-A-Mutt Business and Franchisee shall be free to establish its own prices; however, Franchisor shall have the right to set minimum and maximum resale prices, minimum advertised price policies and unilateral price policies as part of any national or regional promotion or multi-area marketing plan. Franchisee must honor the terms of all promotional or discount programs that Franchisor offers to the public and must also provide those services and other items Franchisor specifies on such terms and at such rates, including free of charge, as Franchisor may specify.

8.5 Franchisor and its representatives shall have the right to inspect the Camp Run-A-Mutt Business during business hours without prior notice to Franchisee. Franchisor and Franchisor's representatives will have the right to observe the manner in which Franchisee is rendering its Services and conducting its operations of the Camp Run-A-Mutt Business. Franchisor and Franchisor's representatives shall have the right to discuss with Franchisee, or other personnel Franchisee may designate, all matters pertaining to compliance with this Franchise Agreement and with Franchisor's standards, specifications, requirements, instructions and procedures. Franchisee shall in all respects cooperate with Franchisor's rights under this Section 8.5; provided that Franchisor's exercise of these rights shall not unreasonably interfere with Franchisee's conduct of the Camp Run-A-Mutt Business.

8.6 Franchisee agrees to participate in, and, if required, become a member of any advisory councils or similar organizations Franchisor forms or organizes.

8.7 Franchisor may require Franchisee's compliance with this Section 8 even if it does not require compliance by all franchisees.

8.8 The Camp Run-A-Mutt Business will be managed by you, or if you are an entity, by one of your owners who is a natural person with at least a twenty-five percent (25%) ownership interest and voting power in the entity ("Managing Owner"). Under certain circumstances, we may allow you to appoint a designated manager ("Designated Manager") to run the day-to-day operations of the Camp Run-A-Mutt Franchise and have direct responsibility for all operations of the Camp Run-A-Mutt Business. Franchisee (or its Managing Owner) may or may not function as the on-site supervisor but will complete the Initial Training Program whether or not he or she functions in that role. If you are permitted to select a Designated Manager, you will be responsible for confirming that such person has the required experience and has completed the Initial Training Program. If Franchisee is required to replace the Designated Manager, the newly hired Designated Manager must complete the Initial Training Program prior to assuming duties and responsibilities. Franchisee will be required to pay the Initial Training Fee for each new Designated Manager. If Franchisor does not offer an Initial Training Program in the specified time frame, the newly hired Designated Manager must complete the next available Initial Training Program.

8.9 Franchisee or its Designated Manager, if applicable, shall at all times have sufficient computer skills to operate the Computer System, understand how to utilize any software Franchisor requires to be used in the Camp Run-A-Mutt Business, and to access email and the Internet.

8.10 Franchisee acknowledges and understands computer systems are vulnerable to computer viruses, bugs, power disruptions, communication line disruptions, Internet access failures, Internet content failures, data-related problems and attacks by hackers and other unauthorized intruders. Franchisor does not guarantee that information or communication systems supplied by Franchisor or its suppliers will not be vulnerable to these problems. Franchisee acknowledges and agrees that Franchisee is solely responsible for protecting itself from these problems. Franchisee must also take reasonable steps to verify that Franchisee's suppliers, lenders, lessors, customers, and governmental agencies on which Franchisee relies, are reasonably protected. This may include taking reasonable steps to secure Franchisee's systems, including, but not limited to, using firewalls, access code protection, anti-virus systems, and backup systems.

8.11 Franchisee shall acquire, maintain, and upgrade hardware, software, information processing and communication systems, and Internet and other network access providers, as prescribed in the Brand Standards Manual and as modified by Franchisor in Franchisor's sole discretion. Franchisee shall comply with any separate software or other license agreements Franchisor or its designee uses in connection with the System. Franchisee shall utilize Franchisor's required software, proprietary database management and intranet system, when available, as the exclusive means for tracking and maintaining customer, vendor, and related information, and for such other uses as required by Franchisor periodically in the Brand Standards Manual, in Franchisor's sole discretion. Sales and other reporting may occur through the designated software. In the event of any software failure, Franchisee will be required to submit such reports to Franchisor through other means designated by Franchisor. Franchisee acknowledges and agrees that Franchisor has the right to independently access any electronic information and data related to the Camp Run-A-Mutt Business through the designated software or Computer System and to collect and use this electronic information and data in any manner, including the promotion and development of the System and the sale of Franchises. This may include posting financial information of each franchisee on an intranet website. There is no contractual limitation on Franchisor's right to receive or use this information.

8.12 Franchisor will only use an email address, related to or associated with the operation of the Camp Run-A-Mutt Business, which is a part of the "camprunamutt.com" Internet domain name or other domain as authorized by the Brand Standards Manual. All email communication must comply with standards specified in the Brand Standards Manual or otherwise by Franchisor in writing. Franchisee shall check the email account regularly unless Franchisee notifies Franchisor it cannot do so for a period of time (such as due to sickness or vacation).

8.13 Franchisee may not open its Camp Run-A-Mutt Business until: (1) Franchisor notifies Franchisee in writing that all of Franchisee's obligations have been fulfilled; (2) the Initial Training Program has been completed to Franchisor's satisfaction; (3) all amounts due to Franchisor have been paid; (4) Franchisor has been furnished with copies of all insurance policies and certificates required by Section 12, or other documentation of insurance coverage and payment of premiums that Franchisor may request, in Franchisor's discretion; (5) Franchisee notifies Franchisor that all approvals and conditions required by this Franchise Agreement have been met; (6) Franchisee has obtained all necessary permits and licenses; (7) Franchisee has provided Franchisor with a fully executed copy of the Lease for Franchisee's Center negotiated under the terms of Subsection 8.2; and (8) Franchisee has ordered, received and installed all equipment, supplies, inventory, tools, products, uniforms and computer hardware and software required by Franchisor. Franchisee shall begin operating the Camp Run-A-Mutt Business after Franchisor determines the Camp Run-A-Mutt Business is ready for opening.

9. PURCHASE OF EQUIPMENT, INVENTORY AND SUPPLIES

9.1 Except as otherwise provided by Franchisor, Franchisee must purchase all Products, Services, equipment, inventory, supplies and software from Franchisor's designated or approved suppliers, manufacturers and distributors. The standards and specifications for equipment, computer hardware and software, inventory, signage, supplies, Services and Products required by Franchisor shall be listed in the Brand Standards Manual. Franchisor has the right to require Franchisee to discontinue purchasing any products, services, equipment, inventory, supplies, hardware or software from a designated or approved supplier, manufacturer or distributor and may designate or approve new suppliers, manufacturers or distributors at any time in Franchisor's sole discretion.

9.2 Franchisee agrees that Franchisor may receive periodic volume rebates or other revenue or consideration as a result of Franchisee's purchases from designated or approved suppliers of Franchisee's products, services, equipment, inventory, supplies and hardware and software. Franchisee acknowledges and agrees that Franchisor shall be entitled to keep such rebates and revenue for its own use and account.

9.3 The names and addresses of Franchisor's required or approved suppliers, manufacturers and distributors may be included in the Brand Standards Manual or on an intranet website. Franchisor reserves the right to approve all of the products, supplies, services, equipment, inventory, hardware and software used in connection with Franchisee's Camp Run-A-Mutt Business.

9.4 Franchisee may request that Franchisor approve or designate a new supplier by following the procedures, and paying all required fees and expenses associated with Franchisor's inspection of the proposed supplier for approval, as set forth in the Brand Standards Manual and modified periodically by Franchisor in Franchisor's discretion.

10. <u>MARKS, COPYRIGHTED WORKS AND OWNERSHIP OF IMPROVEMENTS</u>

10.1 Franchisee acknowledges and agrees that:

(a) Franchisor is the owner or licensee of all right, title and interest, together and all goodwill of the Marks. Franchisee further acknowledges that the Marks designate the origin or sponsorship of the System, the Camp Run-A-Mutt Business, and the Products and Services, and that Franchisor desires to protect the goodwill of the Marks and to preserve and enhance the value of the Marks. If Franchisee acquires any rights, title or interest in the Marks, Franchisee agrees to and does assign hereby all rights, title or interest to Franchisor.

(b) All right, title and interest in all materials, including but not limited to, all artwork and designs, created by Franchisor for use in association of the Franchise ("<u>Copyrighted Materials</u>") are the property of Franchisor.

(c) Franchisee shall not dispute, contest, or challenge, directly or indirectly, the validity or enforceability of the Marks or Copyrighted Materials or Franchisor's ownership of the Marks or Copyrighted Materials, nor counsel, procure, or assist anyone else to do the same, nor will it take any action inconsistent with Franchisor's ownership of the Marks or Copyrighted Materials, nor will it represent it has any right, title, or interest in the Marks or Copyrighted Materials other than those expressly granted by this Franchise Agreement.

(d) Franchisor may, in its sole and absolute discretion, apply to register or register any trademarks or copyrights regarding the Services, Products and any other products and services and the Copyrighted Materials. Failure of Franchisor to obtain or maintain in effect any such application or registration is not a breach of this Franchise Agreement. Franchisee shall not, before or after termination or expiration of the Franchise Agreement, register or apply to register the Marks or any trademark, service mark or logo confusingly similar thereto or any Copyrighted Materials, anywhere in the world.

(e) Upon Franchisor's request, Franchisee shall cooperate fully, both before and after termination or expiration of this Franchise Agreement and at Franchisor's expense, in confirming, perfecting, preserving, and enforcing Franchisor's rights in the Marks and Copyrighted Materials, including but not limited to, executing and delivering to Franchisor documents Franchisor reasonably requests for any such purpose, including but not limited to, assignments, powers of attorney, and copies of commercial documents showing sale and advertising of the Services and Products and other products and services. Franchisee irrevocably appoints Franchisor as its attorney-in-fact to execute such documents.

(f) All usage of the Marks by Franchisee and any goodwill established by Franchisee's use of the Marks shall inure to the exclusive benefit of Franchisor. This Franchise Agreement confers no goodwill or other interests in the Marks to Franchisee upon expiration or termination of the Franchise Agreement.

(g) Franchisor makes no representation or warranty, express or implied, as to the use, exclusive ownership, validity or enforceability of the Marks or Copyrighted Materials**.**

10.2 Franchisee acknowledges and agrees that:

(a) Franchisee's right to use the Marks and Copyrighted Materials derive solely from this Franchise Agreement. Franchisee may only use the Marks and Copyrighted Materials in its operation of the Camp Run-A-Mutt Business and only in compliance with this Franchise Agreement and all applicable standards, specifications, and operating procedures prescribed by Franchisor in the Brand Standards Manual and elsewhere during the Initial Term and any Successor Term. Franchisee shall make every effort for consistency with this Franchise Agreement to protect, maintain, and promote the Marks as identifying the System and only the System.

(b) Any unauthorized use of the Marks or Copyrighted Materials by Franchisee constitutes a breach of this Franchise Agreement and an infringement of the rights of Franchisor in and to the Marks and Copyrighted Materials.

(c) Franchisee shall not use any Marks or portion of any Marks as part of a corporate or trade name, or with any prefix, suffix or other modifying words, terms, designs or symbols, or in any modified form. Franchisee shall obtain such fictitious or assumed name registrations as may be required by Franchisor or under applicable law.

(d) In order to preserve the validity and integrity of the Marks and Copyrighted Materials licensed herein and to assure Franchisee is properly employing the same in the operation of its Camp Run-A-Mutt Business, Franchisor shall have the right of entry and inspection of Franchisee's Camp Run-A-Mutt Business and operating procedures under Section 8.5 upon reasonable notice to Franchisee or its agents.

(e) Franchisee will safeguard and maintain the reputation and prestige of the Marks and Copyrighted Materials and will do nothing that would tarnish the image of or adversely affect the value, reputation or goodwill associated with the Marks. Franchisee will do nothing that would dilute, directly or indirectly, the value of the goodwill attached to the Marks, nor counsel, procure or assist anyone else to do the same.

(f) Franchisee will use the Marks and Copyrighted Materials only in lettering, logos, print styles, forms, and formats, including but not limited to, advertising and promotional materials, invoices, signage, business checks, business cards, stationery, and promotional items such as clothing, hats, pens, mugs, etc., approved by Franchisor under this Franchise Agreement, and promptly follow instructions regarding the Marks and Copyrighted Materials as provided in the Brand Standards Manual and otherwise given by Franchisor.

(g) Franchisee will use the following copyright notice at least once on each piece of advertising, promotional, or other material used in connection with the Products and Services:

© (year of first publication). Camp Run-A-Mutt Entrepreneurial Resources, Inc.
All Rights Reserved.

(h) Franchisee will use the Marks with a superscript "®" or "™", as specified by Franchisor, unless and until advised by Franchisor to use a different notice.

10.3 Franchisee acknowledges and agrees that:

(a) If, in Franchisor's reasonable determination, the use of Marks or Copyrighted Materials in connection with the Services, Products, other products and services or the Camp Run-A-Mutt Business will infringe or potentially infringe upon the rights of any third party, weaken or impair Franchisor's rights in the Marks or Copyrighted Materials, or it otherwise becomes advisable at any time in Franchisor's sole discretion for Franchisor to modify or discontinue use of the Marks or Copyrighted Materials, then upon notice from Franchisor, Franchisee will immediately terminate or modify such use as required by Franchisor. Franchisor may require Franchisee to use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols or copyrighted materials.

(b) Franchisee shall notify Franchisor within three (3) days after receiving notice of any claim, demand or cause of action based upon or arising from any attempt by any other person, firm or corporation to use the Marks, any colorable imitation thereof of the Marks or the Copyrighted Materials. Upon receipt of timely notice of an action, claim or demand against Franchisee relating to the Marks or Copyrighted Materials, Franchisor shall have the sole right, but not the duty, to defend any such action. Franchisor shall have the exclusive right to contest or bring action against any third party regarding the third party's use of any of the Marks or Copyrighted Materials and shall exercise such right in the sole discretion of Franchisor. Franchisor shall control all actions but not be obligated to take any action. In any defense or prosecution of any litigation relating to the Marks, Copyrighted Materials or components of the System undertaken by Franchisor, Franchisee shall cooperate with Franchisor, execute any and all documents, and take all actions as may be desirable or necessary in the opinion of Franchisor's counsel, to carry out such defense or prosecution. At Franchisor's option, Franchisee will join in any action, in which case Franchisor shall bear all the out-of-pocket costs of Franchisee for such participation. If Franchisee joins in an action, then the recovery, if any, from such legal action shall be first applied to the total expenses associated therewith and then split equally between Franchisor and Franchisee.

(c) Franchisee has the right to use the trade name "CAMP RUN-A-MUTT" in the operation of its Camp Run-A-Mutt Business, but none of the words "CAMP RUN-A-MUTT" may be used in the legal name of the Entity used to conduct the Camp Run-A-Mutt Business. Franchisee may not register or attempt to register in its own name any trade name using the words "CAMP RUN-A-MUTT." When this Franchise Agreement expires or is terminated, Franchisee must execute any assignment or other documents Franchisor requires to transfer to Franchisor any rights Franchisee possesses in a trade name utilizing "CAMP RUN-A-MUTT" or any other Mark.

10.4 All provisions of this Franchise Agreement applicable to the Marks and Copyrighted Materials apply to any and all additional trademarks, service marks, commercial symbols and copyrighted materials authorized for use by and licensed to Franchisee by Franchisor after the Effective Date.

10.5 Any improvements or additions to the System, Copyrighted Materials, website or any other documents or information pertaining to or relating to the System or the Franchise, or any new trade names, trade and service marks, logos, or commercial symbols related to the Camp Run-A-Mutt Business or Franchise or any advertising and promotional ideas or inventions related to the Camp Run-A-Mutt Business or Franchise (collectively, the "<u>Improvements</u>") conceived or developed by Franchisee shall become Franchisor's property. Franchisee agrees to assign and does hereby assign to Franchisor, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement. Franchisee shall fully disclose the Improvements to Franchisor, without disclosure of the Improvements to others, and shall obtain Franchisor's written approval prior to using such Improvements. Any such Improvement may be used by Franchisor and all other Camp Run-A-Mutt Franchisees without any obligation to Franchisee for royalties or other fees. Franchisor may, at its discretion, apply for and own copyrights, patents, trade names, trademarks and service marks relating to any such Improvement and Franchisee shall cooperate with Franchisor in securing such rights. Franchisor may also consider such Improvements as its property and Trade Secrets. In return, Franchisor shall authorize Franchisee to utilize any Improvement that may be developed by other franchisees and is authorized generally for use by other franchisees. All Improvements created by Franchisee or any other person or Entity retained or employed by Franchisee is Franchisor's property, and Franchisor shall be entitled to use and license others to use such Improvements unencumbered by moral rights. If any of the Improvements are copyrightable materials, they shall be works made for hire within the meaning of the United States Copyright Act and, to the extent the Copyrighted Materials are not works made for hire or rights in the Copyrighted Materials do not automatically accrue to us, you irrevocably assign and agree to assign to us, its successors and assigns, the entire right, title, and interest in perpetuity throughout the world in and to any and all rights, including all copyrights and related rights, in such Copyrighted Materials, which Franchisee and the author of such Copyrighted Materials warrant and represent as being created by and wholly original with the author. Where applicable, Franchisee agrees to obtain any other assignments of rights in the Improvements from another person or Entity necessary to ensure our right in the Improvements as required in this Section.

10.6 Franchisee acknowledges and authorizes Franchisor to use Franchisee's likeness in a photograph or video in any and all of Franchisor's publications, including printed and digital publications and on websites. Franchisee agrees and understands that any photograph or video using Franchisee's likeness will become Franchisor's property and will not be returned. Franchisee agrees and irrevocably authorizes Franchisor to edit, alter, copy, exhibit, publish or distribute any photograph or video of Franchisee for any lawful purpose. Franchisee agrees and waives any rights to royalties or any other compensation related to Franchisor's use of any photograph or video of Franchisee. Franchisee agrees to hold harmless and forever discharge Franchisor from all claims, demands, and causes of action which Franchisee may have in connection with this authorization. For purposes of this Section, Franchisee shall also include Franchisee's owners if Franchisee is an Entity.

11. ADVERTISING AND PROMOTION

11.1 Initial Advertising and Local Advertising.

(a) Franchisee shall participate in Franchisor's initial advertising program, which shall include pre-opening event expenses, including promotional and event expenses, and shall be conducted in a dignified manner and conform to the standards and requirements in the Brand Standards Manual.

(b) Unless Franchisor specifies a lesser amount, Franchisee agrees to spend the following on local advertising and promotions within the Territory ("Local Advertisement Requirement"):

Time Period	Local Advertisement Requirement
First 3 months after you begin operations	A minimum of $4,000 for VIP Party and Marketing
Each remaining month until the expiration of the Franchise Agreement	A minimum of $500 per month on local advertising over the remaining months

If Franchisee fails to spend the Local Advertising Requirement by the end of the month, it will be required to pay Franchisor the difference between the amount Franchisee spent in such month, and the Local Advertising Requirement, which will be contributed to Franchisor or, if established, to the Brand Fund.

(c) All advertising conducted for the Local Advertising Requirement must comply with the Brand Standards Manual. Franchisee will receive dollar-for-dollar credit against the Local Advertisement Requirement for any advertising done through a Cooperative (defined in Section 11.8 below).

(d) Franchisee agrees to participate in all system-wide promotions and advertising campaigns that Franchisor creates. Except for Franchisee's commitments to participate in system-wide promotions and advertising campaigns and to pay its share of the cost of a classified directory advertisement, Franchisee will have discretion, subject to Subsection 11.1(f) and Franchisor's approval, over the approach Franchisee takes to local advertising and promotions.

(e) All advertising and promotion by Franchisee shall be conducted in a dignified manner and conform to the standards and requirements in the Brand Standards Manual or otherwise. Franchisee shall obtain Franchisor's prior approval of all advertising and promotional plans and materials prior to use if such plans and materials were not prepared by Franchisor or previously approved by it. Franchisee must order sales and marketing material from Franchisor or its designated suppliers. It is a material breach of this Franchise Agreement to use other marketing material without obtaining Franchisor's prior written approval. If Franchisee desires to use its own advertising materials, including its own website, Franchisee must obtain Franchisor's prior approval, which may be granted or denied in Franchisor's sole discretion. Franchisor will review Franchisee's request and respond in writing within 30 days from the date it receives all requested information. Franchisor's failure to notify Franchisee in the specified time frame will be deemed a disapproval. Use of logos, Marks and other name identification materials must follow Franchisor's approved standards. If Franchisor approves of promotional items or services that will be sold at Franchisee's Center, those items or services must be included in Gross Sales and will be subject to Royalty Fees and the Brand Fund Contributions (as defined in Section 11.2 below). If Franchisee uses unauthorized advertising materials, it must pay five hundred dollars ($500) per occurrence to the Brand Fund or to Franchisor.

(f) Franchisor shall make available to Franchisee all advertising and promotion materials for the Camp Run-A-Mutt Business used by Franchisor and other Camp Run-A-Mutt Franchisees. Franchisee may not develop advertising materials for use in the Camp Run-A-Mutt Business without Franchisor's approval. If Franchisor approves the advertising materials prepared by Franchisee in writing, Franchisor may make available the advertising and promotion materials to other franchisees. Franchisee must pay duplication costs of any advertising or promotion material provided by Franchisor.

11.2 Franchisee must pay Franchisor a Brand Fund contribution of one percent (1%) of Franchisee's monthly Gross Sales ("Brand Fund Contribution"). The Brand Fund ("Brand Fund") has been established for the purposes of marketing the System, the Marks and the Camp Run-A-Mutt Business. Franchisee must pay its Brand Fund Contribution at the same time and in the same manner as the Royalty Fee. Franchisor may, in its sole discretion, increase the Brand Fund Contribution up to two percent (2%) of Franchisee's monthly Gross Sales upon 30 days' advance notice to you. No action taken by Franchisee shall diminish Franchisee's obligations to pay the Brand Fund Contribution to the Brand Fund. The Brand Fund Contribution is in addition to Franchisee's obligations in Section 11.1. Sections 11.3 through 11.7 will apply to the Brand Fund.

11.3 Advertising materials and services will be provided to Franchisee through the Brand Fund. Franchisor may occasionally provide for placement of advertising, development of promotional materials, and undertaking public relations activities for the entire System, including franchisees, or for a particular region, that may not include Franchisee, through the Brand Fund. Franchisor reserves the right to use the Brand Fund Contribution from the Brand Fund to place advertising in national or regional media (including broadcast, print, electronic or other media). Franchisee acknowledges the Brand Fund is intended to maximize general brand recognition of the System. Franchisor is not obligated to expend Brand Funds on Franchisee's behalf or for its benefit or expend Brand Funds equivalent or proportionate to Franchisee's contribution of Brand Fund Contributions on Franchisee's behalf or for its benefit.

11.4 National advertising, public relations, and promotions will be started and continued by Franchisor, when, in Franchisor's sole discretion, Franchisor deems it has accumulated sufficient monies for that purpose. The Brand Fund will be used to promote the System, Services and Products sold by Franchisees and will not be used to sell additional franchises; provided, however, Franchisee acknowledges and agrees Franchisor may undertake activities using funds from the Brand Fund that have the effect of increasing the visibility of, and interest in, the System by prospective franchisees. Franchisor's accounting and marketing personnel or a representative designated by Franchisor will administer the Brand Fund. The Brand Fund will collect Brand Fund Contributions from all franchisees and may collect from Franchisor's Affiliated-owned stores. All payments to the Brand Fund must be spent on advertising, public relations, market research, trade show attendance, goodwill retention programs such as gift card and prepaid membership reimbursement from terminated franchises, promotion, point-of-sale materials, point-of-sale systems, photography and illustrations to be used in promotional materials, marketing of goods and services provided by Franchisor and outside vendors, including but not limited to marketing agencies, and administration of the Brand Fund, including but not limited to, salaries, overhead, administrative, accounting, collection and legal costs and expenses. The Brand Fund will be maintained by Franchisor in a separate account. An annual unaudited financial statement of the Brand Fund, prepared at the expense of the Brand Fund, will be available 120 days after Franchisor's fiscal year end to Franchisee for review once a year upon request.

11.5 The Brand Fund may be terminated at any time by Franchisor, in its sole discretion. Brand Fund Contributions are non-refundable except, if the Brand Fund is terminated, any remaining balance in the Brand Fund will be expended or returned to each franchisee on a pro-rata basis, in Franchisor's sole discretion.

11.6 Franchisee shall fully participate in all such promotional campaigns, prize contests, special offers, and other programs, national, regional, or local in nature (including the introduction of new Services, Products, new franchises or other marketing programs directed or approved by Franchisor), prescribed by Franchisor. Franchisee shall be responsible for all costs of participation. Franchisor will EFT debit Franchisee for any costs associated with such promotional programs. In addition, Franchisee shall honor any coupons, gift certificates or other authorized promotional offers of Franchisor at Franchisee's sole cost unless otherwise specified in writing by Franchisor. Franchisee will maintain an adequate supply of marketing brochures, pamphlets and promotional materials as may be required by Franchisor at any time. The cost for such participation will be applied to Franchisee's Local Advertising Requirement.

11.7 Franchisor (and any designee of Franchisor) will have no direct or indirect liability or obligation to Franchisee or the Brand Fund or otherwise regarding the management, maintenance, direction, administration or otherwise of the Brand Fund. Franchisee and Franchisor agree their rights and obligations regarding the Brand Fund and all related matters are governed solely by this Franchise Agreement and neither this Franchise Agreement or the Brand Fund creates a trust, fiduciary relationship, or similar arrangement between Franchisor and Franchisee.

11.8 Local Advertising Cooperatives.

(a) Franchisor reserves the right to form a cooperative advertising association ("Cooperative") among franchisees located in a designated marketing area ("DMA") for the purpose of jointly advertising and promoting their Camp Run-A-Mutt Businesses. Franchisor may require the members of the Cooperative to prepare governing documents for the Cooperative that must be approved by Franchisor. Each Cooperative must prepare annual unaudited financial statements and such statements will be made available to each member of such Cooperative.

(b) Members of the Cooperative will administer the Cooperative. Advertising cooperative fees and expenditures will be established by members of the Cooperative, subject to Franchisor's approval. If Franchisor elects to form the Cooperative, or if such Cooperative already exists in the DMA, Franchisee must participate in compliance with the Brand Standards Manual, which Franchisor may periodically modify in its discretion. If, in connection with a Cooperative's formation, its members are unable to reach agreement with respect to any disagreement over organization, administration, "spill" policy, contribution waivers or exceptions, budget or other matters that the Cooperative members cannot resolve within 45 days, the issue will be referred to Franchisor for resolution. Franchisor's decision regarding the issue's resolution will be binding.

(c) Each franchisee in the Cooperative will contribute an amount to the Cooperative for each Camp Run-A-Mutt Franchise that the franchisee owns that exists within the DMA. Each Camp Run-A-Mutt Franchise owned by Franchisor or its affiliates that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees. Franchisee agrees (i) to join, participate in, and actively support any Cooperative established in the Camp Run-A-Mutt Business' DMA, and (ii) to make contributions to each Cooperative on the payment schedule adopted by the Cooperative's members and at the contribution rate Franchisor approves.

(d) Franchisor shall have the right to form, change, dissolve, or modify the DMA at any time in its sole discretion.

(e) Franchisor shall have the right to form, change, dissolve or merge any Cooperative in its sole discretion.

11.9 Internet Website.

(a) Franchisor has established the Muttcam Website that provides information about the System and the Services and Products that Camp Run-A-Mutt Businesses offer. Franchisor will have sole discretion and control over the website's design and contents. Franchisor may use part of the Brand Fund Contributions it collects under Section 11.2 to pay or reimburse itself for the costs of maintaining and updating the website, except that Franchisor will not use such contributions to pay for those components of the website devoted to the sale of Franchises.

(b) The website may include a section that provides the address, telephone number and email address of each Camp Run-A-Mutt Business.

(c) Franchisee will have no independent right to advertise its Camp Run-A-Mutt Business on the Internet or establish any website utilizing the Marks without the prior written consent of Franchisor, which may be withheld in Franchisor's sole discretion.

11.10 Advisory Council. Franchisor reserves the right to form an advisory council ("Council") to advise Franchisor on advertising policies and to provide input regarding the Brand Fund and to promote communications between Franchisor and all franchisees. If the Council is formed, Franchisor may establish bylaws, which will govern the Council and specify the manner in which its members are selected. Franchisor reserves the right to grant to the Council any operation or decision-making powers that Franchisor deems appropriate. The Council would serve in an advisory capacity only. Franchisor reserves the right to form, change, or dissolve the Council, in its sole discretion.

12. INSURANCE AND INDEMNITY

12.1 Franchisee shall purchase and at all times maintain in full force and effect insurance policies protecting Franchisee, Franchisor and Affiliates, and Franchisor's respective members, managers, employees, and agents against any demand or claim regarding personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring at or in connection with the construction and/or operation of Franchisee's Camp Run-A-Mutt Business, including without limitation, coverage for employment practices liability, data theft and cybersecurity and motor vehicles (if you use a vehicle in the operation of your Camp Run-A-Mutt Business). Such policy must be written by an insurer acceptable to Franchisor and conform to Franchisor's standards and minimum amounts of coverages. All insurance policies, except for employment liability insurance policies**,** must name Franchisor and any Affiliate it designates as additional insureds and provide for 30 days' prior written notice to Franchisor of a policy's material modification or cancellation. If Franchisee fails to obtain or maintain the insurance Franchisor specifies, Franchisor may (but need not) obtain such insurance on Franchisee's behalf and, in such event, Franchisee will reimburse Franchisor for the cost of the insurance plus an administrative fee equal to twenty percent (20%) of the premium. The cost of Franchisee's premiums will depend on the insurance carrier's charges, terms of payment, and Franchisee's insurance and payment histories. Franchisee must carry a minimum of two million dollars ($2,000,000) in comprehensive general liability insurance and worker's compensation coverage as required by statute or rule of the state in which Center is located. This amount may periodically be increased at Franchisor's discretion due to circumstances such as inflation, new products or services being offered, new risks, and changes in the law. The insurance company must be rated "A" or better by A.M. Best & Company, Inc. Each policy must contain a waiver by Franchisee and Franchisee's insurer of their subrogation rights against Franchisor, its Affiliates, and their respective shareholders, directors, employees and agents. Each policy, except for employment liability insurance policies must also name Franchisor, its Affiliates, and their respective shareholders, directors, employees and agents, as additional insureds with primary non-contributory coverage.

12.2 Franchisee shall, during the Initial Term and any Successor Terms, and after the termination or expiration of this Franchise Agreement, indemnify and defend Franchisor, its Affiliates and their respective officers, owners, directors, managers, members, and employees and the agents of such entities,, and hold them harmless against all claims, demands, losses, damages (including punitive damages), costs, suits, judgments, penalties, expenses (including reasonable attorney fees and amounts paid in settlement or compromise) and liabilities of any kind, whether or not ultimately determined to be meritorious (and including damages suffered by Franchisee or any of its property) (collectively, "Damages") for which they are held liable, or which they incur (including travel, investigation and living expenses of employees and witness fees) in any litigation or proceeding issued as a result of or arising out of:

(a) a breach of this Franchise Agreement, or any other agreement between the parties, or any breach of a Lease or other instrument granting the right to Franchisee to occupy any Center or any other premises used by Franchisee to operate the Camp Run-A-Mutt Business;

(b) any injury to, or loss of property of, any person in, or on, the Center or any other premises used by Franchisee to operate the Camp Run-A-Mutt Business;

(c) Franchisee's taxes, liabilities, costs or expenses of its Camp Run-A-Mutt Business;

(d) any negligent or willful act or omission of Franchisee, its officers, owners, directors, managers, members, partners, employees, agents, servants, contractors or others for whom it is, in law, responsible;

(e) any violation of any federal, state or local law, ordinance or regulation imposing requirements or prohibitions on Franchisee in the operation of the Camp Run-A-Mutt Business;

(f) any advertising or promotional material distributed, broadcasted or in any way disseminated by Franchisee, or on its behalf unless such material has been produced, or approved in writing, by Franchisor;

(g) Franchisee's failure to pay the monies payable (to Franchisor or any of our affiliates) pursuant to this Franchise Agreement, or to do and perform any other act, matter, or thing required by this Franchise Agreement;

(h) any action by Franchisor to obtain performance by Franchisee of any act, matter, or thing required by this Franchise Agreement;

(i) Franchisee's employment or other contractual relationship with its employees, workers, managers, or independent contractors, including but limited to any allegation, claim, finding, or ruling that Franchisor is an employer or joint employer of Franchisee's employees; and

(j) any loss of data including, but not limited to customer information, resulting from a breach of such data caused, in whole or in part, by Franchisee.

12.3 Franchisor will indemnify Franchisee against, and reimburse Franchisee for: (1) all damages for which Franchisee is held liable in any judicial or administrative proceeding arising out of Franchisee's use of any Mark or Copyrighted Material in compliance with this Franchise Agreement; and (2) the costs incurred of defending any claim brought against Franchisee or in any proceeding in which Franchisee is named as a party arising out of Franchisee's use of any Mark or Copyrighted Material in compliance with this Franchise Agreement, provided that Franchisee has timely notified Franchisor of the claim or proceeding, and has complied with this Franchise Agreement.

13. RELATIONSHIP

13.1 Franchisee acknowledges it is an independent contractor and is not an agent, partner, joint venturer or employee of Franchisor and no training or supervision given by, or assistance from, Franchisor shall be deemed to negate such independence. Neither party is liable or responsible for the other's debts or obligations, nor shall either party be obligated for any damages to any person or property directly or indirectly arising out of the operation of the other party's business authorized by or conducted under this Franchise Agreement. Franchisor and Franchisee agree that no partnership, fiduciary relationship, joint venture or employment relationship exists between them. Franchisee shall conspicuously identify itself in all dealings with the public as an independently owned and operated Camp Run-A-Mutt Franchisee. The parties intend by this Franchise Agreement to establish the relationship of franchisor and franchisee. It is further agreed that Franchisee has no authority to create or assume in Franchisor's name or on behalf of Franchisor, any obligation, express or implied, or to act or purport to act as agent or representative on behalf of Franchisor for any purpose whatsoever. Franchisee agrees it will not hold itself out as the agent, employee, partner or co-venturer of Franchisor. Franchisee alone will exercise day-to-day control over all operations, activities, and elements of the Franchised Business and under no circumstances shall Franchisor be deemed to do so. All employees hired by or working for Franchisee shall be the employees of Franchisee and shall not, for any purpose, be deemed employees of Franchisor or subject to Franchisor's control. The parties agrees to file their own tax, regulatory and payroll reports regarding their respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever thereof.

13.2 Neither party shall make any agreements, representations or warranties (except by Franchisor in advertising as provided herein) in the name of, or on behalf of, the other party; neither party hereto shall be obligated by, nor have any liability for, any agreements, representations or warranties made by the other (except by Franchisor in advertising as provided herein) nor shall Franchisor be liable for any damages to any person or property, directly or indirectly, arising out of the operation of Franchisee's Camp Run-A-Mutt Business, whether caused by Franchisee's negligent or willful action or failure to act.

13.3 Franchisor shall not have any liability for Franchisee's obligations to pay any third parties, including without limitation, any product vendors, or any value added, sales, use, service, occupation, excise, Gross Sales, income, property or other tax levied upon Franchisee, Franchisee's property, the Camp Run-A-Mutt Business or upon Franchisor in connection with the sales made or business conducted by Franchisee (except any taxes Franchisor is required by law to collect from Franchisee regarding purchases from Franchisor).

14. RESTRICTIVE COVENANTS

14.1 Franchisee acknowledges and agrees that:

(a) Franchisee's entire knowledge of the operation of the Camp Run-A-Mutt Business, the System, and the concepts and methods of promoting the Camp Run-A-Mutt Business that it has now or obtains in the future, is derived from Franchisor's Confidential Information and Trade Secrets. Franchisee further acknowledges and agrees that all of the Confidential Information and Trade Secrets are the sole property of Franchisor, represent valuable assets of Franchisor and that Franchisor has the right to use the Confidential Information and Trade Secrets in any manner at any time.

(b) During the Initial Term and any Successor Terms, Franchisee, Franchisees' owners, Designated Manager, officers, directors, managers, members, partners, and employees who have access to the Confidential Information and Trade Secrets agree they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity or for their own benefit; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information and Trade Secrets; and (4) will adopt and implement all reasonable procedures Franchisor requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets including requiring employees, Designated Managers, training class attendees, and Franchisee's owners (if applicable) who have access to the Confidential Information and Trade Secrets to execute nondisclosure agreements required by Franchisor, and provide Franchisor with signed copies of each of those agreements at Franchisor's request. Any Franchisee, Designated Manager, owner, and, if Franchisee is an entity, any officer that does not own equity in the franchisee entity, must sign the "System Protection Agreement," the form of which is attached within Exhibit G-2 to the Franchise Disclosure Document. All of Franchisee's employees, independent contractors, agents or representatives that may have access to Franchisor's Confidential Information and Trade Secrets must sign a confidentiality agreement (unless they already signed a System Protection Agreement); the current form of Franchisor's approved confidentiality agreement is attached within Exhibit G-3 to the Franchise Disclosure Document.

(c) Upon the expiration or termination of the Franchise Agreement, Franchisee, Franchisees' owners, Designated Managers and employees who have access to the Confidential Information and Trade Secrets agree for a period of 18 months after the termination or expiration of the Franchise Agreement (unless such information is a Trade Secret in which case the requirements in this Subsection 14.1(c) will remain in place for as long as such information constitutes a Trade Secret) they: (1) will not use the Confidential Information or Trade Secrets in any other business or capacity or for their own benefit; (2) will maintain the absolute confidentiality of the Confidential Information and Trade Secrets; (3) will not make unauthorized copies of any portion of the Confidential Information or Trade Secrets; and (4) will adopt and implement all reasonable procedures Franchisor requires to prevent unauthorized use or disclosure of the Confidential Information and Trade Secrets including requiring written nondisclosure agreements for those individuals as Franchisor requires and provide Franchisor, at Franchisor's request, with signed copies of each of those agreements. Franchisor will be named as a third party beneficiary on such nondisclosure agreements.

(d) Notwithstanding the foregoing, the restrictions on the disclosure and use of the Confidential Information will not apply to: (a) Confidential Information in the public domain after it was communicated to Franchisee through no fault of Franchisee, its owners, Designated Managers or employees; (b) Confidential Information in Franchisee's possession free of any obligation of confidence when it was communicated to Franchisee; (c) disclosure of Confidential Information made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; (d) disclosure of Confidential Information made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; (e) disclosure of Confidential Information made in cases of suit for retaliation based on the reporting of a suspected violation of law, disclosure of Confidential Information to an attorney and for use of the Confidential Information in such court proceeding, so long as any document containing the Confidential Information is filed under seal and Confidential Information is not otherwise disclosed except pursuant to court order.

14.2 Franchisee covenants and agrees that:

(a) During the Initial Term of this Franchise Agreement and any Successor Terms, if any, Franchisee, its owners, Designated Managers, officers, directors, managers, members, and partners shall not, without the prior written consent of Franchisor, either individually or in an Entity or jointly or in conjunction with any person, firm, association, syndicate or corporation, as principal, agent, shareholder, member, partner or in any manner whatsoever, carry on or be engaged in or be concerned with or interested in or advise, lend money to, guarantee the debts or obligations of or permit its name or any part thereof to be used or employed in any business operating in competition with any business offering doggie daycare, overnight boarding or related pet products or services (other than Camp Run-A-Mutt Businesses) to the general public ("Competitive Business") as carried on during the Initial Term or any Successor Term of this Franchise Agreement.

(b) Upon termination or expiration of the Initial Term or any Successor Term, or the transfer, sale or assignment of this Franchise Agreement by Franchisee, neither Franchisee, the Designated Manager nor Franchisee's owners, officers, directors, managers, members, or partners will have any direct or indirect interest (i.e. through a relative or Entity) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative or agent, for 18 months, in any Competitive Business within: (1) 25 miles of the Franchisee's Camp Run-A-Mutt Business or Territory; (2) within 25 miles of any other Camp Run-A-Mutt Business, including any Franchisor or Affiliate owned Camp-Run-A-Mutt Business, either opened or under development.

(c) If any person restricted by this Section 14.1(c) and 14.2(b) refuses to voluntarily comply with the foregoing obligations, the 18 month period will commence with the entry of any order of a court or arbitrator enforcing this Section 14.

14.3 Exception to Covenant Not to Compete

Section 14.1(b) hereof shall not apply to ownership by Franchisee of less than a 5% beneficial interest in the outstanding equity securities of any publicly-held corporation. As used in this Agreement the term "publicly-held corporation" shall be deemed to refer to a corporation which has securities that has been registered under the Federal Securities Exchange Act of 1934.

14.4 Franchisee Will Not Divert Business

During the term of this Agreement and for a period of three (3) years following the expiration or termination of this Agreement, Franchisee agrees that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

1. Solicit, service, sell or attempt to divert business directly or indirectly to any competitor by direct or indirect inducement or otherwise, or any customers of its Center or any other Franchisee including Franchisor owned businesses under the Camp Run-A-Mutt® business with which or with whom Franchisee has had contact during the term of this Agreement to any competitor by direct or indirect inducement or otherwise; or

2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Names and Marks or the System or both; or

3. Induce, directly or indirectly, any person who is at that time employed by Franchisor or by any other Franchisee of Franchisor, to leave his or her employment.

15. ASSIGNMENT

15.1 Franchisee acknowledges that Franchisor's obligations under this Franchise Agreement are not personal. Franchisor shall have the absolute right, in its sole discretion at any time, to unconditionally transfer or assign this Franchise Agreement or any of its rights or obligations under this Franchise Agreement to any person, corporation or other party.

15.2 Franchisor reserves the right to assign the Camp Run-A-Mutt Franchise system to anyone, including the operator of a competing national or regional chain or franchise system. Franchisee acknowledges and agrees that Franchisor may sell its assets, the Marks or the System to any third party; may offer its securities privately or publicly; may merge with or acquire other business entities or be acquired by another Entity; may permit and participate in any transfer or distribution of its securities in connection with a spin-off; may undertake a refinancing, recapitalization, leveraged buyout, or other economic or financial restructuring; or may terminate or cease to exist or dissolve, in any such case without Franchisee's consent and, provided the transferee expressly assumes and materially performs Franchisor's obligations, do so free of any responsibility or liability whatsoever to Franchisee after the transaction occurs.

15.3 Franchisee expressly waives any claims, demands, or damages against Franchisor arising from or related to the transfer of the Marks, assets or the System from Franchisor to any other party.

15.4 Franchisee understands and acknowledges the rights and duties in this Franchise Agreement are personal to Franchisee. Accordingly, this Franchise Agreement, Franchisee's rights and interests under this Franchise Agreement, the property and assets owned and used by Franchisee for the Camp Run-A-Mutt Business, and any shares, stock, membership or interest in any Entity having an interest in the Camp Run-A-Mutt Business, shall not be voluntarily or involuntarily, directly or indirectly sold, pledged, assigned, transferred, shared, subdivided, sub-franchised, encumbered or transferred in any way (including, without limitation, in the event of the death of Franchisee if Franchisee is an individual), in whole or in part, in any manner whatsoever without the prior written approval of Franchisor and compliance with all terms of this Section 15. Any unauthorized sale, assignment, transfer or other conveyance, by operation of law or otherwise, or any attempt to do so, shall be deemed void and grounds for termination of this Franchise Agreement by Franchisor.

15.5 With and after each valid assignment of this Franchise Agreement under this Section 15, the assignee(s) of Franchisee shall be deemed to be Franchisee under this Franchise Agreement and will be bound by and liable for all of Franchisee's existing and future obligations. No stockholder, member or partner of any Entity which becomes the Franchisee shall have any rights under this Franchise Agreement because of reason of his, her or its stock ownership, membership interest or partnership interest.

15.6 If Franchisee wishes at any time to sell, in whole or in part, the Camp Run-A-Mutt Business, Franchisee shall obtain a bona fide, executed, written offer ("Purchase Offer") for the Camp Run-A-Mutt Business together and all real or personal property, leasehold improvements and other assets used by Franchisee in its Camp Run-A-Mutt Business from a responsible, arms' length, and fully disclosed purchaser and shall submit an exact copy of such Purchase Offer to Franchisor. Franchisor will have a right of first refusal to purchase the Camp Run-A-Mutt Business as provided in Section 16 below.

15.7 No transfer or assignment of this Franchise Agreement will be approved by Franchisor or be effective unless all the following conditions are satisfied:

(a) the proposed transfer is at least one (1) year after the Opening Date;

(b) Franchisee is in full compliance with this Franchise Agreement;

(c) the transferee executes Franchisor's then-current form of franchise agreement (which, in Franchisor's sole discretion, may have terms equal to the remainder of Franchisee's Initial Term (or Successor Term), or may include a new full length term, and which may contain provisions substantially different from those contained in this Franchise Agreement, including a higher royalty and greater required expenditures for advertising and promotion, and such other documents then customarily used by Franchisor to grant franchises, but which shall not require the payment of another Initial Franchise Fee), executes all other documents as may be reasonably requested by Franchisor, including but not limited to Franchisor's then-current form of Owners Agreement or other guaranty, and pays to Franchisor a transfer fee ("Transfer Fee") equal to 50% of the then-current Initial Franchise Fee at the time of the transfer. Franchisee will pay to Franchisor a non-refundable deposit of one thousand dollars ($1,000) when Franchisee requests approval of a transfer. Upon approval, Franchisee will pay the remaining amount in certified funds when Franchisee executes the transfer documents;

(d) Franchisee executes a general release of Franchisor, including its officers, directors, members, agents, and employees and Affiliates from such parties' obligations under the Franchise Agreement;

(e) the transferee is an individual or an Entity having adequate financial resources who meets all criteria established by Franchisor for franchisees. The transferee shall also complete Franchisor's then-current training program established by Franchisor for Camp Run-A-Mutt Franchisees unless: (i) the transferee is a current Camp Run-A-Mutt Franchisee in good standing in the System, or (ii) the transferee is or has been a Designated Manager for a period of one (1) year or more of a Camp Run-A-Mutt Business in good standing;

(f) at Franchisor's request, Franchisee prepares and furnishes to the transferee and/or Franchisor such financial reports and other data relating to the Camp Run-A-Mutt Business and its operations as Franchisor deems reasonably necessary or appropriate for the transferee and/or Franchisor to evaluate the Camp Run-A-Mutt Business and the proposed transfer. Franchisee authorizes Franchisor to confer with a proposed transferee and furnish it with information concerning the Camp Run-A-Mutt Business and the terms and conditions of the proposed transfer, and Franchisor may do so with no liability, except for intentional misstatements made to a transferee;

(g) the parties to the proposed transaction will have entered into a binding agreement subject only to the rights of Franchisor set out in Section 16. Franchisor shall be furnished a copy of this binding agreement, and such agreement is subject to Franchisor's approval in writing. Franchisee must advise each prospective transferee of this provision and other terms of this Franchise Agreement;

(h) the proposed transferee or the stockholders, partners, members or owners of a beneficial interest in a proposed Entity transferee, provide jointly and severally personal guarantees required by Franchisor, guaranteeing the proposed transferee's performance of its obligations under the agreements to be entered into;

(i) the proposed transferee demonstrates to Franchisor's satisfaction it, he or she meets in all respects Franchisor's standards applicable to new Camp Run-A-Mutt Franchisees regarding experience, personal and financial reputation and stability, willingness and ability to devote its, his or her full time and best efforts to the operation of the Camp Run-A-Mutt Business, and any other conditions as Franchisor may reasonably apply in evaluating new Camp Run-A-Mutt Franchisees. Franchisor must be provided with all information about the proposed transferee as Franchisor may reasonably require. Because of the Confidential Information and Trade Secrets available to a Camp Run-A-Mutt Franchisee, no assignment will be permitted to a transferee that owns a Competitive Business;

(j) the transferee agrees to bring the Center up to current standards for Camp Run-A-Mutt Businesses;

(k) the landlord must have consented to transfer your Lease to the proposed transferee;

(l) Franchisee signs an agreement not to engage in a Competitive Business for 18 months within 25 miles of Franchisee's former Center or another Camp Run-A-Mutt Business;

(m) Franchisee will reimburse Franchisor its actual costs of transfer upon receipt of invoices for any legal, broker commission, finder's fees, or other placement costs Franchisor incurs as a result of the transfer.

15.8 Notwithstanding anything to the contrary in this Franchise Agreement, Franchisor shall, upon Franchisee's compliance with Franchisor's requirements (including obtaining all necessary approvals to the assignment of the Lease, if any, of the Center), consent to an assignment of Franchisee's right, title and interest in this Franchise Agreement and the property and assets owned and used by Franchisee and any other agreement then in effect between Franchisee and Franchisor to an Entity wholly owned and controlled by Franchisee, except such assignment shall not release Franchisee from any liability under this Franchise Agreement:

(a) Contemporaneously with such assignment and thereafter upon the appointment or election of any person as director, officer, partner or manager of an Entity, such Entity shall cause each shareholder, partner, member, manager, director(s) and officer(s) of the Entity to execute a written agreement with Franchisor, personally guaranteeing full payment and performance of Franchisee's obligations to Franchisor and individually being bound, jointly and severally, by this Franchise Agreement or any new current form of Franchise Agreement;

(b) No shares or membership interests in the capital of an Entity shall be issued nor shall Franchisee directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, sell, assign, transfer, convey, donate, pledge, mortgage or otherwise encumber any such shares or membership interests or offer or attempt to do so or permit the same to be done without Franchisor's prior written consent;

(c) The Entity shall maintain stop transfer instructions against transferring shares or membership interests on its records subject to the restrictions of this Section ;

(d) The articles of incorporation, articles of organization, operating agreement, partnership agreement, shareholder agreement, and by-laws of the Entity shall provide that its objectives or business is confined exclusively to the operation of the Camp Run-A-Mutt Business as provided for in this Franchise Agreement, and copies thereof shall be furnished to Franchisor upon request;

(e) Franchisor's consent to transferring any interest subject to the restrictions of this Section shall not constitute a waiver of any claim it may have against the assignor, nor shall it be deemed a waiver of Franchisor's right to demand exact compliance with any of this Franchise Agreement by the assignee;

(f) The Entity shall advise Franchisor and keep Franchisor current as to the names and addresses of the directors, officers, members, partners and shareholder of and persons financially involved in the Entity

(g) Franchisee agrees to devote its full time and best efforts to manage the day-to-day operations of the Camp Run-A-Mutt Business unless it has a Managing Owner or Franchisor has permitted Franchisee to select a Designated Manager; and

(h) Franchisee shall reimburse Franchisor for any legal fees it incurred in relation to the transfer.

15.9 Upon the death or permanent disability of an individual Franchisee (or the controlling shareholder, member or partner if Franchisee is an Entity), the personal representative of such person shall transfer all right, title and interest in this Franchise Agreement or such interest in Franchisee to any approved third party, which may include an heir or legatee that otherwise satisfies Franchisor's then-current standards and qualifications for new franchisees. Such disposition of this Franchise Agreement or such interest (including, without limitation, transfer by bequest or inheritance, provided such transfer meets the requirements of this Section 15.9) shall be completed within a reasonable time, not to exceed 180 days from the date of death or permanent disability (unless extended by probate proceedings), and shall be subject to all the terms and conditions applicable to transfers contained in this Section. Franchisee's estate or legal representative must apply to Franchisor for the right to transfer within 120 days of Franchisee's death or disability. Franchisor shall have the right, in Franchisor's sole discretion, to operate the Center or to appoint a representative or designee to operate the Camp Run-A-Mutt Business, for a period of up to 180 days, or until Franchisee's interest shall have been transferred to an approved third party, whichever occurs first. Franchisor or the appointed representative shall be entitled to retain all revenues, and shall pay all operating expenses from the operation of the Camp Run-A-Mutt Business, without the right to seek or require reimbursement by Franchisee's estate or personal representative, during the period of operation of the Camp Run-A-Mutt Business. Failure to transfer the interest in this Franchise Agreement or interest in Franchisee within said period of time shall constitute a breach of this Franchise Agreement and Franchisor may terminate this Franchise Agreement without further notice or the opportunity to cure. The term "Permanent Disability" shall mean a mental or physical disability, impairment or condition that prevents Franchisee or Franchisee's controlling shareholder, member or partner from performing the essential functions of Franchisee.

15.10 Franchisee shall not grant any security interest in the assets of the Camp Run-A-Mutt Business unless the secured party agrees in the event of any default by Franchisee under any documents related to the security interest, Franchisor shall have the right and the option to be substituted as obligor to the secured party and to cure any default of Franchisee, except that any acceleration of indebtedness due to Franchisee's default shall be void.

15.11 Franchisee shall not have the right to grant a subfranchise.

16. OPTION TO PURCHASE - RIGHT OF FIRST REFUSAL

16.1 Unless otherwise explicitly provided by this Franchise Agreement, Franchisor shall be entitled to exercise the rights provided in this Section immediately upon:

(a) The expiration without extension of Franchisee's rights to operate the Camp Run-A-Mutt Business or the termination for any reason of this Franchise Agreement;

(b) Any breach, default or other event that gives Franchisor the right to terminate this Franchise Agreement, after expiration of any applicable notice and cure period; or

(c) The receipt by Franchisor of a copy of a Purchase Offer.

16.2 Upon any event described in Subsection 16.1, Franchisor shall have the option to purchase all of Franchisee's rights, title and interest in the Camp Run-A-Mutt Business, and all its improvements, furniture, fixtures, yard apparatus, equipment, décor, and products and other business assets. Without limiting the generality of anything contained in this Franchise Agreement, Franchisee understands that the Business Records, the accounts, the System and all other related intellectual property is owned by Franchisor, and shall not be transferred in any assignment nor purchased under this Right of First Refusal.

16.3 The purchase price for assets itemized in Subsection 16.2 will be, subject to Section 16.4: (i) the current fair market value if Subsection 16.1(a) or 16.1(b) applies; or (ii) the price specified in the Purchase Offer received by Franchisee if Subsection 16.1(c) applies. If Franchisee and Franchisor cannot agree on fair market value within a reasonable time, an independent appraiser will be designated by Franchisee and Franchisor and an average of the two (2) appraised values will be binding. Appraised values will exclude any and all consideration for goodwill or going concern value created by the Marks and business system licensed to Franchisee.

16.4 If Franchisor elects to exercise any option to purchase in this Section 16, Franchisor will have the right to set off all amounts due from Franchisee under the Franchise Agreement or any other agreements between the parties, any commissions or fees payable to any broker, agent or other intermediary and the cost of the appraisal, if any, against any payment. Franchisee shall also have the right to substitute cash for any other form of consideration specified in the Purchase Offer and pay in full the entire purchase price at closing.

16.5 Franchisor will notify Franchisee whether or not it intends to exercise its right to purchase ("Notice of Intent") within 30 days following an event described in Subsection 16.1(a) or (b) or within 15 days following an event described in Subsection 16.1(c). The Notice of Intent will specify the assets to be purchased, and the current fair market value as determined by Franchisor if Subsection 16.1(a) or 16.1(b) applies. If Franchisor is purchasing the assets under Subsections 16.1(a) or (b), Franchisee will have 14 days following receipt of Franchisor's Notice of Intent to object to any of the prices specified, and any disputes over pricing shall be resolved through appraisal as specified by Subsection 16.3. If Franchisor declines to exercise its rights under this Section in connection with Subsection 16.1(c) within the 15 day period described above, as applicable, Franchisee may thereafter sell or dispose of the Camp Run-A-Mutt Business to the third party identified in the Purchase Offer in the event of a sale under Subsection 16.1(c), but not at a lower price nor on more favorable terms than set forth in the Purchase Offer, and subject to the prior written permission of Franchisor and satisfaction of the other assignment conditions in Section 15. If the sale to such third party purchaser is not completed within 90 days after Franchisor delivers the Notice of Intent to Franchisee, Franchisor shall again have its right of first refusal provided.

16.6 If Franchisor provides Franchisee with its Notice of Intent to exercise its rights under this Section 16, the purchase and sale contemplated in this Section shall be consummated as soon as possible. If Franchisor is purchasing the assets under Subsections 16.1(a) or (b), following the delivery of a Notice of Intent as specified in Subsection 16.5, Franchisor or Franchisor's designee shall have the immediate right to take possession of the Camp Run-A-Mutt Business and to carry on and develop the Camp Run-A-Mutt Business for the exclusive benefit of Franchisor or its designee exclusively. If Franchisor declines to exercise its rights under this Section 16, this shall not constitute consent to the transfer or waiver of any other provision of the Franchise Agreement, including any of the requirements with respect to the proposed transfer.

17. DEFAULT AND TERMINATION

17.1 Franchisor shall have the right, at its option, to (i) suspend performance of certain or all of its services to Franchisee while Franchisee is in default of this Franchise Agreement; or (ii) terminate this Franchise Agreement and all rights granted Franchisee hereunder (subject to applicable state law governing franchise termination and renewal), effective upon receipt of notice by Franchisee, addressed as provided in Section 18, upon the occurrence of any of the following events:

(a) Franchisee intentionally or negligently discloses to any unauthorized person the contents of or any part of Franchisor's Brand Standards Manual, Confidential Information or Trade Secrets of Franchisor;

(b) Franchisee voluntarily abandons the Camp Run-A-Mutt Business for a period of five (5) consecutive days, or any shorter period that indicates an intent by Franchisee to discontinue operation of the Camp Run-A-Mutt Business, unless abandonment is due to fire, flood, earthquake or other similar causes beyond Franchisee's control and not related to the availability of funds to Franchisee;

(c) Franchisee becomes insolvent or is adjudicated a bankrupt; or any action is taken by Franchisee, or by others against Franchisee under any insolvency, bankruptcy or reorganization act, or if Franchisee makes an assignment for the benefit of creditors, or a receiver is appointed for Franchisee;

(d) Any material judgment (or several judgments which in the aggregate are material) is obtained against Franchisee and remains unsatisfied or of record for 30 days or longer (unless a supersedeas or other appeal bond has been filed); or if execution is levied against Franchisee's Camp Run-A-Mutt Business or any of the property used for the operation of the Camp Run-A-Mutt Business and is not discharged within five (5) days; or if the real or personal property of Franchisee's Camp Run-A-Mutt Business is sold after levy by any sheriff, marshal or constable;

(e) Franchisee, the designated manager, or any owner of greater than ten percent (10%) of the Franchisee's Entity is charged or convicted of any felony charge, or a crime involving moral turpitude, or any crime or offense reasonably likely, in the sole opinion of Franchisor, to materially and unfavorably affect the System, Marks, goodwill or reputation thereof;

(f) Franchisee fails to pay any amounts due Franchisor or its Affiliates or approved suppliers within five (5) days after receiving notice that such fees or amounts are overdue;

(g) Franchisee misuses or fails to follow Franchisor's directions and guidelines concerning use of the Marks and fails to correct the misuse or failure within five (5) days after notification from Franchisor;

(h) Franchisee has received two notices of default regarding Franchisee's obligations hereunder from Franchisor within a 12 month period, regardless of whether the defaults were cured by Franchisee;

(i) Franchisee sells, transfers or otherwise assigns the Camp Run-A-Mutt Business, an interest in the Camp Run-A-Mutt Business or Franchisee's Entity, this Franchise Agreement, or a substantial portion of the assets of the Camp Run-A-Mutt Business owned by Franchisee without complying with Section 15;

(j) Franchisee submits on two (2) or more occasions during the Initial Term and any Successor Term a report, financial statement, tax return, schedule or other information or supporting record which understates its Gross Sales by more than two percent (2%), unless Franchisee demonstrates that such understatement resulted from inadvertent error;

(k) Franchisee fails, or refuses, to submit any required report, financial statement, tax return, schedule or other information or supporting records, or submits such reports over five (5) days late on two (2) or more occasions during the Term or any Successor Term unless due to circumstances beyond the control of Franchisee;

(l) Franchisee sells or offers for sale any unauthorized merchandise, product or service or engages in any unauthorized business or under the Marks or under a name or mark confusingly similar to the Marks;

(m) Franchisee contests in any court or proceeding the validity of or Franchisor's ownership of the Marks or copyrighted materials;

(n) Franchisee is an Entity and any action is taken which purports to merge, consolidate, dissolve or liquidate such Entity without Franchisor's prior written consent;

(o) Franchisee (or its Managing Owner if Franchisee is an entity) or its designated manager fails to successfully complete Franchisor's Initial Training Program or any continuing training programs;

(p) Franchisee receives from Franchisor during the Initial Term and any Successor Term, three or more notices of default regardless whether such notices of default relate to the same or different defaults, or whether such defaults have been remedied by Franchisee;

(q) Franchisee made misrepresentations under Section 1.9 or any violation of Anti-Terrorism Laws by Franchisee, its designated manager, its owners, officers, directors, managers, members, partners, agents or employees; or

(r) Franchisee fails to fully resolve any violation within three (3) days after receiving notice that its Camp Run-A-Mutt Business violates any health, safety or sanitation law, ordinance or regulation or has been operated in a manner that presents a health or safety hazard to customers, or the general public.

17.2 Franchisor shall have the right, at its option, to (i) suspend performance of certain or all of its services to Franchisee while Franchisee is in default of this Franchise Agreement; or (ii) terminate this Franchise Agreement (subject to any state laws to the contrary, where state law shall prevail), effective upon 30 days written notice to Franchisee, if Franchisee breaches any other provision of this Franchise Agreement and fails to cure the default within 30 days. In that event, this Franchise Agreement will terminate without further notice to Franchisee, effective upon expiration of the 30 day period. Defaults include, but are not limited to:

(a) Franchisee fails to maintain the then-current operating procedures and standards established by Franchisor in this Franchise Agreement or the Brand Standards Manual or otherwise communicated to Franchisee;

(b) Franchisee fails, refuses or neglects to obtain Franchisor's prior written approval or consent required by this Franchise Agreement;

(c) Franchisee fails or refuses to comply with the then-current requirements of the Brand Standards Manual;

(d) Franchisee, or any Entity in which Franchisee has a controlling equity interest or which has a controlling equity interest in Franchisee, defaults under any term of the Lease of the Center or any other premises used by Franchisee to operate the Camp Run-A-Mutt Business, any other franchise agreement with Franchisor or any other agreement material to the Camp Run-A-Mutt Business and such default is not cured within the time specified in such Lease, other franchise agreement or other agreement;

(e) Franchisee fails, refuses or neglects to submit any required report under this Franchise Agreement;

(f) Franchisee fails, refuses or neglects to accurately report Gross Sales, sales information or other information required by Franchisor; or

(g) Franchisee fails to comply with any other provision of this Franchise Agreement or any specification, standard or operating procedure prescribed by Franchisor and does not correct such failure within ten (10) days (or 30 days if this is the first non-compliance or breach) after written notice from Franchisor (which shall describe the action that Franchisee must take) is delivered to Franchisee.

17.3 Notwithstanding the foregoing, if the breach is curable, but is of a nature which cannot be reasonably cured within such 30 day period and Franchisee has commenced and is continuing to make good faith efforts to cure the breach during such 30 day period, Franchisee shall be given an additional reasonable period of time to cure the same, not to exceed 30 additional days.

17.4 A termination of this Franchise Agreement by Franchisee shall be a termination without cause, and a breach by Franchisee. Franchisee agrees it shall not, on grounds of an alleged nonperformance by Franchisor of any of its obligations or any other reason, withhold payment of any amount due to Franchisor whatsoever or set off amounts owed to Franchisor under this Franchise Agreement, against any monies owed to Franchisee, which right of set off is expressly waived by Franchisee.

17.5 No endorsement or statement on any check or payment of any sum less than the full sum due Franchisor shall be construed as an acknowledgement of payment in full or an accord and satisfaction, and Franchisor may accept and cash such check or payment without prejudice to its right to recover the balance due or pursue any other remedy provided herein or by law. Franchisor may apply any payments by Franchisee against any past due indebtedness of Franchisee as Franchisor sees fit. Franchisor may set off against any payment due Franchisee hereunder any outstanding debts of Franchisee to

Franchisor, and may, at Franchisor's option, pay Franchisee's trade creditors out of any sum otherwise due to Franchisee.

17.6 Franchisee agrees to pay within five (5) days of the effective date of termination or expiration of the Franchise Agreement, all amounts owed Franchisor, the lessor of the Center and Franchisee's trade and other creditors which are then unpaid.

17.7 All Royalty Fees and Brand Fund Contributions, all amounts due for goods purchased by Franchisee from Franchisor or its Affiliates, and any other amounts owed Franchisor or its Affiliates by Franchisee under this Franchise Agreement or any other agreement shall bear interest after the due date at the rate of one percent (1%) of the unpaid amount per month or the highest rate permitted by law, whichever is lower, both before and after default, with interest on overdue interest at the aforesaid rate. Franchisee will also owe Franchisor a $25 late payment fee per occurrence. The acceptance of any interest payment shall not be construed as a waiver by Franchisor of its rights regarding the default causing such payment and shall be without prejudice to Franchisor's right to terminate this Franchise Agreement regarding such default.

17.8 A default under any other franchise agreement or other agreement between Franchisee or its affiliates and Franchisor or Affiliates shall constitute a default under this Franchise Agreement and vice versa, with like remedies available to Franchisor.

17.9 Franchisee agrees to take the following action upon termination or expiration of this Franchise Agreement:

(a) Immediately discontinue using all Marks, signs, structures, forms of advertising, telephone listings, websites, facsimile numbers, email addresses, the Brand Standards Manual, all materials, Products and Services of any kind identified or associated with the System and return all these materials and Products to Franchisor;

(b) Immediately provide to Franchisor all materials, including the Brand Standards Manual, customer lists, records, files, instructions, brochures, advertising materials, agreements, Confidential Information, Trade Secrets and any and all other materials provided by Franchisor to Franchisee or created by a third party for Franchisee relating to the operation of the Camp Run-A-Mutt Business (all of which are acknowledged to be Franchisor's property). Under no circumstances shall Franchisee retain any printed or electronic copies of the Brand Standards Manual, customer lists, Confidential Information or Trade Secrets or portions thereof upon expiration or termination of this Franchise Agreement;

(c) Franchisee acknowledges that all telephone numbers, facsimile numbers, social media websites, Internet addresses and email addresses (collectively "Identifiers") used in the operation of Franchisee's Center constitute Franchisor's assets, and upon termination or expiration of this Franchise Agreement, Franchisee will take such action within five days to cancel or assign to Franchisor or Franchisor's designee as determined by Franchisor, all of Franchisee's right, title and interest in and to such Identifiers and will notify the telephone company and all listing agencies of the termination or expiration of Franchisee's right to use any Identifiers, and any regular, classified or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at Franchisor's direction. Franchisee agrees to take all action required to cancel all assumed name or equivalent registrations related to Franchisee's use of the Marks. Franchisee acknowledges that, Franchisor has the sole rights to, and interest in, all Identifiers used by Franchisee to promote Franchisee's Center and/or associated with the Marks. Franchisee hereby irrevocably appoints Franchisor, with full power of substitution, as Franchisee's true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. Franchisee further appoints Franchisor to direct the telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party to transfer such Identifiers to Franchisor or Franchisor's designee. The telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party may accept such direction by Franchisor pursuant to this Franchise Agreement as conclusive evidence of Franchisor's rights to the Identifiers and Franchisor's authority to direct their transfer**;**

(d) Make no representation nor state Franchisee is in any way approved, endorsed or licensed by Franchisor or associated or identified with Franchisor or the System in any manner;

(e) Immediately take all steps necessary to amend or terminate any registration or filing of any d/b/a or business name or fictitious name or any other registration or filing containing the Marks to delete the Marks and all references to anything associated with the System;

(f) Franchisee shall, at Franchisor's option, immediately assign to Franchisor any interest Franchisee has in any Lease for the Center, and shall permit Franchisor the immediate right to enter and take possession of the Center in order to maintain continuous operation of the Center, to provide for the orderly change of management and disposition of personal property, and to otherwise protect Franchisor's interest. If Franchisor does not elect to exercise its option to acquire the Lease for the Center, then to the extent, if any, Franchisee is permitted to conduct any business at the Center under this Franchise Agreement or a separate written agreement with Franchisor, and acknowledging the distinctiveness of Franchisor's interior design and décor, Franchisee shall make such modifications or alterations to the premises immediately upon termination or expiration of this Franchise Agreement as may be necessary to distinguish the appearance of such premises from that of other Camp Run-A-Mutt Businesses operating under the System and Marks, and shall make such specific additional changes thereto as Franchisor may reasonably request for that purpose. If Franchisee fails or refuses to comply with the requirements of this Section, Franchisor shall have the right to enter the Center without being guilty of trespass or any other tort, for the purposes of making or causing to be made such changes as may be required, at the expense of Franchisee, which Franchisee agrees to pay upon demand;

(g) Franchisee agrees, if it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit copy, or colorable imitation of the Marks, either in connection with such other business or its promotion thereof, which is likely to cause confusion, mistake, or deception, or which is likely to dilute Franchisor's rights in and to the Marks, and agrees not to use any designation of origin, description, representation, trademark, or trade name which suggests or represents a past or present association or connection with Franchisor, the System or the Marks;

(h) Provide Franchisor the option to purchase set forth in Section 16; and

(i) Comply with Subsections 10.1(c), (d) and (e), and Section 14.

17.10 If, within 30 days after termination or expiration of this Franchise Agreement, Franchisee has not taken all steps necessary to amend or terminate any registration or filing of any business name or d/b/a or any other registration or filing containing the Marks, Franchisee irrevocably appoints Franchisor as Franchisee's true and lawful attorney for Franchisee, and in Franchisee's name, place and stead and on Franchisee's behalf, to take action as may be necessary to amend or terminate all registrations and filings, enabling Franchisor to protect the System.

17.11 Termination or expiration of this Franchise Agreement shall not affect, modify or discharge any claims, rights, causes of action or remedies Franchisor may have against Franchisee, whether such claims or rights arise before or after termination or expiration.

17.12 All obligations of the parties which expressly or by their nature survive the expiration or termination of this Franchise Agreement shall continue in full force and effect notwithstanding such expiration or termination. Without limiting the generality of the foregoing, Section 5.2 which requires Franchisee to pay a Royalty Fee and Sections 10, 12, 14 and 16, shall survive termination or expiration of this Franchise Agreement.

17.13 If this Franchise Agreement expires or is terminated for any reason whatsoever and Franchisor is the lender under any loan agreement ("Loan") or the holder of any promissory note ("Note") or the holder of any personal property, security interest, chattel mortgage, debenture or mortgage of any nature whatsoever ("Security Interest") from Franchisee concerning assets used at any time by Franchisee in the Camp Run-A-Mutt Business or which are on the Camp Run-A-Mutt Business premises, such Loan, Note or Security Interest shall, upon the effective date of termination or expiration, immediately become fully due and payable as to all principal and interest so loaned and secured.

17.14 If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of this Franchise Agreement than is required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice requirements hereof. Such modifications to this Franchise Agreement shall be effective only in such jurisdiction and shall be enforced as originally made and entered into in all other jurisdictions.

17.15 If termination of this Franchise Agreement occurs for any reason whatsoever the parties shall accept its default remedies herein as full and final satisfaction of all claims. The parties waive, to the extent permitted by law, any claim against the other for punitive or exemplary damages; except for such punitive or exemplary damages for violation of the Lanham Act, trademark infringement or dilution, unauthorized dissemination of the Confidential Information or Trade Secrets or arising under the indemnification set out in Section 12.

17.16 The rights of the parties hereto are cumulative and no exercise or enforcement by a party of any right or remedy under this Franchise Agreement shall preclude the exercise or enforcement by that party of any other right or remedy in this Franchise Agreement, or to which it is entitled by law.

17.17 Nothing herein shall prevent Franchisor or Franchisee from seeking injunctive relief to prevent irreparable harm, in addition to all other remedies. If it is necessary for Franchisor to seek preliminary or permanent injunctive relief, Franchisor may do so without a bond.

17.18 The parties agree in the event the terms of this Franchise Agreement regarding termination or expiration are inconsistent with applicable state or federal law, such law shall govern franchisee's rights regarding termination or expiration of this agreement.

17.19 To secure Franchisee's performance under this Franchise Agreement and indebtedness for all obligations owed and sums due Franchisor or its Affiliates, Franchisor shall have a lien upon, and Franchisee hereby grants to Franchisor a security interest in, the following collateral and any and all attachments, accessories, additions, accessions, and substitutions to or for it and the cash and non-cash proceeds derived from insurance or the disposition of such collateral: (a) all inventory, equipment, furniture, furnishings, fixtures, yard apparatus, and supplies now leased, owned or after-acquired by Franchisee and the Camp Run-A-Mutt Business, including but not limited to all inventory, equipment, furniture, furnishings, fixtures, yard apparatus, and supplies transferred to or acquired by Franchisee in connection with this Franchise Agreement; (b) all accounts of Franchisee and/or the Camp Run-A-Mutt Business now existing or subsequently arising, together with all interest in Franchisee and/or the Camp Run-A-Mutt Business, now existing or subsequently arising, together with all chattel paper, documents, and instruments relating to such accounts; (c) all contract rights of Franchisee and/or the Camp Run-A-Mutt Business, now existing or subsequently arising; (d) all general intangibles of Franchisee and/or the Camp Run-A-Mutt Business, now owned or existing, or after-acquired or subsequently arising; (e) all of Franchisee's and/or the Camp Run-A-Mutt Business interests in the real estate where the Camp Run-A-Mutt Business is located; and (f) all improvements to any real estate associated with the Camp Run-A-Mutt Business. Franchisee hereby authorizes Franchisor to file and record financing statements, financing statement amendments, continuation financing statements, fixture filings and other documents Franchisor deems necessary to evidence, perfect and continue the priority of security interests in and to these assets. Franchisee also agrees to execute and deliver any documents to Franchisor upon its request.

17.20 Franchisor has the right (but not the obligation), under the circumstances described below, to enter the Center and assume the Camp Run-A-Mutt Business management (or to appoint a third party to assume its management). If Franchisor (or a third party) assumes the Camp Run-A-Mutt Business management, Franchisee agrees to pay Franchisor (in addition to the Royalty Fees and Brand Fund Contributions and other amounts due Franchisor or its Affiliates) six hundred dollars ($600) per day that Franchisor or a third party manages the Camp Run-A-Mutt Business, plus Franchisor's (or the third party's) direct out-of-pocket costs and expenses. If Franchisor (or a third party) assumes the Camp Run-A-Mutt Business management, Franchisee acknowledges Franchisor (or the third party) will have a duty to utilize only reasonable efforts and will not be liable to Franchisee or Franchisee's owners for any debts, losses, or obligations the Camp Run-A-Mutt Business incurs, or to any of Franchisee's creditors for any supplies, products, or other assets or services the Camp Run-A-Mutt Business purchases, while Franchisor (or the third party) manages it. Franchisor (or a third party) may assume the Camp Run-A-Mutt Business management under the following circumstances: (1) if Franchisee abandons or fails to actively operate the Camp Run-A-Mutt Business; (2) if Franchisee fails to comply with any provision of this Franchise Agreement and does not cure the failure as specified by the Franchise Agreement or Franchisor; or (3) if this Franchise Agreement is terminated and Franchisor is deciding whether to exercise the option to purchase the Camp Run-A-Mutt Business under Section 16. If Franchisor exercises its rights under this Section, it will not affect Franchisor's right to terminate this Franchise Agreement under Section 17.

17.21 Upon termination of this Franchise Agreement by Franchisor under Section 17, Franchisee agrees to pay to Franchisor within 15 days after the effective date of this Franchise Agreement's termination, in addition to the amounts owed hereunder, liquidated damages equal to the average monthly Royalty Fees and Brand Fund Contributions payable beginning with date Franchisee opens its Camp Run-A-Mutt Business through the date of early termination, multiplied by the lesser of: (i) 36, or (ii) the number of full months remaining in the term of the Franchise Agreement, except that liquidated damages will not, under any circumstances, be less than thirty thousand dollars ($30,000).

The parties hereto acknowledge and agree that it would be impracticable to determine precisely the damages Franchisor would incur from this Franchise Agreement's termination and the loss of cash flow from Royalty Fees and Brand Fund Contributions due to, among other things, the complications of determining what costs, if any, Franchisor might have saved and how much the Royalty Fees and Brand Fund Contributions would have grown over what would have been this Franchise Agreement's remaining term. The parties hereto consider this liquidated damages provision to be a reasonable, good faith pre-estimate of those damages.

The liquidated damages provision only covers Franchisor's damages from the loss of cash flow from the Royalty Fees and Brand Fund Contributions. It does not cover any other damages, including damages to Franchisor's reputation with the public and landlords and damages arising from a violation of any provision of this Agreement other than the Royalty Fee and Brand Fund sections. Franchisee and each of Franchisee's owners agree that the liquidated damages provision does not give Franchisor an adequate remedy at law for any default under, or for the enforcement of, any provision of this Franchise Agreement other than the Royalty Fee and Brand Fund sections.

17.22 If Franchisee and Franchisee's owners are in full compliance with this Franchise Agreement, and Franchisor materially fails to comply with this Franchise Agreement and Franchisor does not correct the failure within 90 days after Franchisee delivers notice of the material failure to Franchisor or, if Franchisor cannot correct the failure within 90 days, give Franchisee, within 90 days after Franchisee's notice, reasonable evidence of Franchisor's effort to correct the failure within a reasonable time, Franchisee may terminate this Franchise Agreement effective an additional 90 days after Franchisee delivers to Franchisor written notice of termination. Franchisee's termination of this Franchise Agreement other than according to this Section 17.22 will be deemed a termination without cause and a breach of this Franchise Agreement.

18. CONDEMNATION AND CASUALTY

18.1 Franchisee shall promptly advise Franchisor upon Franchisee's receipt of a notice of default or termination under Franchisee's Lease or mortgage, and shall promptly provide Franchisor a copy of the notice. Franchisee shall also immediately give Franchisor notice of any proposed taking of the Center or any portion through eminent domain. If the Center or a substantial part thereof is to be taken, the Camp Run-A-Mutt Business may be relocated within the Territory specified in Attachment A, or elsewhere with Franchisor's written approval under Franchisor's relocation procedures in the Brand Standards Manual. If Franchisee opens a new business as provided above at another location under Franchisor's standards and general specifications within one (1) year of closing the old Center, the new Camp Run-A-Mutt Business shall be deemed to be the Camp Run-A-Mutt Business licensed under this Franchise Agreement. If a condemnation, Lease termination or mortgage default takes place and a new Camp Run-A-Mutt Business does not, for any reason, become the Camp Run-A-Mutt Business as provided in this Section 18.1, then the License shall terminate upon notice by Franchisor.

18.2 Franchisee shall expeditiously repair the Center if it is damaged. If the damage or repair requires closing the Camp Run-A-Mutt Business, Franchisee shall immediately notify Franchisor in writing, and shall:

(a) Relocate the Camp Run-A-Mutt Business as provided in Section 18.1; or

(b) Repair or rebuild the Camp Run-A-Mutt Business at the Center under Franchisor's then existing standards and general specifications, and reopen the Camp Run-A-Mutt Business for continuous business operations as soon as practical (but within 12 months after closing the Camp Run-A-Mutt Business at the Center), giving Franchisor 30 days advance notice of the date of reopening;

(c) If the Camp Run-A-Mutt Business is not (or, in the opinion of Franchisor cannot be) reopened under this Section 18.2, or relocated under Section 18.1, the License shall terminate upon notice to Franchisee.

18.3 The initial Term will not be extended by any interruption in the Camp Run-A-Mutt Business's operations, except for an act of God that results in the Camp Run-A-Mutt Business being closed not less than 60 days nor more than 180 days. Franchisee must apply for any extension within 30 days following the reopening of the Camp Run-A-Mutt Business. No event during the Initial Term or any Successor Term will excuse Franchisee from paying Royalty Fees or Brand Fund Contributions as provided in this Franchise Agreement.

19. NOTICES

Any notice, request, demand, approval, consent or other communication which the parties may be required to give or are permitted to be given hereunder shall be in writing and given to the party for whom it is intended by personal delivery, electronic mail provided that the recipient expressly acknowledges receipt of such electronic mail, facsimile transmission or delivering it to such party by mailing it by prepaid registered mail, or by recognized overnight delivery or courier services to the address listed for Franchisor in the opening paragraph of this Franchise Agreement and the address listed in Attachment A for Franchisee.

Any notice or other document delivered personally or by facsimile transmission shall be deemed to have been received by and given to the addressee on the day of delivery and any such other notice or other document mailed shall be deemed to have been received by and given to the addressee at the earlier of the date of actual receipt of such notice or the next (3rd) business day following the date of mailing, and any delivery made by recognized overnight delivery or courier services shall be deemed delivered the next business day. Any party may at any time give notice in writing to any other party of any change of address.

20. DISPUTE RESOLUTION

20.1 All claims or disputes between Franchisee and Franchisor or its Affiliates arising out of, or in any way relating to, this Franchise Agreement, or any of their respective rights and obligations arising out of this Franchise Agreement, shall be submitted first to mediation prior to a hearing in binding arbitration or a trial court proceeding. Such mediation shall take place in the city in or closest to Franchisor's principal place of business (currently San Diego, California) under the auspices of the Judicial Arbitration and Mediation Service ("JAMS"), under JAMS's Commercial Mediation Rules then in effect. Franchisee may not commence any action against Franchisor or Affiliates regarding any such claim or dispute in any court unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) because of a written declaration by Franchisor. The parties shall each bear their own costs of mediation and shall share equally the filing fee imposed by JAMS and the mediator's fees. Franchisor reserves the right to specifically enforce its right to mediation.

20.2 Prior to mediation, and before commencing any legal action against Franchisor or Affiliates regarding any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies the precise nature and grounds of such claim or dispute. Franchisor shall not be required to first attempt to mediate nor to arbitrate a controversy, dispute or claim against Franchisee as described in this Section 20 if such controversy, dispute or claim concerns an allegation by Franchisor that Franchisee has violated (or threaten to violate, or pose an imminent risk of violating): (a) any of Franchisor's protected intellectual property rights in the Marks, the System, or in any of Franchisor's Trade Secrets or Confidential Information; (b) any claims pertaining to or arising out of any warranty issued; (c) securing injunctive relief or specific performance under this Franchise Agreement; or (d) any of the restrictive covenants contained in this Franchise Agreement.

20.3 The parties will first attempt to resolve any dispute relating to or arising out of this Franchise Agreement by negotiation or mediation as described above in this Section 20. Franchisor will provide a procedure for internal dispute resolution in the Brand Standards Manual, and the parties agree this procedure may be revised in Franchisor's discretion. Nonbinding mediation hereunder will be concluded within 60 days of the issuance of the request for mediation, or such longer period as may be agreed upon by the parties in writing ("Mediation Termination Date"). All aspects of the mediation process will be treated as confidential, will not be disclosed to others, and will not be offered or admissible in any other proceeding or legal action whatsoever.

20.4 To protect from violations that would cause immediate loss and damages or irreparable harm, Franchisor, without first seeking mediation or arbitration, shall have the right to seek from a state or federal court with jurisdiction where the Franchisor's principal place of business is located (currently San Diego, California):

(a) injunctive relief and any related incidental damages;

(b) an action for disputes or claims related to or based on the Marks, the System or the restrictive covenants;

(c) an action for issues related to the disclosure or misuse of Confidential Information or Trade Secrets;

(d) an action related to any claims pertaining to or arising out of any warranty issued.

20.5 If a judicial action is expressly permitted by Sections 20.2 or 20.4 of this Franchise Agreement, any such action brought by Franchisee against Franchisor will be brought exclusively, and any such action brought by Franchisor against Franchisee may be brought, in the state or federal district court covering the location of our principal place of business when the action is commenced (currently San Diego, California). The parties waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

20.6 If a dispute is not resolved through negotiation or mediation as described above, and is not otherwise exempted as described in Section 20.2 or 20.4 above from the mediation/arbitration requirements, then such dispute shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute. Without limiting the generality of anything contained herein, the following shall be subject to mediation and then binding arbitration: any controversy or dispute arising out of, or relating to the Franchise or this Franchise Agreement including, but not limited to, any claim by Franchisee or any Persons in Privity with or claiming through, for or in the right of Franchisee, concerning the entry into, performance under, or termination of, this Franchise Agreement or any other agreement entered into by Franchisor, or its subsidiaries or Affiliates, and Franchisee; any claim against a past or present employee, officer, director, member, shareholder or agent of Franchisor; any claim of breach of this Franchise Agreement; and any claims arising under State or Federal laws.

(a) "Persons in Privity" shall be defined as any person(s) or entities with or claiming through, on behalf of or in the right of Franchisee include but are not limited to, spouses and other family members, domestic partners, heirs, executors, representatives, successors and assigns. Subject to this Section, the right and duty of the parties to this Franchise Agreement to resolve any disputes by arbitration shall be governed exclusively by the Federal Arbitration Act, as amended, and arbitration shall take place according to the commercial arbitration rules (in effect as of the date the demand for arbitration is filed) of, and under the auspices of, JAMS.

(b) The arbitration, which shall be held before a single arbitrator, shall be held in the JAMS office in or nearest to San Diego, California, or at such other location as shall be mutually agreed upon by the parties in writing. The parties expressly consent to personal jurisdiction in the State of California and agree that such court(s) will have exclusive jurisdiction over any determination of the "prevailing party" under such issues not subject to arbitration.

20.7 A single arbitrator shall be selected by the parties from a panel of neutral arbitrators provided by JAMS and shall be chosen by the striking method. If JAMS or any successor is no longer in existence at the time arbitration is commenced, Franchisor and Franchisee will agree on another arbitration organization to conduct the arbitration proceeding. Each party shall bear its own costs of arbitration; however, the fees of the arbitrator shall be divided equally between the parties. The arbitrator shall have no authority to amend or modify the terms of this Franchise Agreement. The award or decision by the arbitrator shall be final and binding on the parties and may be enforced by judgment or order of a court having subject matter jurisdiction in the state where the arbitration took place. The parties consent to the exercise of personal jurisdiction over them by such court and to the propriety of venue of such court to carry out this provision and waive any objections they would otherwise have concerning such matters.

20.8 Parties to arbitration under this Franchise Agreement shall not include, by consolidation, joinder or in any other manner, any person other than Franchisee and any Person in Privity with or claiming through, in the right of or for Franchisee or Franchisor, unless both parties consent in writing. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between Franchisor and Franchisee or any Person in Privity with or claiming through, in the right of or on behalf of Franchisee or Franchisor.

20.9 The parties agree that any arbitration arising out of a dispute relating to this Franchise Agreement is only a matter between Franchisor and Franchisee and no other franchisees or area developers, if any. Franchisee agrees not to join or attempt to join other franchisees, area developers, or other third parties in any arbitration proceeding and to not participate in any "class action" litigation or arbitration proposed or asserted by any other franchisee(s).

20.10 Nothing in this Franchise Agreement will bar either party's right to seek injunctive relief without the posting of any bond or security to obtain the entry of temporary and permanent injunctions and orders of specific performance enforcing the provisions of this Franchise Agreement. Either party also will be able to seek injunctive relief to prohibit any act or omission by the other party or its employees that constitutes a violation of any applicable law, is dishonest or misleading to your customers or to the public, or which may impair the goodwill associated with the Marks. The prevailing party in any arbitration or judicial proceeding will be entitled to recover its costs and reasonable attorney fees, including fees and costs incurred for any post-judgment motions, including motions for fees and costs.

20.11 No right or remedy conferred upon or reserved to us or you hereby is intended to be, nor will be deemed, exclusive of any other right or remedy herein or by law or equity provided or permitted, but each will be cumulative of every other right or remedy.

20.12 Any claim or controversy arising out of or related to this Franchise Agreement, or the making, performance, breach, interpretation, or termination thereof, brought by any party hereto against the other, will be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or such claim or action will be barred. THE PARTIES TO THIS FRANCHISE AGREEMENT HEREBY WAIVE IN ANY ARBITRATION OR JUDICIAL ACTION, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM OF 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 ANY ACTUAL DAMAGES SUSTAINED BY IT.

21. MISCELLANEOUS

21.1 Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other applicable federal law, this Franchise Agreement shall be interpreted under the laws of the state where your Center is located, and any dispute between the parties shall be governed by and determined under the substantive laws of the state where your Center is located, which laws shall prevail in the event of any conflict of law; provided, however, the parties expressly agree this Franchise Agreement is not intended to confer on any Franchisee that is not a resident of the State of California the benefit of any California law providing specific protection to franchisees residing or operating in the State of California. **FRANCHISEE AND FRANCHISOR HAVE NEGOTIATED REGARDING A FORUM IN WHICH TO RESOLVE ANY DISPUTES WHICH MAY ARISE BETWEEN THEM AND HAVE AGREED TO SELECT A FORUM IN ORDER TO PROMOTE STABILITY IN THEIR RELATIONSHIP. IF A CLAIM IS ASSERTED IN ANY LEGAL PROCEEDING INVOLVING FRANCHISEE, ITS OFFICERS, DIRECTORS, MANAGERS, MEMBERS, OR PARTNERS AND FRANCHISOR, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, MANAGERS, MEMBERS, EMPLOYEES OR AFFILIATES, BOTH PARTIES AGREE THAT THE EXCLUSIVE VENUE FOR DISPUTES BETWEEN THEM SHALL BE IN CALIFORNIA AND EACH WAIVES ANY OBJECTION EITHER MAY HAVE TO THE PERSONAL JURISDICTION OF OR VENUE IN CALIFORNIA. FRANCHISEE IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND WAIVES ANY OBJECTION FRANCHISEE MAY HAVE TO EITHER THE JURISDICTION OR VENUE IN SUCH COURT.**

21.2 All provisions of this Franchise Agreement are severable and this Franchise Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not included herein; all partially valid and enforceable provisions shall be enforced to the extent that they are valid and enforceable.

21.3 If either party institutes a legal proceeding, including a permitted court proceeding or arbitration, and prevails entirely or in part in any action at law or in equity against the other party based entirely or in part on this Franchise Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to any judgment, reasonable attorney fees, court costs and all of the prevailing party's expenses in connection with any action at law.

21.4 No failure, forbearance, neglect or delay of any kind by Franchisor in connection with the enforcement or exercise of any rights under this Franchise Agreement shall affect or diminish Franchisor's right to strictly enforce and take full benefit of each provision of this Franchise Agreement at any time, whether at law for damages, in equity for injunctive relief or specific performance, or otherwise. No custom, usage or practice regarding this Franchise Agreement by Franchisee or Franchisor's other franchisees shall preclude the strict enforcement of this Franchise Agreement under its literal terms. No waiver by Franchisor of performance of any provision of this Franchise Agreement shall constitute or be implied as a waiver of Franchisor's right to enforce that provision in the future. No interpretation, change, termination or waiver of any provision of this Franchise Agreement, and no consent or approval under this Franchise Agreement, shall be binding upon Franchisee or Franchisor or effective unless in writing signed by Franchisee and Franchisor's Chief Executive Officer, President or Vice President, except a waiver need be signed only by the party waiving.

21.5 This Franchise Agreement, together with the Brand Standards Manual, any written related agreements, all Exhibits, Attachments, and the State Addenda attached to the Franchise Disclosure Document as Exhibit D, constitutes the entire understanding and agreement between Franchisee and Franchisor and supersedes all prior understandings, whether oral or written, pertaining to this Franchise Agreement, the License, the System or the Camp Run-A-Mutt Business. Nothing in the agreement or in any related agreement is intended to disclaim the representations franchisor made in the franchise disclosure document.

21.6 The headings of the sections hereof are for convenience only and do not define, limit or construe the contents of the sections of such Sections or other Sections. The term "Franchisee" herein is applicable to one or more persons, or an Entity, as the case may be, and the singular usage (where applicable) includes the plural and the masculine and neuter usages (where applicable) include the other and the feminine. The term "Lease" shall include a sublease, and a renewal or extension of a lease or sublease.

21.7 When calculating the date upon or the time within which any act is to be done under this Franchise Agreement, the date which is the reference date in calculating such period is excluded; if the last day of such period is a non-business day, the period in question shall end on the next business day. Time shall be of the essence of this Franchise Agreement and of every part thereof.

21.8 Neither party shall be liable for any loss or damage due to any delay in the performance of the terms of this Franchise Agreement(except for the payment of money) because of strikes, lockouts and other labor relations, fires, riots, wars, terrorist attacks, embargoes and civil commotion, or acts of God ("Force Majeure Event"). Any such delay shall extend performance only so long as such event is in progress except such Force Majeure Event will not affect or change Franchisee's obligation to pay Royalty Fees and Brand Fund Contributions when due. Notwithstanding the foregoing, if there is a Force Majeure Event, Franchisor may, in its sole discretion, elect to waive the Royalty Fees and Brand Fund Contributions during the period of delay caused by the Force Majeure Event or such shorter period.

21.9 Franchisee shall execute and deliver such instruments, contracts, forms and other documents and shall perform such acts as may be necessary or desirable to carry out, complete and perform all terms, covenants and obligations of this Franchise Agreement. Franchisee irrevocably appoints Franchisor as its attorney, which appointment is coupled with an interest, and empowers Franchisor to execute such instruments regarding the Marks for and in Franchisee's name in order to give full effect to Sections 10, 12, 15, and 17 of this Franchise Agreement. Franchisee declares that the power of attorney herein granted may be exercised during any subsequent legal incapacity on its part.

21.10 This Franchise Agreement shall be binding upon, and subject to Section 15, shall inure to the benefit of, Franchisor's and Franchisee's successors and permitted assigns.

21.11 This Franchise Agreement may only be modified in writing and signed by Franchisee and Franchisor. Franchisee agrees Franchisor may modify its standards and specifications and operating and marketing techniques in the Brand Standards Manual unilaterally under any conditions and to the extent in which Franchisor, in its sole discretion, deems necessary to protect, promote, or improve the Marks, and the quality of the System, but under no circumstances will such modifications be made arbitrarily without such determination. Notwithstanding anything herein to the contrary, Franchisor shall have the unilateral right to reduce the scope of any covenants of Franchisee in this Franchise Agreement upon notice to Franchisee and Franchisee shall comply with the modified covenants.

21.12 Franchisor shall have the right to delegate the performance of any portion or all of its obligations and duties hereunder to third parties, whether the same are agents of Franchisor or independent contractors which Franchisor has contracted with to provide such services. Franchisee agrees in advance to any delegation by Franchisor of any or all of its obligations and duties hereunder.

22. ACKNOWLEDGMENT

BEFORE SIGNING THIS AGREEMENT, FRANCHISEE SHOULD READ IT CAREFULLY WITH THE ASSISTANCE OF LEGAL COUNSEL.

FRANCHISEE ACKNOWLEDGES AND AGREES THAT:

1. ONLY THOSE STATEMENTS, REPRESENTATIONS OR OTHER ACTS, EVENTS OR COMMUNICATIONS, THAT ARE SET FORTH IN THIS AGREEMENT, OR ADDENDA, IF APPLICABLE, ARE BINDING ON FRANCHISOR IN CONNECTION WITH THE SUBJECT MATTER OF THIS AGREEMENT. **INITIAL _________**

2. FRANCHISEE HAS CONDUCTED AN INDEPENDENT INVESTIGATION OF THE SYSTEM AND RECOGNIZES THAT THE CAMP RUN-A-MUTT BUSINESS VENTURE CONTEMPLATED BY THIS AGREEMENT AND ITS SUCCESS INVOLVES SUBSTANTIAL BUSINESS RISK AND WILL BE LARGELY DEPENDENT UPON THE ABILITY OF FRANCHISEE AS AN INDEPENDENT BUSINESS PERSON AND ITS ACTIVE PARTICIPATION IN THE DAILY AFFAIRS OF THE CAMP RUN-A-MUTT BUSINESS. FRANCHISEE HEREBY ASSUMES THE RESPONSIBILITY FOR ITS SUCCESS OR FAILURE OF THE CAMP RUN-A-MUTT BUSINESS VENTURE. **INITIAL _________**

This entire Franchise Agreement, including corrections, changes, and all attachments and addenda, will only be binding upon Franchisor when executed or initialed by Franchisor's authorized representative.

IN WITNESS WHEREOF, the parties have executed this Franchise Agreement as of the date first set forth above.

FRANCHISOR:

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

Date: ________________________________ By: ____

Title: ____

FRANCHISEE:

____

Date: ______________________

____
Individually

OR:
(if a corporation or partnership)

Date: ______________________

____
Company Name

By: ____

Title: ____

ATTACHMENT A
TO FRANCHISE AGREEMENT

FRANCHISE DATA SHEET

1. Effective Date. The Effective Date set forth in the introductory Paragraph of the Franchise Agreement is: ________________, 201_.

2. Franchise Owner. The Franchise Owner set forth in the introductory Paragraph of the Franchise Agreement is: ____

3. Notice Address. The notice address for Franchise Owner set forth in Section 19 of the Franchise Agreement is:

Attn: ______________________
____
____
____

4. Territory. The Territory in Section 4.1 of the Franchise Agreement shall be the geographic area described below and as depicted on the following map:

To be signed and dated when Territory is determined.

5. Franchising Opening Schedule. In signing the Franchise Agreement to which this Attachment A is attached, you acknowledge that:

A. You purchased the Franchise to which the Franchise Agreement corresponds as one of a group of __________ (_____) Center franchises;

B. The Franchise to which this Franchise Agreement corresponds constitutes Franchise number __________ (_____) of the group of Franchises mentioned above.

C. You must open each Franchise mentioned above within the time period specified by us, the length of which depends upon the number of Franchises you have purchased and the number of these Franchises you have developed and opened for business before developing and opening the Franchise to which the Franchise Agreement corresponds. You shall open your first Center within the time frame stated in the Franchise Agreement. If you purchase multiple Center Franchises, you shall open the second Center within nine (9) months of opening the first Center, and the third (3^{rd}) and each additional Center within six (6) months of opening the previous Center to be opened.

FRANCHISOR:	**FRANCHISEE:**
CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.	________________________________
By: ______________________________	By: ______________________________
Title: ____________________________	Title: ____________________________

ATTACHMENT B
TO FRANCHISE AGREEMENT

OWNERS AGREEMENT

As a condition to the execution by Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("we" or "us"), of a Franchise Agreement with ________________________________ ("Franchisee"), each of the undersigned individuals ("Owners"), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, as well as their respective spouses , covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of ______________________________, 20___ ("Franchise Agreement"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners or spouses of the beneficial owners of all of the equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Nondisclosure and Protection of Confidential Information.

Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary Trade Secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee's nondisclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

3. Covenant Not To Compete.

3.1 Non-Competition During and After the Term of the Franchise Agreement. Owners acknowledge that as a participant in our system, they will receive proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners

Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding Transfers. Owners acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of this Owners Agreement and the Franchise Agreement.

6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

Camp Run-A-Mutt Entrepreneurial Resources, Inc.
2900 Fourth Avenue, #206
San Diego, CA 92103

The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

8.3 No Third Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

8.5 Binding Effect. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement, this Owners Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

OWNERS:

______________________	______________________
[Insert Name of Owner]	[Insert Name of Spouse]
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________
______________________	______________________
[Insert Name of Owner]	[Insert Name of Spouse]
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________
______________________	______________________
[Insert Name of Owner]	[Insert Name of Spouse]
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________
______________________	______________________
[Insert Name of Owner]	[Insert Name of Spouse]
By: ______________________	By: ______________________
Title: ______________________	Title: ______________________

Camp Run-A-Mutt Entrepreneurial Resources, Inc. hereby accepts the agreements of the Owner(s) hereunder.

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

By: ______________________

Title: ______________________

ATTACHMENT C
TO FRANCHISE AGREEMENT

STATEMENT OF OWNERSHIP

Franchisee: ____

Trade Name (if different from above): ______________________________________

Form of Ownership
(Check One)

____ Individual ____ Partnership ____ Corporation ____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation: ____

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners:

Name	Address	Percentage Owned

Franchisee acknowledges this Statement of Ownership applies to the Camp Run-A-Mutt Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to Franchisor in writing.

FRANCHISEE:

Entity name (if any):

____

By: ___________________________________

Printed Name: __________________________

Title: _________________________________

EXHIBIT C

LIST OF CURRENT AND FORMER FRANCHISEES

Current Franchisees as of December 31, 2023:

Franchisee Name	Entity Name	Address	City	State	Zip Code	Phone Number
CALIFORNIA						
Terry Edmondson & Fred Pike	Pet Hotel of Chula Vista, LLC	35 N. 4th Ave.	Chula Vista	CA	91910	(619) 426-6888
Mike & Molly Krumweide	KIX, LLC	412 Front St.	El Cajon	CA	92020	(619) 312-2267
Jeniffer Bryan	Pawsh Puppers, LLC	4030 Sports Arena Blvd.	San Diego	CA	92110	(619) 225-2267
Lisa Shirachi & Doug Shirachi	K2's K9's, LLC	11468 B Sorrento Valley Rd., Suite B	San Diego	CA	92121	(858) 272-6310
Erin Heinle	Doggone Camp, LLC	910 Armorlite Dr.	San Marcos	CA	92069	(760) 471-2267
FLORIDA						
Brandi Ormerod Michael Siblik	Not the Wolf, Inc.	1107 S. Main St.	Gainesville	FL	32601	(352) 226-8282
GEORGIA						
Dawn Sperry	DB Howl, Inc.	5486 Dunwoody Chamblee Rd., #16-C	Dunwoody	GA	30338	(770) 686-3950
IOWA						
Stefanie & Jim Hartel	WMH Doggy Daycare, Inc.	3225 Airport Blvd	Waterloo	IA	50703	(319) 883-3040
OHIO						
Christie & Todd Ely	Paw Luv, LLC	55 Green Meadows Dr S	Lewis Center	OH	43035	(614) 396-9749
TEXAS						
Jon Lim Phu Nguyen	Modeju, LLC	5802 Southwest Freeway	Houston	TX	77057	(832) 623-7133
Susan Dorsey	CDMJ, LLC	2290 Highway 6 South	Houston	TX	77077	(832) 850-6117
VIRGINIA						
Lisa Torres	K9 PPL, Inc	2633 Wyoming Ave	Norfolk	VA	23513	(757) 937-9788

Franchisees with Unopened Outlets as of December 31, 2023:

Franchisee Name	Entity Name	Address	Phone	Email
Dave Deonarine, Eric Espia, Bunreth Nhong	Roy Boy Kennel Club, LLC	TBD, San Diego, CA	(209) 598-7286	dave.deonarine@camprunamutt.com eric.espia@camprunamutt.com bunreth.nhong@camprunamutt.com
Erin Heinle	Doggone Camp, LLC	TBD, CA	(760) 471-2267	erin.heinle@camprunamutt.com
Richard Dorgan & Kimberly Russo	CRAM Henderson, LLC	TBD, Henderson, NV	(904) 484-6028	richard.dorgan@camprunamutt.com kimberly.russo@camprunamutt.com
Willy Chung		TBD, Dallas TX	(469) 438-8050	willy.chung@camprunamutt.com

Former Franchisees:

The name and last known address of every franchisee who had a Camp Run-A-Mutt Franchise transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2023 to December 31, 2023, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Franchisee Name	Address	Phone
Sidney Long	11121 Hindry Ave. Los Angeles, CA 90045	833-386-2267

EXHIBIT D

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA
State Administrator and Agents for Service of Process:
Commissioner
Department of Financial Protection & Innovation
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

Agents for Service of Process:
Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 S. Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Secretary of State
Securities Division
Room E-018
302 W. Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, MD 21202
(410) 576-6360

Agents for Service of Process:
Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN
Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA
Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK
Administrator:
NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236

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

NORTH DAKOTA
North Dakota Securities Department
State Capitol, Fifth Floor, Dept. 414
600 E. Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-4712

RHODE ISLAND
Department of Business Regulation
1511 Pontiac Avenue, Bldg. 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA
Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:
Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON
Department of Financial Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501
(360) 902-8760

WISCONSIN
Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

Rev. 100318

EXHIBIT E

STATE ADDENDA
AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

The following modifications are made to the Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede, to the extent then required by valid applicable state law, certain portions of the Franchise Agreement between you and us dated ________________________, 20___ ("**Franchise Agreement**"). When the term "**Franchisor's Choice of Law State**" is used, it means the laws of the state where the Camp Run-A-Mutt Business is located. When the term "Supplemental Agreements" is used, it means none.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("**State Addendum**") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD.

California Corporations Code Section 31125 requires us to give to you a FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement contains provisions requiring binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Franchisor's Choice of Law State. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Franchise Agreement may contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

No disclaimer, questionnaire, clause, or statement signed by a franchisee or prospective franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

Neither Franchisor nor any other person listed in Item 2 of the FDD 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 or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Investment Law, the California Franchise Investment Law will control.

The Franchise Agreement and Supplemental Agreements provide for termination upon bankruptcy. Any such provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. SEC. 101 et seq.).

The Franchise Agreement contains, and if applicable, the Supplemental Agreements may contain, a covenant not to compete provision which extends beyond the termination of the Franchise. Such provisions may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516).

Our website has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

The franchisor will not enforce in California the prohibition on franchisees employing or soliciting for employment any current or former employee of franchisor or its affiliates (also known as a no-poach/non-solicitation provision) in section 14.4(3) of the franchise agreement that is disclosed in Item 17, rows q and r.

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.

Franchisee: ___________________________

By: _________________________________

Print Name: __________________________

Its: _________________________________

Date: _______________________________

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT 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 YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT 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 US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed on the third page of the FDD on the page entitled, "State Effective Dates".

2. States which have refused, by order or otherwise, to register these Franchises are:

   None

3. States which have revoked or suspended the right to offer the Franchises are:

   None

4. States in which the proposed registration of these Franchises has been withdrawn are:

   None

ILLINOIS

Sections 4 and 41 and Rule 608 of the Illinois Franchise Disclosure Act states that court litigation must take place before Illinois federal or state courts and all dispute resolution arising from the terms of this Agreement or the relationship of the parties and conducted through arbitration or litigation shall be subject to Illinois law. The FDD, Franchise Agreement and Supplemental Agreements are amended accordingly.

The governing law or choice of law clause described in the FDD and contained in the Franchise Agreement and Supplemental Agreements is not enforceable under Illinois law. This governing law clause shall not be construed to negate the application of Illinois law in all situations to which it is applicable.

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." The Franchise Agreement is amended accordingly. To the extent that the Franchise Agreement would otherwise violate Illinois law, such Agreement is amended by providing that all litigation by or between you and us, arising directly or indirectly from the Franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements, and Illinois law will pertain to any claims arising under the Illinois Franchise Disclosure Act.

Item 17.v, Choice of Forum, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act."

Item 17.w, Choice of Law, of the FDD is revised to include the following: "provided, however, that the foregoing shall not be considered a waiver of any right granted upon you by Section 4 of the Illinois Franchise Disclosure Act".

The termination and non-renewal provisions in the Franchise Agreement and the FDD may not be enforceable under Sections 19 and 20 of the Illinois Franchise Disclosure Act.

Under Section 705/27 of the Illinois Franchise Disclosure Act, no action for liability under the Illinois Franchise Disclosure Act can be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which it is based, the expiration of one (1) year after you become aware of facts or circumstances reasonably indicating that you may have a claim for relief in respect to conduct governed by the Act, or 90 days after delivery to you of a written notice disclosing the violation, whichever shall first expire. To the extent that the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act, Illinois law will control and supersede any inconsistent provision(s).

INDIANA

Item 8 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two (2) years within the Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

   No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Camp Run-A-Mutt Entrepreneurial Resources, Inc., 2900 Fourth Avenue, #206, San Diego, CA 92103, or send a fax to Camp Run-A-Mutt Entrepreneurial Resources, Inc. at (619) 578-2270 not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: ____________________________

By: __________________________________

Print Name: ___________________________

Its: __________________________________

Date: ________________________________

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE AGREEMENT

Item 17 of the FDD and the Franchise Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD and sections of the Franchise Agreement are amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise.

The Franchise Agreement and Franchise Disclosure Questionnaire are amended to state that all representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

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.).

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 your right to join an association of franchisees.

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

(c) A provision that permits us to terminate a Franchise prior to the expiration of its term except for good cause. Good cause shall include your failure 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 us to refuse to renew your Franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us 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 five (5) years; and (ii) you are prohibited by the Franchise Agreement 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 you do not receive at least six (6) months' advance notice of our intent not to renew the Franchise.

(e) A provision that permits us 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 the State of Michigan. This shall not preclude you from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

(g) A provision which permits us to refuse to permit a transfer of ownership of a Franchise, except for good cause. This subdivision does not prevent us 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 our then-current reasonable qualifications or standards.

(ii) the fact that the proposed transferee is a competitor of us or our subfranchisor.

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

(iv) your or proposed transferee's failure to pay any sums owing to us or to cure any default in the Franchise Agreement existing at the time of the proposed transfer.

(h) A provision that requires you to resell to us items that are not uniquely identified with us. This subdivision does not prohibit a provision that grants to us 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 us the right to acquire the assets of a Franchise for the market or appraised value of such assets if you have breached the lawful provisions of the Franchise Agreement and have failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you 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:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
525 W. Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require 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 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

> No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. Item 6 of the FDD and Section 6.10 of the Franchise Agreement is hereby amended to limit the Insufficient Funds Charge to $30 per occurrence pursuant to Minnesota Statute 604.113.

NEW YORK

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 D OR YOUR PUBLIC LIBRARY FOR SOURCES OF 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 THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, INVESTOR PROTECTION BUREAU, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005, 212-416-8236. 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.**

The following is added at the end of Item 3:

Except as provided above, with regard to 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 injunction 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.

The following is added to the end of Item 4:

Neither the Franchisor, its affiliate, its predecessor, officers or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

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.

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.

The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by Franchisor":

> However, no assignment will be made except to an assignee who in good faith and judgment of the Franchisor, is willing and financially able to assume the Franchisor's obligations under the Franchise Agreement.

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.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD and Section 14 of the Franchise Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_______________ Date___________

NOTICE OF CANCELLATION

_______________ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to Camp Run-A-Mutt Entrepreneurial Resources, Inc., 2900 Fourth Avenue, #206, San Diego, CA 92103, or send a fax to Camp Run-A-Mutt Entrepreneurial Resources, Inc. at (619) 578-2270 not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: ____________________________________

By: ______________________________________
Print Name: _______________________________
Its: ______________________________________

RHODE ISLAND

§ 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." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice of law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

SOUTH DAKOTA

Intentionally left blank.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

> "Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for Camp Run-A-Mutt Entrepreneurial Resources, Inc. for use in the Commonwealth of Virginia shall be amended as follows:

> Additional Disclosure. The following statements are added to Item 8 and Item 17.h.
>
> 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 Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WASHINGTON

The state of Washington has a statute, RCW 19.100.180, which may supersede the Franchise Agreement and Supplemental Agreements in your relationship with the franchisor including the areas of termination and renewal of your Franchise. There may also be court decisions which may supersede the Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your Franchise. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

In any arbitration involving a Franchise purchased in Washington, the arbitration site shall be either in Washington or in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW shall prevail. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer. The FDD, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

(Signatures on following page)

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐	California	☐	Michigan	☐	Rhode Island
☐	Hawaii	☐	Minnesota	☐	South Dakota
☐	Illinois	☐	New York	☐	Virginia
☐	Iowa	☐	North Dakota	☐	Washington
☐	Indiana	☐	Ohio	☐	Wisconsin
☐	Maryland				

Dated: ____________________, 20____

FRANCHISOR:

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

By: ____

Title: ______________________________________

FRANCHISEE:

____

____

By: ____

Title: ______________________________________

Rev. 031516

EXHIBIT F

BRAND STANDARDS MANUAL

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CAMP RUN-A-MUTT

BRAND STANDARDS MANUAL

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EXHIBIT G

CONTRACTS FOR USE WITH THE CAMP RUN-A-MUTT FRANCHISE

The following contracts contained in Exhibit G are contracts that Franchisee is required to utilize or execute after signing the Franchise Agreement in the operation of the Camp Run-A-Mutt Business. The following are the forms of contracts that Camp Run-A-Mutt Entrepreneurial Resources, Inc. uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time.

EXHIBIT G-1

CAMP RUN-A-MUTT FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of ____________________, 20___ by ______________________________________, a(n) _____________________________ ("Franchisee"), and each individual holding an ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of Camp Run-A-Mutt Entrepreneurial Resources, Inc., a California corporation ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a Camp Run-A-Mutt business;

WHEREAS, [Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement] or **[the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release]**, and Franchisor has consented to such **[transfer/successor franchise agreement/amendment/termination/other reason]**; and

WHEREAS, as a condition to Franchisor's consent to **[transfer the Agreement/enter into a successor franchise agreement/amend the Agreement/terminate the Agreement/other reason]**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the state where the Franchisee's center is located.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

(Signatures on following page)

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

____, a

____

By: ____

Printed Name: ________________________________

Title: ______________________________________

FRANCHISEE'S OWNERS:

Date _________________________

____
Signature

____
Typed or Printed Name

____
Signature

____
Typed or Printed Name

EXHIBIT G-2

CAMP RUN-A-MUTT FRANCHISE

SAMPLE SYSTEM PROTECTION AGREEMENT

This System Protection Agreement ("Agreement") is entered into by the undersigned ("you" or "your") in favor of Camp Run-A-Mutt Entrepreneurial Resources, Inc., a California corporation, and its successors and assigns ("us", "we" or "our"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Competitive Business" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by you in and/or from the Franchisee Territory (including, but not limited to, the products we authorize); or (ii) provides or offers to provide services the same as or similar to the type of services sold by you in and/or from the Franchisee Territory (including, but not limited to, the services we authorize), but excludes a Camp Run-A-Mutt business operating pursuant to a franchise agreement with us.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell, or display in connection with the marketing and/or operation of a Camp Run-A-Mutt business or the solicitation or offer of a Camp Run-A-Mutt franchise, whether now in existence or created in the future.

"Franchisee" means the Camp Run-A-Mutt franchisee for which you are a manager or officer.

"Franchisee Territory" means the territory granted to you pursuant to a franchise agreement with us.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Camp Run-A-Mutt business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a Camp Run-A-Mutt business, which may be periodically modified by us.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Camp Run-A-Mutt business, including "CAMP RUN-A-MUTT," and any other trademarks, service marks, or trade names that we designate for use by a Camp Run-A-Mutt business. The term "Marks" also includes any distinctive trade dress used to identify a Camp Run-A-Mutt business, whether now in existence or hereafter created.

"Prohibited Activities" means any or all of the following: (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly-traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing or attempting to induce any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

"Restricted Period" means the 18-month period after you cease to be a manager or officer of Franchisee's Camp Run-A-Mutt business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the nine month period after you cease to be a manager or officer of Franchisee's Camp Run-A-Mutt business.

"Restricted Territory" means the geographic area within: (i) a 25-mile radius from Franchisee's Camp Run-A-Mutt business (and including the premises of the approved location of Franchisee); and (ii) a 25-mile radius from all other Camp Run-A-Mutt businesses that are operating or under construction as of the beginning of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 13-mile radius from Franchisee's Camp Run-A-Mutt business (and including the premises of the approved location of Franchisee).

"System" means our system for the establishment, development, operation, and management of a Camp Run-A-Mutt business, including Know-how, proprietary programs and products, Manual, and operating system.

2. Background. You are a manager or officer of Franchisee. As a result of this relationship, you may gain knowledge of our System. You understand that protecting the Intellectual Property and our System are vital to our success and that of our franchisees and that you could seriously jeopardize our entire System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. Know-How and Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the Camp Run-A-Mutt business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager or officer of Franchisee's Camp Run-A-Mutt business. You further agree that you will not use all or part of the Intellectual Property or all or part of the System for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee. These restrictions on Know-how, Intellectual Property and the System shall not apply to any information which is information publicly known or becomes lawfully known in the public domain other than through a breach of this Agreement or is required or compelled by law to be disclosed, provided that you will give reasonable notice to us to allow us to seek protective or other court orders.

4. Unfair Competition During Relationship. You agree not to unfairly compete with us at any time while you are a manager or officer of Franchisee's Camp Run-A-Mutt business by engaging in any Prohibited Activities.

5. Unfair Competition After Relationship. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

6. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, grandparent or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption by furnishing evidence conclusively showing that you did not disclose the Know-how to the family member.

7. **Covenants Reasonable**. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

8. **Breach**. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other Camp Run-A-Mutt franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. **Miscellaneous**.

a. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

b. This Agreement will be governed by, construed, and enforced under the laws of the state where your Camp Run-A-Mutt business is located, and the courts in San Diego, California shall have jurisdiction over any legal proceedings arising out of this Agreement.

c. Each section of this Agreement, including each subsection and portion thereof, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

d. You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration, and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory, and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

(Signature on following page)

EXECUTED on the date stated below.

Date____________________________ ____________________________________

Signature

____

Typed or Printed Name

<u>EXHIBIT G-3</u>

<u>CAMP RUN-A-MUTT FRANCHISE</u>

<u>SAMPLE CONFIDENTIALITY AGREEMENT</u>

This Confidentiality Agreement ("<u>Agreement</u>") is entered into by the undersigned ("<u>you</u>") in favor of Camp Run-A-Mutt Entrepreneurial Resources, Inc., a California corporation, and its successors and assigns ("<u>us</u>"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Camp Run-A-Mutt Business" means a business that operates upscale cage-free doggie daycare and boarding facilities that feature playground activities, washing, grooming, dog obedience training, real-time online viewing capabilities, and a retail center offering pet products, toys and pet supplies and other related products and services using our Intellectual Property.

"Copyrights" means all works and materials for which we or our affiliate(s) have secured common law or registered copyright protection and that we allow Camp Run-A-Mutt franchisees to use, sell, or display in connection with the marketing and/or operation of a Camp Run-A-Mutt Business, whether now in existence or created in the future.

"Franchisee" means the Camp Run-A-Mutt franchisee for which you are an employee, independent contractor, agent, representative, or supplier.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, Manual, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a Camp Run-A-Mutt Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our confidential operations manual for the operation of a Camp Run-A-Mutt Business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a Camp Run-A-Mutt Business, including "CAMP RUN-A-MUTT" and any other trademarks, service marks, or trade names that we designate for use by a Camp Run-A-Mutt Business. The term "Marks" also includes any distinctive trade dress used to identify a Camp Run-A-Mutt Business, whether now in existence or hereafter created.

"System" means our system for the establishment, development, operation, and management of a Camp Run-A-Mutt Business, including Know-how, proprietary programs and products, confidential operations manuals, and operating system.

2. Background. You are an employee, independent contractor, agent, representative, or supplier of Franchisee. Because of this relationship, you may gain knowledge of our Intellectual Property. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees, and that you could seriously jeopardize our entire Franchise System if you were to use such Intellectual Property in any way other than as described in this Agreement. In order to avoid such damage, you agree to comply with this Agreement.

3. Know-How and Intellectual Property: Nondisclosure and Ownership. You agree: (i) you will not use the Intellectual Property in any business or capacity other than for the benefit of the Camp Run-A-Mutt Business operated by Franchisee or in any way detrimental to us or to the Franchisee; (ii) you will maintain the confidentiality of the Intellectual Property at all times; (iii) you will not make unauthorized copies of documents containing any Intellectual Property; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Intellectual Property; and (v) you will stop using the Intellectual Property immediately if you are no longer an employee, independent contractor, agent, representative, or supplier of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performing your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

The Intellectual Property is and shall continue to be the sole property of Camp Run-A-Mutt Entrepreneurial Resources, Inc. You hereby assign and agree to assign to us any rights you may have or may acquire in such Intellectual Property. Upon the termination of your employment or engagement with Franchisee, or at any time upon our or Franchisee's request, you will deliver to us or to Franchisee all documents and data of any nature pertaining to the Intellectual Property, and you will not take with you any documents or data or copies containing or pertaining to any Intellectual Property.

4. Immediate Family Members. You acknowledge you could circumvent the purpose of this Agreement by disclosing Intellectual Property to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Intellectual Property to family members. Therefore, you agree you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Intellectual Property. However, you may rebut this presumption by furnishing evidence conclusively showing you did not disclose the Intellectual Property to the family member.

5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

6. Breach. You agree that failure to comply with this Agreement will cause substantial and irreparable damage to us and/or other Camp Run-A-Mutt franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

a. Although this Agreement is entered into in favor of Camp Run-A-Mutt Entrepreneurial Resources, Inc., you understand and acknowledge that your employer/employee, independent contractor, agent, representative, or supplier relationship is with Franchisee and not with us, and for all purposes in connection with such relationship, you will look to Franchisee and not to us.

b. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees and costs in doing so.

c. This Agreement will be governed by, construed, and enforced under the laws of the state where your Camp Run-A-Mutt business is located, and the courts of that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

d. Each section of this Agreement, including each subsection and portion, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

EXECUTED on the date stated below.

Date________________________________ ____
Signature

____
Typed or Printed Name

EXHIBIT G-4

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

Franchisee Information:

____

Franchisee Name | Business No.

____

Franchisee Mailing Address (street) | Franchisee Phone No.

____

Franchisee Mailing Address (city, state, zip)

____

Contact Name, Address and Phone number (if different from above)

____

Franchisee Fax No. | Franchisee Email Address

Bank Account Information:

____

Bank Name

____

Bank Mailing Address (street, city, state, zip)

☐ Checking ☐ Savings

____

Bank Account No. | (check one) | Bank Routing No. (9 digits)

____

Bank Mailing Address (city, state, zip) | Bank Phone No.

Authorization:

Franchisee hereby authorizes Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above, and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: ______________________________ Date: ______________________________

Name: ______________________________

Its: ______________________________

Federal Tax ID Number: ____________________

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT.

EXHIBIT G-5

CAMP RUN-A-MUTT FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment ("**Agreement**") is entered into this _____ day of ___________________________, 20_____, between Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("**Franchisor**"), a California corporation, __________________________ ("**Former Franchisee**"), the undersigned owners of Former Franchisee ("**Owners**") and ________________________________, a [State] [corporation/limited liability company] ("**New Franchisee**").

RECITALS

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated ___________________________, 20______ ("**Former Franchise Agreement**"), in which Franchisor granted Former Franchisee the right to operate a Camp Run-A-Mutt franchise located at _____________________________________ ("**Franchised Business**"); and

WHEREAS, Former Franchisee desires to assign ("**Requested Assignment**") the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchised Business from Former Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon the terms and conditions contained in this Agreement, including that New Franchisee sign Franchisor's current form of franchise agreement together with all exhibits and attachments thereto ("**New Franchise Agreement**"), contemporaneously herewith.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

1. Payment of Fees. In consideration for the Requested Assignment, Former Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Franchise Agreement ("**Franchisor's Assignment Fee**").

2. Assignment and Assumption. Former Franchisee hereby consents to assign all of its rights and delegate its duties with regard to the Former Franchise Agreement and all exhibits and attachments thereto from Former Franchisee to New Franchisee, subject to the terms and conditions of this Agreement, and conditioned upon New Franchisee's signing the New Franchise Agreement pursuant to Section 5 of this Agreement.

3. Consent to Requested Assignment of Franchised Business. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon receipt of the Franchisor's Assignment Fee from Former Franchisee and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Former Franchise Agreement and waives any obligation for Former Franchisee to enter into a subordination agreement pursuant to the Former Franchise Agreement.

4. Termination of Rights to the Franchised Business. The parties acknowledge and agree that effective upon the date of this Agreement, the Former Franchise Agreement shall terminate and all of Former Franchisee's rights to operate the Franchised Business are terminated and that from the date of this Agreement only New Franchisee shall have the sole right to operate the Franchised Business under the New

Franchise Agreement. Former Franchisee and the undersigned Owners agree to comply with all of the covenants in the Former Franchise Agreement that expressly or by implication survive the termination, expiration, or transfer of the Former Franchise Agreement. Unless otherwise precluded by state law, Former Franchisee shall execute Franchisor's current form of General Release Agreement.

5. New Franchise Agreement. New Franchisee shall execute the New Franchise Agreement for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of a Camp Run-A-Mutt franchise as stated in Franchisor's Franchise Disclosure Document.

6. Former Franchisee's Contact Information. Former Franchisee agrees to keep Franchisor informed of its current address and telephone number at all times during the three-year period following the execution of this Agreement.

7. Acknowledgement by New Franchisee. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("**Transaction**") occurred solely between Former Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Franchisee's signing of the New Franchise Agreement for the Franchised Business. New Franchisee agrees that any claims, disputes, or issues relating New Franchisee's acquisition of the Franchised Business from Franchisee are between New Franchisee and Former Franchisee, and shall not involve Franchisor.

8. Representation. Former Franchisee warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Former Franchise Agreement or Franchised Business. New Franchisee hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the New Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

9. Notices. Any notices given under this Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

10. Further Actions. Former Franchisee and New Franchisee each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Former Franchise Agreement.

11. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

12. Miscellaneous. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the state where the Camp Run-A-Mutt Franchise is located.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.

By: ____

Printed Name: _________________________________

Title: ____

FORMER FRANCHISEE:

____

By: ____

Printed Name: _________________________________

Title: ____

NEW FRANCHISEE:

____

By: ____

Printed Name: _________________________________

Title: ____

Rev. 082418

EXHIBIT G-6

CAMP RUN-A-MUTT FRANCHISE

LEASE ADDENDUM

This Addendum to Lease ("**Addendum**"), dated ______________________________, 20___, is entered into by and between ____ ("**Landlord**"), ____ ("**Tenant**") and Camp Run-A-Mutt Entrepreneurial Resources, Inc. ("**Franchisor**"), collectively referred to herein as the "**Parties**".

A. Landlord and Tenant have entered into a certain Lease Agreement dated ______________________________, 20___, and pertaining to the premises located at ____ ("**Lease**").

B. Landlord acknowledges that Tenant intends to operate a franchised business from the leased premises ("**Premises**") pursuant to a Franchise Agreement ("**Franchise Agreement**") with Franchisor under Franchisor's trademarks and other names designated by Franchisor (herein referred to as "**Franchised Business**" or "**Franchise Business**").

C. The parties now desire to supplement the terms of the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed among the Parties as follows:

1. Use of the Premises. During the term of the Franchise Agreement, the Premises shall be used only for the operation of the Franchised Business.

2. Franchise System. Landlord hereby consents to Tenant's use of such proprietary marks, signs, interior and exterior décor items, color schemes and related components of the Franchised Business required by Franchisor. Tenant's use of such items shall at all times be in compliance with all applicable laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Premises.

3. Assignment. Tenant shall have the right, without further consent from Landlord, to sublease or assign all of Tenant's right, title, and interest in the Lease to a Franchise Assignee at any time during the term of the Lease, including any extensions or renewals thereof. If Tenant fails to timely cure any default under either the Lease or the Franchise Agreement, Franchisor or a Franchise Assignee that Franchisor designates, will, at its option, have the right, but not the obligation, to take an assignment of Tenant's interest under the Collateral Assignment of Lease or other form of assignment and assumption document reasonably acceptable to Landlord, provided such Franchise Assignee cures a default of the Lease no later than ten (10) days following the end of Tenant's cure period. No assignment shall be effective until: (i) a Franchise Assignee gives Landlord written notice of its acceptance of the assignment and assumption of the Lease; and (ii) Tenant or the Franchisee Assignee has cured all material defaults of the Lease for which it has received notice from Landlord. Nothing contained herein or in any other document shall create any obligation or liability of Franchisor, any Franchise Assignee, or guarantor thereof under the Lease unless and until the Lease is assigned to, and accepted in writing by a Franchise Assignee. In the event of any assignment or purported assignment under this Addendum, Tenant shall remain liable under the terms of the Lease and the assignee or subtenant shall retain all of the Tenant's rights granted in the Lease including without limitation: (x) any grant of a protected territory or use exclusivity; and (y) the renewal or extension of the Lease term. With respect to any assignment proposed or consummated under this Addendum, Landlord hereby waives any rights it may have to: (A) recapture the Premises; (B) terminate the Lease; or (C) modify any terms or conditions of the Lease. If Franchisor accepts an assignment and assumes the Lease under this section, Franchisor shall have the right to further sublet or reassign the Lease to another Franchise Assignee without Landlord's consent in which event Franchisor

shall be released from any obligation or liability under the Lease. As used in this Addendum, "**Franchise Assignee**" means: (i) Franchisor or Franchisor's parent, subsidiary, or affiliate; or (ii) any franchisee of Franchisor or of Franchisor's parent, subsidiary, or affiliate.

4. Default and Notice.

a. If Tenant defaults on or breaches the Lease and Landlord delivers a notice of default to Tenant, Landlord shall contemporaneously send a copy of such default notice to Franchisor. Franchisor shall have the right, but not the obligation, to cure the default during Tenant's cure period plus an additional ten (10) day period. Franchisor will notify Landlord whether it intends to cure the default prior to the end of Tenant's cure period.

b. All notices to Franchisor shall be sent by registered or certified mail, postage prepaid, to the following address:

Camp Run-A-Mutt Entrepreneurial Resources, Inc.
2900 Fourth Avenue, #206
San Diego, CA 92103

Franchisor may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees that it will notify both Tenant and Franchisor of any change in Landlord's mailing address to which notices should be sent.

c. Tenant and Landlord agree not to terminate, or materially amend the Lease during the term of the Franchise Agreement or any renewal thereof without Franchisor's prior written consent. Any attempted termination, or material amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect shall be included in the Lease.

5. Termination or Expiration.

a. If Franchisor does not elect to take an assignment of the Tenant's interest, Landlord will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord, to remove all signs, awnings, and all other items identifying the Premises as a Franchised Business and to make other modifications (such as repainting) as are reasonably necessary to protect the Franchisor's trademarks and franchise system and to distinguish the Premises from a Franchised Business provided that Franchisor repairs any damage caused to the Premises by exercise of its rights hereunder.

b. If any Franchise Assignee purchases any assets of Tenant, Landlord shall permit such Franchise Assignee to remove all the assets being purchased, and Landlord waives any lien rights that Landlord may have on such assets.

6. Consideration; No Liability.

a. Landlord acknowledges that the Franchise Agreement requires Tenant to receive Franchisor's approval of the Lease prior to Tenant executing the Lease and that this Addendum is a material requirement for Franchisor to approve the Lease. Landlord acknowledges Tenant would not lease the Premises without this Addendum. Landlord also hereby consents to the Collateral Assignment of Lease from Tenant to Franchisor as evidenced by Attachment 1.

b. Landlord further acknowledges that Tenant is not an agent or employee of Franchisor, and Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any Franchise Assignee, and that Landlord has entered into this with full understanding that it creates no duties, obligations, or liabilities of or against any Franchise Assignee.

7. Amendments. No amendment or variation of this Addendum shall be valid unless made in writing and signed by the Parties hereto.

8. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions, and covenants of the Lease shall remain in full force and effect and are incorporated herein by reference and made a part of this Agreement as though copies herein in full.

IN TESTIMONY WHEREOF, witness the signatures of the Parties hereto as of the day, month, and year first written above.

LANDLORD:	**TENANT:**
______________________________	______________________________
By: ___________________________	By: ___________________________
Printed Name: __________________	Printed Name: __________________
Title: _________________________	Title: _________________________

FRANCHISOR:

____

By: ___________________________

Printed Name: __________________

Title: _________________________

<u>EXHIBIT G-6</u> Attachment 1

<u>ATTACHMENT 1 TO LEASE ADDENDUM</u>

<u>COLLATERAL ASSIGNMENT OF LEASE</u>

FOR VALUE RECEIVED, as of the ___ day of _________________, 20___ ("**Effective Date**"), the undersigned, ___________________________________ ("**Assignor**") hereby assigns, transfers and sets over unto ________________________ ("**Assignee**") all of Assignor's right, title, and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as **Exhibit A** ("**Lease**") with respect to the premises located at ____. This Collateral Assignment of Lease ("**Assignment**") is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless Assignee expressly assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein, and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under that certain franchise agreement for a franchise between Assignee and Assignor ("**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered, in Assignee's sole discretion, to: (i) cure Assignor's default of the Lease; (ii) take possession of the premises demised by the Lease; (iii) expel Assignor from the premises, either temporarily or permanently; (iv) terminate Assignee's rights, title, and interest in the Lease; and/or (v) assume the Lease. If Assignee expends sums to cure a default of the Lease, Assignor shall promptly reimburse Assignee for the cost incurred by Assignee in connection with such performance, together with interest thereon at the rate of two percent (2%) per month, or the highest rate allowed by law.

Assignor agrees it will not suffer or permit any surrender, termination, amendment, or modification of the Lease without the prior written consent of Assignee. Through the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest to exercise the extension or renewal options in the name, place, and stead of Assignor for the sole purpose of effecting the extension or renewal.

(Signatures on following page)

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

____

By: ___________________________________

Printed Name __________________________

Its: ___________________________________

ASSIGNEE:

____

By: ___________________________________

Printed Name __________________________

Its: ___________________________________

EXHIBIT G-7

CAMP RUN-A-MUTT FRANCHISE

MULTI-FRANCHISE ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM (the "Addendum") is entered into and made effective as of the date set forth on the signature page hereof, by and between **Camp Run-A-Mutt Entrepreneurial Resources, Inc.** ("Franchisor" or "CRAMER") and the franchisee named on the signature page of this Addendum ("Franchisee"). This Addendum relates to that certain CRAMER franchise agreement dated _______________, 20___ ("Franchise Agreement"), and supplements the terms of the Franchise Agreement in relation to the opening of additional CRAMER franchises. All capitalized terms not otherwise defined in this Addendum shall have the meaning set forth in the Franchise Agreement. To the extent this Addendum conflicts with the terms of the Franchise Agreement, the terms of this Addendum shall control.

1. Initial Development Fee. Franchisee has paid the initial development fee marked in Section 2 of this Addendum. The initial development fee is fully earned immediately upon receipt and non-refundable, regardless of whether Franchisee opens any additional CRAMER franchises.

2. Type of Franchise. Franchisee has purchased the right to open the number of franchises marked in the chart below which allows Franchisee to open a certain number of additional CRAMER franchises at a later date ("Additional Franchises") without paying an initial franchise fee.

Number of Franchises	Initial Development Fee
Up to 2	$68,000
Up to 3	$102,000
Up to 5	$170,000

3. Franchise Agreements. Franchisee shall exercise the rights under this Addendum only by entering into a separate franchise agreement with Franchisor for each Additional Franchise. Franchisee shall sign the current form of CRAMER franchise agreement then being used by Franchisor for a CRAMER franchise for each Additional Franchise. Franchisee acknowledges that the then-current form of franchise agreement may differ from this Franchise Agreement.

4. Limited Rights. This Addendum does not grant Franchisee the right to franchise, license, subfranchise, or sublicense others to operate Franchised Businesses. Only Franchisee (and/or Franchisee affiliated entities Franchisor approves) may develop, open, and operate Additional Franchises pursuant to this Addendum. This Addendum only grants Franchisee the right to enter into franchise agreements to open Additional Franchises subject to the terms of the franchise agreement for such Additional Franchises. Franchisee is not granted any territorial rights or other rights except those granted under franchise agreements for the Additional Franchises. Except for the initial franchise fee, Franchisee shall be liable for all costs and expenses incurred in opening the Additional Franchises.

5. Term. This Addendum and Franchisee's right to open Additional Franchises shall terminate as of the date of termination or expiration of the Franchise Agreement.

IN WITNESS WHEREOF, the parties hereto have duly signed and delivered this Agreement on the day and year first written above.

FRANCHISOR:
CAMP RUN-A-MUTT ENTREPRENEURIAL RESOURCES, INC.,
A California corporation

By: ______________________________
Name: ______________________________
Title: ______________________________

FRANCHISEE:

____
a(n)
____

By: ______________________________
Name: ______________________________
Title: ______________________________

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
Virginia	July 19, 2023
New York	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 H

RECEIPT

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 Camp Run-A-Mutt Entrepreneurial Resources, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, Camp Run-A-Mutt Entrepreneurial Resources, Inc. must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires Camp Run-A-Mutt Entrepreneurial Resources, Inc. to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Camp Run-A-Mutt Entrepreneurial Resources, Inc. does 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, DC 20580, and the appropriate state agency identified on Exhibit D.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Dennis Quaglia, 2900 Fourth Avenue, #206, San Diego, California, 92103; (619) 578-2267
Severn Crow, 2900 Fourth Avenue, #206, San Diego, California, 92103; (619) 578-2267
Mikel Ross, 2900 Fourth Avenue, #206, San Diego, California, 92103; (619) 578-2267
Analiese Hurd, 2900 Fourth Avenue, #206, San Diego, California, 92103; (619) 578-2267

Issuance Date: March 1, 2024

I received a disclosure document issued March 1, 2024, which included the following exhibits:

Exhibit A	Financial Statements
Exhibit B	Franchise Agreement
Exhibit C	List of Current and Former Franchisees
Exhibit D	List of State Administrators/Agents for Service of Process
Exhibit E	State Addenda and Agreement Riders
Exhibit F	Brand Standards Manual Table of Contents
Exhibit G	Contracts for use with the Camp Run-A-Mutt Franchise
Exhibit H	Receipt

Date	Signature	Printed Name
Date	Signature	Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT

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If Camp Run-A-Mutt Entrepreneurial Resources, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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Exhibit G	Contracts for use with the Camp Run-A-Mutt Franchise
Exhibit H	Receipt

______________________	______________________	______________________
Date	Signature	Printed Name
______________________	______________________	______________________
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to Camp Run-A-Mutt Entrepreneurial Resources, Inc., 2900 Fourth Avenue, #206, San Diego, California, 92103.