FRANCHISE DISCLOSURE DOCUMENT



Better Together, LLC
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Better Together, LLC offers franchises for the operation of a business that provides certain services for dogs (including boarding, daycare, training and spa services) and sells dog-related products.

The total investment necessary to begin operation of a DOGTOPIA® franchise is $664,355 to $1,478,820. This includes $77,975 to $130,210 that must be paid to the franchisor or affiliate.

The total investment necessary to begin operation of 2 to 5 Dogtopia Centers under an Area Development Agreement is $718,310 to $1,657,020. This includes $131,930 to $308,410 that must be paid to the franchisor or affiliate.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the franchisor at 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016 or by phone at (602) 730-6000.

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 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 (the "FTC"). 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: April 8, 2026

How to Use this Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or EXHIBIT "G".
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 "H" 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 DOGTOPIA® 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 DOGTOPIA® franchisee?	Item 20 or EXHIBIT "G" 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 this 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 "A".

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 and area development agreement require you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Arizona. 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 Arizona than in your own state.

2. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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

4. **Unopened Franchises**: The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

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.

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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 document relating to a franchise:

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

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

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

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

ITEM 1 FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

To simplify the language in this Disclosure Document, "we," "us" and "the Company" mean Better Together, LLC - the franchisor. "You" means the person who buys a DOGTOPIA® franchise - the franchisee, and includes your partners if you are a partnership, your shareholders if you are a corporation, and your members if you are a limited liability company.

A "Dogtopia Center" or a "Center" refers to the franchised business offered under this Disclosures Document, which is a dog daycare, boarding and spa facility that operates under the name DOGTOPIA®.

Corporate Information

Better Together, LLC was originally incorporated on September 10, 2005 as a Virginia limited liability company under the name Happy To Be Here, Incorporated. On December 7, 2015, we changed our name from Happy To Be Here, Incorporated to Better Together, LLC and changed our domicile from Virginia to Delaware. Our principal business address is 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016. Our telephone number is (602) 730-6000. Our agents for service of process are disclosed in EXHIBIT "A" (for franchise registration states) and EXHIBIT "B" (for other states). We do not do business under any names other than "Better Together, LLC" and our d/b/a "Dogtopia".

Business History

We are not engaged in any business other than offering DOGTOPIA® franchises and administering the franchise system. We have offered franchises for Dogtopia Centers since September of 2005. As further discussed below, we have also offered area representative franchises and master franchises. We have never offered franchises in any other line of business.

We offered DOGTOPIA® area representative franchises from December 2012 to April 2016. During that time, we sold 5 area representative franchises. We no longer offer area representative franchises. Area representatives operate at least 1 Dogtopia Center and assist us in selling and supporting DOGTOPIA® franchises within a defined development territory. There are currently no area representatives that remain in operation.

We have offered DOGTOPIA® master franchises from February 2020 to present. We do not offer master franchises in the United States. As of the issuance date of this Disclosure Document, we have sold 1 master franchise (covering Canada). Master franchisees are granted the right to offer and sell DOGTOPIA® subfranchises within a defined development territory. They are responsible for providing all initial and ongoing support to their subfranchisees. Master franchisees directly sign franchise agreements with subfranchisees.

We have never operated a Dogtopia Center. However, we have indirectly operated multiple Dogtopia Centers through various affiliated entities (referred to as "Company Stores"). The first Company Store opened in 2002.

Parents, Affiliates and Predecessors

We do not have any predecessors. Our parent company is Dogtopia Enterprises, LLC. Our parent company shares our principal business address.

Our affiliate Trusted Authority, LLC ("Trusted Authority") owns the trademarks that we sublicense to franchisees. Trusted Authority shares our principal business address. Trusted Authority has never operated a Dogtopia Center.

Our affiliate Dogtopia Marketplace, LLC ("Dogtopia Marketplace") is the exclusive supplier for all products sold to franchisees through the Dogtopia Marketplace ecommerce site. Dogtopia Marketplace shares our principal business address. Dogtopia Marketplace has never operated a Dogtopia Center.

Our affiliate Dogtopia Advertising Fund, LLC ("Dogtopia Advertising") administers our brand and system development fund (the "Brand Fund"). Franchisees pay brand fund fees into the Brand Fund. Dogtopia Advertising shares our principal business address. Dogtopia Advertising has never operated a Dogtopia Center.

We have no affiliates that provide goods or services to our franchisees other than the affiliates listed above. We do not have any affiliates that offer franchises in this or any other line of business.

Description of Franchised Business

A Dogtopia Center is a modern dog daycare center that allows dogs to play and socialize with other dogs in a fun, open play, supervised environment, while supporting the overall wellness of the dogs. Dogtopia Centers offer a variety of services for dogs, including daycare, overnight stay (i.e., boarding), training and spa services. Spa services include spa baths, brush outs, ear cleaning, teeth brushing, nail trimming and grooming. Dogtopia Centers also offer and sell various dog-related products, although the sale of retail items constitutes a small component of the overall business. A Dogtopia Center supports dog wellness through its proprietary technology platforms, which may include activity and wellness monitoring tools integrated with the Dogtopia App.

Dogtopia Centers feature open and safe environments where dogs can play under the supervision of professionally trained coaches who successfully completed our custom curriculum designed by a registered canine behaviorist. Dogs are separated into different climate-controlled playrooms based on size and temperament. Pet parents can monitor their dogs during open playtime and in the playrooms through our Dogtopia App via webcams. Dogtopia playrooms feature specialized rubber flooring that aids in the long-term joint and paw health of the dogs.

Each Center is licensed the right to use certain logos, service marks and trademarks, including the service mark DOGTOPIA® and the associated logo (collectively, the "Marks"). The "Marks" also includes our distinctive trade dress used to identify a Dogtopia Center. Dogtopia Centers operate under a distinct business format and set of specifications and operating procedures we developed (the "System"). The operational aspects of a Dogtopia Center are contained within our confidential Operating Standards Manual (the "Manual").

If we award you a franchise, you will sign the form of franchise agreement attached to this Disclosure Document as EXHIBIT "C" (the "Franchise Agreement"). The franchised business you will operate is referred to as your "Business" or your "Center". You will establish and operate your Center as an independent business using the Marks, the System and the support, guidance and other methods and materials we provide.

Conversion Franchises

On occasion, we may allow a franchisee to acquire an independent dog daycare facility and convert that facility to a franchised Dogtopia Center (a "Conversion Franchisee" or "Conversion Franchise"). Except in rare instances, we only grant Conversion Franchises to existing DOGTOPIA® franchisees that: (a) have opened and currently operate at least 1 Dogtopia Center; and (b) are in good standing with us. A Conversion Franchisee must continue to operate the pre-existing business under its original name until the rebranding and conversion process is complete. The conversion process typically requires 6 months. A Conversion Franchisee must sign the Conversion Addendum attached to this Disclosure Document as EXHIBIT "E"-1 (the "Conversion Addendum") at the same time the franchisee signs the associated Franchise Agreement.

Area Development Rights

If you satisfy our criteria for multi-unit developers, we may (but need not) offer you the right to sign the form of Area Development Agreement attached to this Disclosure Document as EXHIBIT "D" (the "ADA"). The ADA grants you the right and obligation to develop, open and operate multiple Dogtopia Centers within a defined "development territory" according to a predetermined "development schedule". You must develop, open and operate all of the Centers listed in the development schedule. We only grant area development rights to franchisees who commit to develop, open and operate a minimum of 2 Centers. You must sign a separate franchise agreement for each Center you develop. Each franchise agreement will be our then-current form of franchise agreement, which may be different than the form of Franchise Agreement attached to this Disclosure Document.

Market and Competition

We are one of a growing number of businesses offering daycare, overnight stay/boarding, spa and grooming, training and/or other services for dogs. Our target market includes all dog owners, with emphasis on the female millennial. Dogtopia Centers operate year-round but may experience some seasonal variation in demand for certain services. Demand may also fluctuate based on other factors such as changes in tastes and habits of the public, regional and national economic conditions (such as fluctuations in supply and demand), micro and macro-economic factors, population density, general traffic conditions and pandemics. These factors are difficult to predict and vary from market to market.

As a franchisee, you will compete with other dog daycare businesses, kennels, dog grooming salons and dog training businesses. You will also face competition from retail service providers, pet stores, department stores, online stores, in-home services and other stores in the sale of dog products and services. Competitors include local independently owned and operated businesses as well as regional and national chains. Some of our competitors operate using a franchise model. You may also encounter competition from other Dogtopia Centers operated by us, our affiliates or other franchisees. Some competitors offer all goods and services offered at Dogtopia Centers. Others offer a limited number of these goods and services.

Laws and Regulations

You must comply with all federal and state licensing laws and regulations that apply to your Center. Some states require specialized licensing for kennel operators. Other potentially applicable licensure requirements include a state kennel license and a state health department license. These laws may require periodic inspections of your Center. They may also require you to purchase and maintain a bond to protect pet parents from losses. Some states require specialized licensing to provide dog training and/or grooming services from the Center.

Zoning restrictions may preclude Dogtopia Centers from being located in certain areas. You may need to obtain a zoning variance, specialized use permit or similar entitlement for your Center. Many municipalities have enacted noise ordinances that may apply to your Center. You must comply with all applicable health and sanitation laws, including federal and state septic and waste disposal regulations. Some laws, occasionally imposed in conjunction with a kennel license, mandate compliance with minimum standards for air circulation. The HVAC system must be properly designed and installed to ensure compliance with these minimum air circulation standards and to operate properly in extreme conditions.

You must also comply with other laws that apply to businesses generally, including wage and hour laws, the Americans with Disabilities Act, laws governing discrimination and sexual harassment in the workplace, COVID-related regulations, EEOC and OSHA standards, laws restricting smoking in public areas, zoning and construction laws, general business licensing requirements and data privacy laws. The Payment Card Industry Data Security Standard ("PCIDSS") requires that all companies that process, store, or transmit credit or debit card information maintain a secure environment. PCIDSS applies to all merchants, regardless of size or number of transactions that accept, transmit or store any cardholder data.

There may be other local, state and/or federal laws or regulations that apply to your Center. We strongly suggest you hire an attorney or other professional advisor to investigate and advise you on these laws before you buy the franchise.

ITEM 2 BUSINESS EXPERIENCE

Christopher Kempner – Chairman of Board

Christopher Kempner has served as the Chairman of the Board for Dogtopia Enterprises, LLC since October 2020. From September 2018 to present, Mr. Kempner has been a Partner with Red Barn Equity Partners in New York, New York.

Neil Gill – President and Chief Executive Officer

Neil Gill has served as our President and Chief Executive Officer since August 2015.

Alex Samios – Chief Growth Officer

Alex Samios has served as our Chief Growth Officer (December 2021 to present) and VP Franchise Development (January 2016 to December 2021). From October 2021 to present, he has served as a Managing Director of Conscious Capital Growth, LLC in Scottsdale, Arizona.

Shelley Parnell – Chief Experience Officer

Shelley Parnell has served as our Chief Experience Officer (December 2021 to present) and Vice President of Marketing (August 2016 to December 2021).

John Mansfield – Chief Operating Officer

John Mansfield has served as our Chief Operating Officer (October 2024 to present) and VP Operations & Revenue (July 2023 to October 2024). From July 2019 to May 2023, he served as Chief Revenue Officer for Smart, LLC, d/b/a Chemical Guys, in Torrance, California.

Theresa Gulbranson – VP, Supply Chain, Procurement, Logistics & E-Commerce

Theresa Gulbranson has served as our VP, Supply Chain, Procurement, Logistics & E-Commerce (September 2021 to present) and Director of Finance (April 2019 to September 2021).

Keith Ungerer – Chief Financial Officer

Keith Ungerer has served as our Chief Financial Officer since September 2023. From March 2022 to September 2023, he served as Chief Financial Officer for Anthem Partners in Frisco, Texas. From December 2014 to March 2022, he served as Chief Financial Officer for HomeVestors of America, Inc. in Dallas, Texas.

Kevin Lloyd Gulbranson – Financial Controller

Kevin Lloyd Gulbranson has served as our Financial Controller since October 2022. From November 2021 to September 2022, he served as Controller for GA Haan Development, LLC in Phoenix, Arizona. From July 2011 to October 2021, he served as Controller for Arciterra Companies, LLC in Phoenix, Arizona.

Lorraine Rhoads – Senior Director of Health and Safety

Lorraine Rhoads has served as our Senior Director of Health and Safety (March 2025 to present), Director of Health and Safety (February 2023 to March 2025) and Environmental Biologist (October 2015 to January 2023).

Christine Eastburn – VP, Operations

Christine Eastburn has served as our VP, Operations October 2024 to present) and Director, Franchise Business Partnership (September 2023 to October 2024). From October 2019 to May 2023, she served as VP of Retail for Smart LLC d/b/a Chemical Guys, in Torrance, California.

Elise Assaf – Director of Store Development

Elise Assaf has served as our Director of Store Development (February 2025 to present) and Real Estate Manager (May 2024 to February 2025). From March 2023 to March 2024, she served as Real Estate Manager for COBS Bread USA in Stamford, Connecticut. From June 2022 to March 2023, she served as Senior Real Estate Manager for Scale Franchising in Long Island, New York. From January 2019 to June 2022, she was unemployed while on maternity leave.

Paul McDonald - – Head of NSO/RAMP

Paul McDonald has served as our Head of NSO/RAMP since January 2025. From November 2024 to January 2025 he was Director of Retail for Habitat for Humanity, OC in Santa Ana, California. From May 2021 to November 2024, he served as Regional Manager for Smart LLC d/b/a Detail Garage in Torrance, California. From October 2015 to May 2022, he served as National Training Manager for Sprint/T-Mobile in Los Angeles, California.

ITEM 3 LITIGATION

HotBox Enterprises, LLC v. Jamie Weeks, et al., Cal. Super. Ct. (Case No. 20GDCV00469) (filed June 1, 2020); *Jamie Weeks v. Jessica Mortarotti, Nicholas Alexander Samios & Zachary Cox, Cal. Super. Ct.* (Case No. 20STCV20681) (filed June 1, 2020); consolidated on January 26, 2021 under *HotBox Enterprises, LLC v. Jamie Weeks, et al.* (Case No. 20GDCV00469)

On June 1, 2020, HotBox Enterprises ("Plaintiff") filed a civil action in California Superior Court (Los Angeles County) (Case No. 20GDCV00469) against Jamie Weeks and related entities ("Defendant") alleging that Defendant engaged in unfair business practices and improper acts in breaching his contractual obligations to Plaintiff, refusing to sign Franchise Agreements, breaching duties of good faith and loyalty, attempting to start a

competing brand, and unlawful use of Plaintiff's proprietary and confidential intellectual property. Defendant, a DOGTOPIA® area developer, acquired area development rights to establish 30 franchised Hotbox studios as well as a corporate-owned Hotbox studio. Plaintiff alleged Defendant, after opening and operating the HotBox units, refused to sign the franchise agreements and pay royalties as required and failed to comply with his obligations as a franchisee and developer. As a result, Plaintiff commenced termination proceedings of Defendant's franchise rights. Plaintiff alleged that Defendant closed the Hotbox studio and then rebranded his former HotBox studios to a new competing brand. Plaintiff sought actual and compensatory damages, disgorgement of profits, injunctive relief, pre-judgment and post-judgment interest and recovery of attorneys' fees, expert witness fees, and other related costs.

On June 1, 2020, Defendant filed a separate lawsuit in the same court against Plaintiff and its owners, including our Chief Growth Officer, Alex Samios (Case No. 20STCV20681). On July 24, 2020, Defendant filed an Amended Complaint that included claims for: breach of contract; intentional interference with contractual relations; breach of the covenant of good faith and fair dealing; intentional and negligent misrepresentation; fraudulent concealment, and unfair competition. The Amended Complaint alleged that Plaintiff made false representations about the corporate HotBox studio (including false representations about the studio's condition and profitability) and falsely pledged continued support in managing the day-to-day operations of the franchise. The Plaintiff filed a motion to dismiss. In response, the Court dismissed the claim for intentional interference with contractual relations but allowed the other claims to proceed. The Amended Complaint sought unspecified actual damages, compensatory damages, punitive damages, disgorgement of profits, rescission of the asset purchase agreement for the studio, pre-judgment and post-judgment interest and recovery of attorneys' fees, expert witness fees and other related costs.

On January 26, 2021, both cases were consolidated under *HotBox Enterprises, LLC v. Jamie Weeks, et al.* (Case No. 20GDCV00469). On February 22, 2022, the parties executed a Confidential Settlement Agreement and Release of All Claims wherein Defendant agreed to issue a promissory note in the sum of $2,700,000 in exchange for Plaintiff's transfer of all assets, equity, ownership, and rights, including all goodwill, associated with the tangible and intangible assets of HotBox Enterprises, LLC, HotBox Franchisor, LLC, and any other affiliated entities (including the HotBox trademarks). The parties executed a mutual release and agreed to dismiss their respective lawsuits against each other.

Kimberly Hamm v. Dogtopia Enterprises, LLC and Neil Gill, Maricopa County (Arizona) Superior Court Case No. CV2024-012316 (filed May 17, 2024)

On May 17, 2024, Kimberly Hamm ("Hamm"), our former Vice President of Operations, filed a lawsuit against us and our President/CEO, Neil Gill, in Maricopa County (Arizona) Superior Court. During Hamm's employment with us, she became eligible to participate in our Executive Long-Term Incentive Plan ("LTIP"). Under the terms of the LTIP, we granted a certain number participation units to Hamm between 2018-2019, which would have entitled her to receive a Bonus Payment equal to a percentage interest in the proceeds from a future potential Capital Event or Change in Control (as those terms are defined in LTIP). However, Hamm's eligibility to participate in LTIP required her to maintain continuous service as an employee or consultant with us or any of our affiliates (as defined in LTIP). In June 2019, Hamm resigned from her position with us to accept a position as President and CEO of Dogtopia Enterprises Canada, Inc. ("DECI"), our master franchisee for Canada. At that time, our Board of Directors determined Hamm could retain approximately 83% of the participation units previously awarded to her ("Retained Units"), subject to the usual forfeiture provisions of the LTIP. Due to later changes in corporate leadership and ownership, our Board determined: (a) DECI was no longer our affiliate; (b) Hamm's continuous service with us or our affiliate ended; and (c) Hamm was no longer eligible to continue participating in the LTIP. Her outstanding participation units were deemed surrendered and returned to the LTIP. In July 2024, Hamm negotiated her employment separation from DECI. We maintain that this event would have terminated her eligibility to continue participating in LTIP, even if her participation units had not already been deemed surrendered.

The Complaint asserts state law claims for: (1) breach of contract (against us); (2) breach of the covenant of good faith and fair dealing (against us); (3) unjust enrichment (against us); (4) fraud (against us); (5) interference with contractual rights (against Gill); (6) intentional infliction of emotional distress (against us and Gill); and (7) seeks a declaratory judgment regarding Hamm's purported contractual rights. Hamm seeks damages in an unspecified

amount and/or the reinstatement of her participation units, as well as attorneys' fees and costs. This is a straightforward employment dispute that hinges entirely on the interpretation of LTIP's terms. Hamm's fraud claim alleges we informed her that our Board of Directors determined she could retain the Retained Units previously awarded to her, without advising her that the Board might later reconsider that determination based on subsequent changes in the relationship between us and DECI. However, the terms of eligibility are clearly defined in the LTIP and we advised Hamm that her ability to retain the Retained Units was subject to the regular forfeiture provisions of the LTIP.

We deny all liability and intend to vigorously defend against Hamm's claims. The court has issued an order denying Hamm's claim for intentional infliction of emotional distress. Due to the difficulty of determining the potential value of the participation units in the event of a future potential Capital Event or Change in Control, the parties agreed to divide the case into the following phases: (1) phase 1 to determine the controlling interpretation of the LTIP and whether Hamm was entitled to retain the Retained Units previously awarded to her; and (2) phase 2 to determine the value of the Retained Units (but only if phase 1 results in a determination that she was in fact entitled to retain the Retained Units). The parties are currently engaged in discovery related to phase 1.

Except for the 2 actions described above, no litigation is required to be disclosed in this Item.

ITEM 4 BANKRUPTCY

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

ITEM 5 INITIAL FEES

You must pay us the following initial fees. Except as otherwise disclosed below, all initial fees are uniformly imposed and nonrefundable.

Initial Franchise Fee

You pay us a $49,500 initial franchise fee when you sign the Franchise Agreement. The initial franchise fee is uniformly imposed except for the following discounts:

(a) Multi-Unit Discount: If you are an existing DOGTOPIA® franchisee purchasing an additional franchised Center, you receive a 10% discount and pay us a $44,550 initial franchise fee.

(b) Veteran Discount: We are a member of the International Franchise Association ("IFA") and participate in IFA's VetFran Program. If you are a "qualified veteran" of the U.S. Armed Forces, you receive a 10% discount and pay us (i) a $44,550 initial franchise fee if you are purchasing your first franchised Center or (ii) a $40,095 initial franchise fee if you are an existing DOGTOPIA® franchisee purchasing an additional Center. A "qualified veteran" means an honorably discharged United States veteran with a DD Form 214 document.

Real Estate and Facility Coordination Fee

As further described in Item 11, we will advise and consult with you regarding various aspects of the development of your Center, including site selection, lease negotiation, design, construction and development ("Consultation Services"). In consideration of the Consultation Services, you pay us a Real Estate and Facility Coordination Fee (the "REAFC Fee") when you sign the Franchise Agreement. The REAFC Fee varies depending on whether: (a) you are a Conversion Franchisee; (b) you own the real property for your Center at the time you sign the Franchise Agreement; and (c) you are developing your first Center or a subsequent Center. The table below identifies the REAFC Fees we currently impose:

Relevant Factors & Criteria	Real Estate & Facility Coordination Fee
Conversion Franchisee or Purchasing 2nd or Subsequent Center	$15,500
Non-Conversion Franchisee Who Owns Property When FA Signed	$35,000
Non-Conversion Franchisee Who Does Not Own Property When FA Signed	$44,500

On occasion, we waive or discount the REAFC Fee for experienced area developers who previously opened at least one other Center and had no further need for the Consultation Services. Otherwise, the REAFC Fee is

uniformly imposed.

Initial Training Fee

We provide our pre-opening initial training program for up to 3 individuals at no additional charge. If you send more than 3 people, we may charge an initial training fee of $2,000 for each additional person you send. The initial training fee (if applicable) is due 10 days after invoicing. Historically, we have not imposed the $2,000 initial training fee on franchisees who send more than 3 people to initial training but we reserve the right to do so.

Microsite and Social Media Account Setup Fee

We will set up your microsite and social media account. At the time your microsite launches, you pay us a one-time $700 setup fee for this service.

Initial Purchases Through Dogtopia Marketplace

Prior to opening, you must purchase certain items from our affiliate through Dogtopia Marketplace, which is our ecommerce platform that leverages system-wide buying power to deliver preferential quality and pricing to franchisees. The pre-opening items you purchase through Dogtopia Marketplace include certain furniture, fixtures, operating supplies, inventory and promotional items. Item 8 provides more detail on the specific items purchased through Dogtopia Marketplace. The total amount of pre-opening purchases made through Dogtopia Marketplace is expected to range from $19,930 to $30,210 and varies depending on the size of your Center and whether you choose to: (a) purchase the minimum quantity of daycare equipment and supplies necessary for opening (with additional purchases made after opening as the number of dog visits increases); or (b) purchase a sufficient quantity of daycare equipment and supplies to operate at full capacity as of your opening date. The purchase price is uniform, although our affiliate occasionally runs limited-time promotions that include discounted pricing.

Technology Fee

Immediately after signing the Franchise Agreement, you begin paying us a monthly pre-opening "technology fee" of $250 per month for the technology and tools we provide under our base technology package (referred to as our "Standard Package"). The technology fee for the Standard Package increases to $899 per month at the time your Center opens. After opening, you also have the option (but the obligation) to purchase one of our optional technology package upgrades, which are discussed in Item 6 and Item 11. The total amount of pre-opening technology fees you pay varies depending on how long it takes you to open. The following table lists the total amount of estimated pre-opening technology fees you will pay:

Type of Franchisee	Estimated Time to Open	Total Pre-Opening Technology Fees
Conversion Franchisee	3 to 6 months	$750 to $1,500
Non-Conversion Franchisee	7 to 12 months	$1,750 to $3,000

Managed Service Lead Engagement Fee (Pilot Program)

We are currently piloting a managed lead engagement service program ("MLES") that uses a combination of technology-enabled tools (including AI-assisted workflows) and human-supported contact center resources to respond to customer inquiries, engage prospective pet parents, schedule appointments and route qualified leads to an appropriate Dogtopia Center in a timely and consistent manner. If we decide to offer MLES as a standard aspect of our System on a system-wide basis, and you elect to participate, we may charge you a participation fee (the "MLES Fee"). Upon initial rollout, we expect to impose an MLES Fee of approximately $100 per month. We reserve the right to increase the fee up to a maximum of $300 per month. If you elect to participate in the program, you begin paying MLES Fees approximately 1 to 3 months prior to opening to allow for initial lead contact and scheduling of "Meet & Greets" with prospective pet parents. This results in total estimated pre-opening MLES Fees ranging from $100 to $300 (assuming a $100 monthly fee). The MLES Fee, if implemented, would be nonrefundable and uniformly imposed. While we anticipate MLES would be optional, we reserve the right to

make the program mandatory in the future.

Development Fee

If you are an area developer, you pay us a development fee when you sign the ADA. The development fee includes the initial franchise fee for each Center you commit to develop, including a $49,500 initial franchise fee for your first Center and a $44,550 discounted initial franchise fee for each additional Center. You do not pay us any additional initial franchise fee when you sign Franchise Agreements for these Centers. We expect most area developers will purchase the right to develop between 2 and 5 Centers, which translates to development fees ranging from $94,050 ($49,500 + 1 X $44,550) to $227,700 ($49,500 + 4 X $44,550).

ITEM 6 OTHER FEES

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Royalty Fee	7% of Gross Sales	Day we specify after end of reporting period (currently Wednesday after reporting period)	Our current reporting period runs from Sunday morning through Saturday night. We may change the reporting period and royalty fee due date upon 30 days' prior notice.
Brand Fund Fee	2% of Gross Sales (may increase to 3% of Gross Sales)	Same as royalty fee	We deposit this fee into a Brand Fund. You have no voting rights pertaining to the administration of the Brand Fund, the creation or placement of advertising, or the amount of the brand fund fee.
Local Marketing Commitment	2% of Gross Sales (during first 6 months after opening we recommend you spend the greater of $3,000 per month or 2% of Gross Sales)	Monthly, as incurred	This is the minimum amount you must spend on advertising and marketing in your local market to promote your Center (the "Local Marketing Commitment"). This expenditure is in addition to the brand fund fee. We measure your compliance on a rolling 6-month basis.
Cooperative Advertising Fee	Amount determined by cooperative - up to 2% of Gross Sales (not currently imposed)	Same as royalty fee	Company Stores have the same voting power as franchised outlets in a cooperative. If a majority of outlets are Company Stores, we will not increase the fee without the majority vote of franchised outlets in favor of the fee increase. Cooperative advertising fees are credited against your Local Marketing Commitment.
Digital Marketing Fee	Up to $275 per month (currently $125 per month)	15th day of month	We use this fee to maintain your microsite, create optional local digital ad campaigns and monitor reviews of your Center. We may change this fee on 30 days' prior notice (up to $275/month) to reflect changes to costs we incur to provide the services.
Technology Fee (post-opening)	Up to $1,500 per month (currently $899 to $1,174 per month depending on tech package you select – packages listed in Note 4)	15th day of month or as otherwise specified	Includes amounts you pay us or our affiliate for Technology Systems, including (a) amounts you pay for proprietary items (b) amounts we collect from you and remit to third parties and (c) an administrative fee for managing the technology platform and negotiating/managing relationships with various licensors of the technology. It does not include amounts you pay to third parties.
Training Fee	*[Initial Training]* $2,000 per person *[Ongoing Training]* $400 per person per day (plus Travel Expenses for onsite training)	10 days after invoice	Payable for each person who attends (a) initial training after you open (b) repeat training (after failing a prior attempt) (c) remedial training (d) refresher or supplemental training or (e) additional training you request. You must also reimburse our Travel Expenses if we provide training onsite at your Center.

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Conference Registration Fee	Up to $899 per person	30 days prior to conference	We may hold conferences to discuss matters affecting franchisees. Attendance is mandatory unless (a) we designate attendance as optional or (b) we waive your obligation to attend based on showing of good cause. If you fail to attend a required conference without a waiver from us, you must pay a $1,000 participation fee.
Dogtopia Marketplace Purchases	Varies	At time order is placed	You must purchase various branded inventory and promotional items, uniforms, equipment, operating supplies and cleaning supplies exclusively from our affiliate through the Dogtopia Marketplace ecommerce platform. We may designate ourselves or other affiliates as suppliers for other goods or services in the future.
New Product or Supplier Testing	Up to $2,500 per test	10 days after invoice	This covers our cost to test new products or inspect new suppliers you propose. We We may impose or waive the fee at our discretion.
MLES Fee	Up to $300 per month (initially $100 per month)	Same as royalty fee	Imposed if we administer MLES on a system-wide basis. If a third party administers MLES, you pay fees directly to the third-party provider unless we choose to collect the fees from you and remit them to the provider. MLES is expected to be optional but we may designate the program as mandatory.
System Program Fees	Up to $300 per month for a given program (not currently charged)	10 days after invoice or as otherwise specified	You must participate in all client loyalty, gift card and membership programs we establish and pay required fees and program contributions to us or a third party to administer the program. The fees listed in this row only apply if we collect the fees.
Relocation Fee	Up to $44,500 (currently ranges from $15,500 to $44,500)	At time we approve site	If we approve your request to relocate your Center you must pay our then-current relocation fee for our Consultation Services for site selection, design, planning and construction of your new facility. Our current relocation fee is the same as our Real Estate and Facility Coordinate Fee described in Item 5. It may vary depending on whether you (a) are converting a pre-existing dog daycare company and (b) already own the property.
Expansion Fee	$7,500	At time we approve expansion	Imposed if we allow you to expand the size of your Center after it opens. Fee covers our Consultation Services for design, planning and expansion of your facility.
Renewal Fee	50% of then-current non-discounted initial franchise fee	At time you sign renewal agreement	Imposed if you renew your franchise rights by signing a renewal Franchise Agreement.
Transfer Fee	50% of then-current non-discounted initial franchise fee	Before Transfer	You pay a transfer fee for all Transfers, although we may waive the fee for Transfers (a) by owners to an entity they own or (b) between existing owners. If our broker finds the buyer, you must also reimburse all commissions we pay the broker.
Development Deadline Extension Fee (ADA Only)	$10,000	At time you sign Extension Amendment	Imposed if you exercise your one-time right to extend all opening deadlines by 12-months. To do so, you must sign the Development Schedule Extension Amendment attached to the ADA.

TYPE OF FEE [1]	AMOUNT [2, 3]	DUE DATE	REMARKS
Reimbursement of Reinspection Costs	All Travel Expenses and other costs we incur to inspect your Center	10 days after invoice	Imposed if we inspect your Center to verify that you cured (a) a health or safety issue identified by a government agency or (b) a breach of our system standards that we brought to your attention.
Audit Fee	Actual cost of audit (including Travel Expenses for audit team)	10 days after invoice	Imposed if an audit (a) is necessary because you fail to send us required information or reports in a timely manner or (b) reveals you understated Gross Sales by 3% or more.
Late Fee	Lesser of 18% of amount past due or highest rate allowed by applicable law	10 days after invoice	If our debit of your account is rejected or your check is returned for insufficient funds, we may charge (in addition to the late fee) an NSF fee of $100 per incident. Default interest is limited to 10% per annum in California.
Noncompliance Fee	$500 per incident	Upon demand	Imposed if you breach a mandatory standard or operating procedure (including submission of required reports) and fail to cure within the time period we require. We may impose an additional $500 fee every 48 hours the breach remains uncured after we impose the initial fee. We deposit these fees into the Brand Fund (if there is one).
Default Reimbursements	All costs we incur to cure your default	10 days after invoice	If you fail to cure a breach of the Franchise Agreement or our brand standards in the time period we require, we may take steps to cure on your behalf and you must reimburse our costs (examples include failure to pay suppliers, maintain insurance or meet quality standards).
Management Fee	Up to 3% of Gross Sales plus Travel Expenses	10 days after invoice	If you fail to timely cure a Franchise Agreement default or the Managing Owner dies, we can designate a person to manage your Center until the default is cured or Managing Owner replaced.
Indemnification	Amount of our damages, losses or expenses	10 days after invoice	You must indemnify us for losses and expenses we incur due to your operation of the Center or breach of the Franchise Agreement.
Attorneys' Fees and Costs	Amount of attorney's fees and costs we incur	Upon demand	You must reimburse all attorneys' fees and costs we incur relating to your breach of the Franchise Agreement or any related agreement.
Liquidated Damages	Varies (See calculation in Note 5)	On demand	Imposed if we terminate due to your default or you wrongfully terminate.

Notes:

1. Nature and Manner of Payment: All fees are imposed by and payable to us except: (a) you pay the cooperative advertising fee directly to the cooperative (we may instead require you to pay this fee to us, in which case we remit the fee to the cooperative on your behalf); and (b) you spend the Local Marketing Commitment directly with third-party suppliers. We may require you to pay Brand Fund fees to Dogtopia Advertising or we may collect these fees from you and remit them to Dogtopia Advertising. All fees are nonrefundable and uniformly imposed. You must sign the ACH Authorization Form attached to the Franchise Agreement permitting us to electronically debit your designated bank account for all amounts owed to us and our affiliates (other than the initial franchise fee). You must deposit all Gross Sales into the bank account and ensure sufficient funds are available for withdrawal before each due date. You are responsible for all taxes imposed on you or us based on products, intangible property (including trademarks) or services we provide to you.

2. Definitions: As used in this Disclosure Document, the following terms have the meanings given to them below:

"***Gross Sales***" includes all amounts that you invoice and/or collect from all goods and services you sell, regardless of manner of payment (including payments by cash, check, credit card, debit card, on credit or via barter transaction). Gross Sales also includes all other revenues you receive relating to your Business, including any advertising revenues, sponsorship fees or business interruption insurance proceeds. The full amount of the invoiced sale is included in Gross Sales at the time the order is placed, including amounts paid on credit and deposits on account that are applied at a later date (such as pre-paid items for services to be performed, subscription fees and membership/enrollment fees). For barter transactions, at the time the order is placed you must include in Gross Sales the full standard non-discounted price that you charge for the applicable good or service. If we pay you any amounts based on your participation in a Special Account (described in Item 11), you must include in Gross Sales the full amount we pay you.

With respect to discounted goods or services, Gross Sales includes the actual discounted price charged to the customer as long as the discount is part of a national promotion we sponsor or endorse. You may offer other discounts or promotional programs to specific customers or targeting a certain type of customer (for example, veterans, teachers, etc.) and you may offer free goods or services to your owners, employees, friends and family members, but for purposes of reporting Gross Sales, the maximum discount allowable will be 10% (except as otherwise discussed below for dog daycare for your owners and employees). If you discount the good or service more than 10% from your standard pricing (including by providing free goods or services), then you may only deduct 10% of the standard price from Gross Sales and must include the remainder of the standard price for the good or service. You may offer free or discounted dog daycare for your owners and employees and you are not required to include the value of these daycare services in Gross Sales.

The following amounts are excluded from Gross Sales:

- Sales taxes you collect from customers and pay to the applicable taxing authority
- Tips and gratuities paid by customers
- Proceeds from the sale of gift certificates and gift cards (proceeds are added to Gross Sales when the gift certificate or gift card is redeemed)
- Amounts paid by customers as contributions to the Dogtopia Foundation or contributions to another 501(c)(3) organization we approve (the organization must relate to dogs and must be approved by us before you may promote the organization and/or accept donations at your Center)
- Amounts initially advanced by you to a veterinarian to treat a dog that are subsequently reimbursed by the pet parent

If you previously included any amount in Gross Sales that is subsequently refunded to a customer (as part of a bona fide refund or discount) or written off as uncollectible (in accordance with any write-off policies in the Manual), then you may adjust your Gross Sales for the reporting period in which the refund or write off takes place by deducting the amount of the refund or write off. We may require that you provide us with written documentation supporting the refund or write off. Instead of allowing you to deduct refunds and write offs from Gross Sales, we may instead provide you with a "credit" against future royalty fees in the amount of the refunds and write offs. If you do not strictly follow the policies in the Manual regarding the determination and reporting of refunds, discounts and write offs, you will not be entitled to deduct these amounts from Gross Sales and you will not receive a credit against future royalty fees.

If you acquire and convert an independent doggy daycare to a Dogtopia Center, you must include in Gross Sales the total amount of gross revenues received by you or the prior business owner from the sale of goods or services purchased prior to your conversion date but that are redeemed at your Dogtopia Center (either in whole or in part) after your conversion date. The specific way these revenues must be calculated and included within Gross Sales may be further described in the Manuals (including allocation of these revenues in situations where a portion of the goods or services received by the customer in exchange for the payment is redeemed prior to the conversion date and any remaining portion is redeemed after the conversion date). You must include the full amount of these revenues within Gross Sales for the month in which you begin operating your Center under the DOGTOPIA® brand.

We reserve the right to make reasonable adjustments to the calculation of Gross Sales from time to time to

reflect changes to: (a) the programs, products or services offered at Dogtopia Centers; (b) the point-of-sale system utilized at Dogtopia Centers; (c) our policies regarding permissible discounts and/or exclusions from Gross Sales; or (d) our policies regarding refunds, write-offs, gift certificates or gift cards.

"***Managing Owner***" means the owner you appoint and we approve with primary responsibility for the overall management and operation of your Center.

"***Technology Systems***" means all information and communication technology systems that we designate, which may include computer systems, point-of-sale systems, webcam systems, telecommunications systems, security systems, music systems, dog monitoring and wellness systems and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, software applications, mobile apps and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

"***Transfer***" means a transfer or assignment of: (a) the Franchise Agreement or ADA (or any interest in either such agreement); (b) the Center's assets (other than the sale of fixtures or equipment in the ordinary course of business); (c) an ownership interest in the entity that is the "franchisee" or "area developer"; or (d) the franchised business you conduct under the Franchise Agreement or ADA.

"***Travel Expenses***" means all travel, meals, lodging, local transportation and other living expenses and costs incurred: (a) by us and our trainers, field support personnel, auditors and/or other representatives to visit your Center; or (b) by you or your personnel to attend training programs or conferences.

3. CPI Adjustments: All fees (and minimum fees) expressed as a fixed dollar amount are subject to adjustment based on changes to the Consumer Price Index in the United States (CPI). We may periodically review and increase these fees up to the increase in CPI, but only if the increase to CPI is more than 5% higher than the corresponding CPI in effect on: (a) the effective date of the Franchise Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments). We will notify you of any CPI adjustment at least 60 days before it goes into effect. We may implement no more than 1 fee adjustment during any 5-year period.

4. Technology Fee: You are required to purchase our standard technology package. Commencing with your Center's opening date, you have the option to purchase any (or all) of our 3 optional technology package upgrades (i.e., Salesforce Add-On, Email Add-On and Power BI). Your post-opening technology fee will range from $899 per month to $1,174 per month depending on whether you choose to purchase any technology package upgrades. The table below lists the different packages and the associated pricing:

Tech Packages	Items Included	Required/ Optional	Tech Fee*
Standard Package	5 Microsoft Office 365 Licenses (includes 5 Dogtopia Email Addresses) 1 Registered Domain Name (for microsite) License to our Learning Management System 6 Salesforce Sales Cloud Licenses 1 Salesforce Partner Community Member License 30 Salesforce Partner Community Pooled Licenses	Required	$899/month
Salesforce Add-On Package	2 Salesforce Sales Cloud Licenses 2 Salesforce Partner Community Member Licenses 20 Salesforce Partner Community Pooled Licenses	Optional	$100/month
Email Add-On Package	5 Additional Dogtopia Email Addresses	Optional	$75/month
Power BI Package	2 BI Licenses "Top 10" Power BIs	Optional	$100/month

* Our technology packages and technology fee are subject to change from time to time. We will list our current technology package(s) and technology fee in the Manual. We will notify you of any increase to the

technology fee at least 60 days before the increased fee goes into effect.

5. Liquidated Damages: The amount of liquidated damages is equal to the greatest of the following: (a) $10,000; (b) the sum of total royalty fees and brand fund fees imposed during the 180-day period preceding termination; or (c) the sum of the average weekly royalty fees and brand fund fees for the 52-week period preceding termination (or for the entire period of operations if less than 52 weeks) multiplied by the total number of full weeks remaining under the term. If you pay us liquidated damages in a timely manner, we may not pursue a claim against you for lost profits (but we may still seek other damages we incur due to your breach).

ITEM 7 ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	AMOUNT [1, 2]	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
Initial Franchise Fee [3]	$40,095 to $49,500	Lump sum	At time you sign Franchise Agreement	Us
Initial Training Fee [4]	$0 to $2,000	Lump sum	10 days after invoicing	Us
Initial Training Expenses [5]	$1,000 to $5,000	As incurred	During training	Hotels, restaurants & airlines
Utility, Lease & Security Deposits [6]	$5,500 to $17,500	Lump sum	Before opening	Utilities companies & landlord
Real Estate and Facility Coordination Fee [7]	$15,500 to $44,500	Lump sum	At time you sign Franchise Agreement	Us
3 Month's Rent [8] (3 Months after Opening)	$13,800 to $48,450	Lump sum	Monthly	Landlord
Leasehold Improvements [9]	$541,700 to $856,200	As incurred	Before opening	Contractors & suppliers
Deductions for Landlord Contributions [10] (Free Rent & TIA)	($210,350) to ($38,900)	Landlord contribution	Contributions cover expenses incurred before and/or after opening	Benefits received from landlord (no payment by you)
Furniture, Furnishings & Equipment [11]	$19,800 to $28,640	As incurred	Before opening	Suppliers & affiliate
HVAC Equipment [12]	$96,000 to $150,000	Lump sum	Before opening	Suppliers
Exterior Signage & Graphics [13]	$9,500 to $17,500	Lump sum	Before opening	Suppliers
Interior Signage & Graphics [14]	$13,500 to $24,500	Lump sum	Before opening	Suppliers
Microsite & Social Media Account Set Up Fee	$700	Lump sum	At launch of microsite	Us
Technology Systems [15]	$14,600 to $20,700	As incurred	Before opening	Suppliers
Technology Fees [16] (pre-opening period)	$1,750 to $3,000	Monthly	Before opening	Us
MLES Fees [17] (pre-opening period)	$0 to $300	Monthly	Before opening	Us or supplier
Odor/Scent Air System	$500 to $2,000	As incurred	Before opening	Suppliers
Initial Supply of Inventory and Operating Supplies [18]	$24,060 to $31,530	Lump sum	Before opening	Suppliers & affiliate
Pre-Opening Marketing [19]	$15,000 to $30,000	Lump sum	Prior to opening	Suppliers
Business Licenses & Permits [20]	$2,000 to $44,000	As incurred	Prior to opening	Government agencies
Insurance (3-months' premium)	$1,200 to $3,000	Lump sum	Before opening	Insurance companies

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	**AMOUNT** [1, 2]	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Professional Fees [21]	$28,500 to $78,500	Lump sum	Before opening	Lawyers, architects, accountants & other professionals
Additional Funds [22] (3 months after opening)	$30,000 to $60,000	As incurred	As incurred	Suppliers, employees, us & affiliate
Total Initial Investment [23]	$664,355 to $1,478,820			

The table below estimates the initial investment to purchase of area development rights for 2 to 5 Centers.

YOUR ESTIMATED INITIAL INVESTMENT				
TYPE OF EXPENDITURE	**AMOUNT** [1, 2]	**METHOD OF PAYMENT**	**WHEN DUE**	**TO WHOM PAYMENT IS TO BE MADE**
Development Fee [24]	$94,050 to $227,700	Lump sum	At time you sign ADA	Us
Initial Investment to Open First Center	$624,260 to $1,429,320	This is the total estimated initial investment in Table above less the initial franchise fee (included in development fee)		
Total Initial Investment	$718,310 to $1,657,020			

Notes:

1. Model 3.0 Design: In 2023, we revised our prototype model by: (a) reducing the size from 5,000 to 7,000 square feet to 4,000 to 6,000 square feet; (b) increasing the square footage for the dog playroom areas; and (c) reducing the size of the lobby and administrative areas. We refer to the new model as the "3.0 design". All new Centers must conform to the Dogtopia 3.0 design to maintain brand consistency and operational efficiency. We reserve the right to approve deviations provided that they align with the overall spirit, intent and design of the Dogtopia 3.0 design and do not compromise brand identity, customer experience or operational functionality. This Item 7 has been prepared to estimate the initial investment for a Center that conforms to the new 3.0 design. For purposes of the estimated initial investment figures above, we assumed you are not a Conversion Franchisee. If you are a Conversion Franchisee, your initial investment may be lower.

2. Financing and Refunds: We do not offer direct or indirect financing. No amounts paid to us or our affiliate are refundable. Your landlord may refund your security deposit at the end of the lease if you do not default or damage the property. We are not aware of any other amounts paid to third parties that are refundable.

3. Initial Franchise Fee: Our standard initial franchise fee is $49,500. If you are a qualified veteran purchasing your first Center or a non-veteran purchasing your second or subsequent Center, you pay a $44,550 discounted initial franchise fee. If you are a qualified veteran purchasing your second or subsequent Center, you pay a $40,095 discounted initial franchise fee.

4. Initial Training Fee: We provide pre-opening initial training for up to 3 people at no additional charge. We reserve the right to charge you a training fee of $2,000 for each additional person who attends. The low estimate assumes you send 3 people and the high estimate assumes you send 4. While we have not imposed the additional training fee in the past, we may do so in the future.

5. Initial Training Expenses: This estimates your expenses to send 3 to 4 people to Scottsdale, Arizona for initial training. Your actual training expenses may vary depending on: (a) the number of people you send to training; (b) the distance they must travel; and (c) the level and quality of accommodations, travel and dining selected.

6. Utility, Lease & Security Deposits: This includes your estimated costs for lease and utilities deposits.

7. Real Estate and Facility Coordination Fee: You must pay us an REAFC Fee that varies depending on whether you are a Conversion Franchisee and whether you own the real property for your Center at the time you sign the Franchise Agreement. The table below lists our current REAFC Fee:

Relevant Factors & Criteria	Real Estate & Facility Coordination Fee
Conversion Franchisee or Purchasing 2nd or Subsequent Center	$15,500
Non-Conversion Franchisee Who Owns Property When FA Signed	$35,000
Non-Conversion Franchisee Who Does Not Own Property When FA Signed	$44,500

The low estimate in the table above assumes you are purchasing a 2nd or subsequent Center.

8. Rent: This estimate assumes you lease your premises. Rent varies depending on the size of the premises, its location, landlord contributions (TIA or Tenant Improvement Allowance) and the requirements of individual landlords. We expect most Centers will range in size from 4,000 to 6,000 square feet with rent ranging from $4,600 to $16,150 per month. Your actual rent may vary significantly above or below this range depending on your area and local market conditions. Conversion Franchisees who assume the seller's existing lease may experience greater variability in the monthly rental rate since the leases were executed at different times. As discussed in more detail in Note 10 below, all 3 leases signed in 2025 for Centers conforming to 3.0 design included some amount of free rent.

   Some franchisees may prefer to own the premises for their Dogtopia Center. The cost to purchase real estate varies so widely that we cannot reasonably estimate the cost.

9. Leasehold Improvements: The estimated leasehold improvement costs in the table above assume your facility conforms to our new 3.0 design and falls within our recommended size range (4,000 to 6,000 square feet). This estimate reflects the range of leasehold improvement costs experienced by 6 of the 9 Centers constructed in 2025 that conform to the new 3.0 design. The actual costs ranged from $541,687 to $856,191 (rounded to $541,700 to $856,200 in the table above) with an average cost of $738,807.

   As discussed in Note 10 below, 2 of the 3 leases signed in 2025 for Centers conforming to 3.0 design included landlord contributions towards the cost of leasehold improvements.

   Leasehold improvement costs vary widely based on several factors, including the size, location and condition of the premises, the extent and nature of any existing leasehold improvements and whether the landlord will contribute to these costs. In our experience, leasehold improvement costs do not necessarily correlate with the size of the facility. We have experienced high costs in smaller square footage facilities due to various factors such as geographical differences in construction costs, required building modifications, contractor availability, environmental preclusions, weather conditions and market volatility. This may result in a higher cost per square foot to develop a smaller location.

10. Deduction for Landlord Contributions: You may be able to negotiate various terms with your landlord. Some landlords will pay all or a portion of the leasehold improvement costs, known as a tenant improvement allowance (TIA). Landlords may also give you free rent after you open. You also may be able to finance some (or all) of your leasehold improvement costs through your landlord or through other financing sources. A variety of factors may affect the availability of financing, monthly financing costs, and other important terms to consider in deciding whether to pay for, or finance, the leasehold improvement costs.

    We expect most landlords will provide a TIA and/or free rent, which would reduce your rent and/or leasehold improvement costs. There were 3 leases signed in 2025 for Centers confirming to design 3.0. All of these leases included some amount of free rent and/or TIA. The table below lists the number and percentage of these leases that included: (a) free rent (along with the average amount of free rent provided); and (b) a TIA from the landlord (along with the average TIA provided):

Model	Received Free Rent (average amount of free rent)*	Received TIA (average amount of TIA)*
Design 3.0 (3 leases)	3 of 3 leases (100%) (average $88,971 in free rent)	2 of 3 (66.6%) (average TIA of $128,488)

* Average free rent is calculated as the average free rent provided under the leases that included some amount of free rent. Similarly, average TIA is calculated as the average TIA provided under the leases that included

some amount of TIA (the 1 lease that did not include any TIA was not included in the calculation).

The table below shows the low/high ranges of free rent and TIA received by franchisees on an individualized basis and on a combined basis. In some cases, franchisees received more than 3 months of free rent. Because the initial investment estimate is limited to expenses incurred through the 3rd month after opening, we have provided two sets of data including: (1) total free rent received under the lease with no cap on the number of months of free rent; and (2) total free rent received under the lease capped at 3 months after opening (i.e., any free rent realized after the 3rd month after opening is disregarded).

Model	Free Rent				TIA		TIA & Free Rent (Combined Benefit Received)*			
	No Cap		3 Month Rent Cap				No Cap on Rent		3 Month Rent Cap	
	Low	High	Low	High	Low	High	Low	High	Low (rounded)	High (rounded)
Design 3.0 (3 leases)	$63,782	$129,600	$31,891	$38,880	$83,376	$173,600	$129,600	$247,132	$38,880 ($38,900)	$210,366 ($210,350)

* Some landlords that provide a higher TIA provide less free rent. Conversely, some landlords that provide more free rent provide a lower TIA. The "combined" TIA & free rent listed in this table reflects the combined free rent and TIA received by franchisees. The figures listed under "TIA & Free Rent" reflect the combined benefit actually provided under the lease for free rent and TIA. For example, the low estimate may not be comprised of the lowest rent and lowest TIA, but instead reflects the lowest combined benefit received under a single lease. For the 3 leases for Centers conforming to design 3.0, the average combined financial benefit from free rent and TIA was $174,630 (with no cap on free rent) or $121,504 (with free rent capped at 3 months).

The leasehold improvement costs in the estimated initial investment table ($541,700 to $856,200) reflect the range of costs incurred by the 6 Centers constructed in 2025 that conform to our new model 3.0 and provided us with the requested information. The figures in the table for "Landlord Contributions" reflect the combined financial benefit (with free rent capped at 3 months) received by the franchisee with the lowest combined financial benefit ($38,880, rounded to $38,900) and the franchisee with the highest combined financial benefit ($210,366, rounded to $210,350). These amounts are deducted from the total estimated initial investment to reflect the estimated net costs. After deducting these amounts, the total initial investment is reduced from (a) $874,705 to $1,517,720 (without considering Landlord Contributions) to (b) $664,355 to $1,478,820 (after deducting Landlord Contributions). If you are unable to negotiate free rent and/or a TIA with your landlord, your initial investment may be higher.

11. Furniture, Furnishings & Equipment: This includes your initial equipment and inventory of crates, daily operating supplies, Dogtopia-branded products, DASH activity monitors, collars, harnesses, leads, bowls, treats and other items. You must purchase all furniture, fixtures and equipment we specify. If you lease furniture and/or equipment, your initial investment may decrease. A variety of factors may affect the availability and cost of financing, including local and national economic conditions, availability of credit, whether local suppliers are offering financing in your market, interest rates charged by leasing / finance companies, required security, your credit history and other lease/finance terms. The total estimated cost of the furniture, furnishings and equipment purchased from our affiliate through Dogtopia Marketplace is $8,230 to $13,050. The rest of these purchases are made from third-party designated or approved suppliers. If you are a Conversion Franchisee and already own certain required furniture, fixtures and/or equipment meeting our standards and specifications, your initial investment for these items may be less. Any of your furniture, fixtures and equipment that does not conform to our standards and specifications must be replaced.

12. HVAC Equipment: This estimates the cost for your HVAC equipment. Costs vary depending on: the size of your premises; the HVAC system design prepared by licensed professionals you engage (we are not involved with HVAC system design); local climate conditions; and local laws governing HVAC usage. The estimated cost disclosed in the table above assumes the installation and use of a Dedicated Outside Air System (DOAS) unit for a Center conforming to design 3.0. You may explore alternative HVAC solutions beyond DOAS

provided that: (a) the alternative HVAC solution is permitted by and consistent with applicable law and meets our System standards; and (b) you release us from any claims or liabilities relating to your use of a non-standard HVAC system. While alternative HVAC solutions may reduce initial build-out costs, any initial cost savings should be weighed against the total cost of ownership, which may be higher over the life of the system.

13. Exterior Signage & Graphics: This estimates the cost of your exterior signage and graphics that are displayed on the exterior windows of your building. You must purchase and install the signage we specify. However, you may need to modify our standard signage to conform to local zoning laws, property use restrictions and/or lease terms. In some instances, exterior signage may be prohibited due to applicable zoning or use restrictions. The cost of exterior signage and window graphics varies depending on lease requirements, local ordinances and restrictions, store frontage (including whether the franchisee has an endcap location with more exterior window area) and related factors. The estimate in the table above includes localization graphics and signage.

14. Interior Signage & Graphics: This estimate includes the cost of all interior signage and graphics that are permanently affixed to the property. The estimate includes customization of the signage and graphics as well as installation. Certain interior signage is mandatory while certain graphic elements are optional. The design, placement and size of the interior graphics and signage you install will be based upon the minimum brand standards and optional features you select. Your landlord may impose limitations and restrictions. Costs vary depending on interior square footage, design and the optional features you select. The estimate in the table above includes the base package, installation and optional upgrades.

15. Technology Systems: This estimates your initial costs to acquire and install our required Technology Systems, including:

    - playroom webcams ($450 to $700)
    - camera/security system ($750 to $2,500)
    - desktop/monitors/laptops/iPads ($5,300 to $6,500)
    - payment terminal/phones ($500 to $1,500)
    - network & connectivity hardware ($4,100 to $5,000)
    - digital TV displays ($3,500 to $4,500)

    Some franchisees lease their digital signage. If you lease, your initial investment will decrease. You must purchase a camera and security system that meets our standards and specifications. Some franchisees choose to upgrade their system beyond our minimum requirements by purchasing additional cameras and upgrading their system, which increases the required initial investment. The low estimate assumes you purchase a camera and security system that meets our minimum requirements while the high estimate assumes you choose to upgrade your system. Playroom cameras are placed in the playrooms to allow pet parents to remotely monitor their pets. Smart TVs are placed in the lobby to provide real-time views of the playrooms. The estimate above assumes you purchase 3 to 10 playroom cameras and 3 to 4 smart TVs.

16. Technology Fees: From the time you sign the Franchise Agreement until your opening date, you pay us a monthly technology fee of $250 per month. In preparing this estimate, we assumed it will take you 7 to 12 months to open after you sign the Franchise Agreement. If you are a Conversion Franchisee you are likely to open sooner, in which case your total pre-opening technology fees will be less.

17. MLES Fees: If we implement our MLES pilot program on a system-wide basis, you will have the option (but not the obligation) to participate. However, we reserve the right to make the program mandatory in the future. If you elect to participate, you must pay a monthly MLES Fee (currently expected to be $100 per month) to us or a third party we designate. You begin paying monthly MLES Fees 1 to 3 months before opening. The low estimate assumes you choose not to participate.

18. Inventory & Operating Supplies: This includes your initial inventory of retail items and operating and consumable supplies and may include promotional items that you choose to purchase. You may only offer, sell and utilize inventory items we designate or approve. Some of these purchases must be made through Dogtopia Marketplace (estimated costs range from $11,700 to $17,160) while other purchases are made from approved or designated suppliers. If you are a Conversion Franchisee, we anticipate you will already own some of these

items, in which case your initial investment for these items may be less. However, any items you own that do not conform to our standards and specifications must be replaced.

19. Pre-Opening Marketing: Before opening, you must spend at least $15,000 on advertising and other marketing activities to promote your Center, including digital advertising, guerilla marketing and public relations. We may specify a grand opening marketing program you must follow. Some franchisees choose to spend more than the minimum required amount. If you are a Conversion Franchisee, your minimum required expenditure will be reduced to $5,000 due to pre-existing public recognition of the dog daycare business operated at the site before converting to the DOGTOPIA® system.

20. Business Licenses & Permits: You must obtain all licenses and permits required by your state and municipality. Required licenses may include a general business license, kennel license, boarding license, health department license and possibly others. Many of these licenses must be renewed annually. You must also obtain special use and/or conditional use permits as well as construction permits. The specific licenses and permits you must obtain (and the associated costs) vary depending on the local, municipal, county and state laws and regulations in your area. The cost and availability of required permits can vary widely and these variations may result in additional costs. If you choose to expedite the inspection and permitting process (where expediting is available), you may incur additional costs for expedited service. These permits can be particularly scarce and/or expensive in urban and/or environmentally restrictive or affected markets.

21. Professional Fees: You will hire various professionals to advise and assist you with the purchase of your franchise, the formation and development of your Business, and the design and construction of your Center. These professionals may include attorneys, accountants, financial providers, architects, Mechanical, Electrical, Plumbing (M.E.P.) and HVAC engineers, structural engineers, acoustical engineers, zoning experts (expediters), real estate and other professionals. They can provide a number of important services, such as:
    - evaluating the franchise opportunity
    - reviewing the Franchise Agreement and FDD and providing their input on same
    - forming your business entity
    - preparing site surveys and site investigation reports
    - preparing demographic and traffic studies
    - assisting you with site selection and lease negotiation
    - negotiating a purchase contract for the land and/or building (if applicable)
    - preparing initial design plans and final construction plans for your facility
    - ensuring compliance with mechanical, electrical and plumbing requirements
    - obtaining required licenses and permits
    - reviewing zoning regulations and, if necessary, obtaining required variances
    - preparing your business plan

    You are required to engage some of these professionals. Others are optional, but recommended.

22. Additional Funds: This estimates your expenses during the first 3 months of operation, including payroll costs (excluding any wage or salary paid to you), digital marketing fees ($125 per month), post-opening technology fees ($899 to $1,174 per month), post-opening MLES fees, if applicable ($100 per month), advertising, utilities and other miscellaneous expenses and required working capital. Your initial 3 months of rent and insurance premium are separately stated in the table above. These figures are estimates based on the experience of DOGTOPIA® franchisees that opened their businesses in 2025.

23. Budget and Initial Investment Report: We strongly recommend you hire an accountant, business advisor and other professionals to assist you in developing a budget for the construction, opening and operation of your Business. Within 60 days after your opening date, you must send us a report, in the form we designate, listing the expenses you incur to develop and open your Center. We may use this data to update the initial investment estimate in future versions of our Franchise Disclosure Document.

24. Development Fee: Item 5 discusses how the development fee is calculated. This initial investment estimate assumes you purchase the right to develop either 2 Centers (low estimate) or 5 Centers (high estimate). If you purchase the right to develop more than 5 Centers, your development fee will increase by an additional $44,550 for each additional Center you commit to develop in excess of 5. This initial investment estimate does not include any costs you will incur to open any Center other than your first Center.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Source-Restricted Purchases and Leases - Generally

You must purchase or lease certain source-restricted goods and services for the development and operation of your Dogtopia Center. "Source-restricted" means the good or service must meet our specifications and/or must be purchased from an approved or designated supplier (in some cases, an exclusive designated supplier, which may be us or our affiliate). We estimate that 85% to 95% of the total purchases and leases required to establish and operate your Center will consist of source-restricted goods or services, as further discussed below.

The Manual includes our specifications and list of approved and designated suppliers. In most cases, we let you know of changes to our specifications or supplier list through our internal franchisee weekly newsletter (GDG). However, we may communicate these changes in other ways, such as emails, updates to the Manual, bulletins, webinars or other means of communication. You must comply with these changes within 30 days after receipt of our notice. However, changes related to health or safety issues may require immediate compliance.

Standards and Specifications

All of your equipment, fixtures, furniture, furnishings, construction and build-out materials, signage, graphics, décor items, inventory, uniforms, print items, promotional materials, cleaning products/supplies (including Dogtopia Cleaning Products), Dogtopia Spa Products and operating supplies must meet our specifications and quality standards. We formulate and change our specifications and quality standards based on: (a) our (and our affiliates') industry knowledge; (b) research we conduct as part of our continuing efforts to improve Dogtopia Centers and the health and wellness of dogs; (c) our experience developing and operating Company Stores; and (d) our franchisees' experience developing and operating franchised Dogtopia Centers.

Supplier Restrictions

You must purchase most goods and services necessary to develop and operate your Center only from suppliers we designate or approve (including from us and our affiliate). Our criteria for evaluating suppliers include standards for safety, specific use in our daycares, branding, supply capabilities, quality, consistency, production, delivery, performance, design, appearance and price of the product or service as well as the dependability, reputation and financial viability of the supplier. Upon request, we will provide you with any objective specifications pertaining to our evaluation of a supplier, although certain important subjective criteria (e.g., product appearance, design, functionality, etc.) are important to our evaluation but cannot be described in writing.

If you wish to purchase or lease a source-restricted item from a non-approved supplier, you must send us: (a) a written request for approval; (b) product samples for testing purposes; and (c) all additional information we request. The supplier must agree to comply with our minimum insurance, indemnification, reporting and confidentiality requirements for system suppliers and allow us to periodically inspect their facility. We will notify you of our decision within 60 days after we receive all required information and product samples. We may periodically reinspect approved products and suppliers and revoke our approval if a product or supplier fails to meet our then-current criteria. You must pay us a supplier/product review fee in the amount we designate (not to exceed $2,500 per test) to cover the costs we incur to review suppliers or goods/services you propose.

We currently require that you purchase a variety of source-restricted items exclusively through the Dogtopia Marketplace ecommerce platform administered by our affiliate. Dogtopia Marketplace is our internal supply chain that leverages system-wide buying power to deliver preferential quality and pricing to franchisees. Our affiliate purchases items offered for sale on Dogtopia Marketplace from various suppliers and warehouses them for subsequent resale to franchisees. Our affiliate imposes a reasonable markup on these items as compensation for services rendered and to cover its costs to administer Dogtopia Marketplace, including (among others):

- costs to lease and manage the distribution and warehousing facilities
- costs to develop, maintain, update and improve the ecommerce platform
- research and development costs to identify new and improved products and new suppliers
- labor, administrative, overhead and other costs relating to implementation of Dogtopia Marketplace

The price you pay for items purchased through Dogtopia Marketplace (inclusive of any markup) is comparable to or less than the price you would pay for the same items if you were to purchase them directly from the suppliers as an independent business owner without the benefit of our bulk purchasing power. The items purchased through Dogtopia Marketplace currently include:

- branded inventory and promotional items
- uniforms and branded fashion
- various equipment including custom dog crates and trays, dog tubs, dog suites, pop-up tents, inflatable blow-up Scruffy, drying bank, feathered flags, floor mats, wee pens, bubble machine, treat machine, dog scale and stainless-steel shelves
- daycare operating and consumable supplies
- our exclusive lines of Dogtopia-branded products (e.g., Spa products, cleaning products, treats, fashion etc.)

Most furniture, fixtures and equipment that are not offered through Dogtopia Marketplace must be purchased from designated or approved suppliers. We require that you purchase (and that you ensure your general contractor purchases): (a) all items offered through Dogtopia Marketplace exclusively from Dogtopia Marketplace; and (b) all items required to be purchased from designated or approved suppliers only from those designated or approved suppliers.

Our affiliate, Dogtopia Advertising, administers the Brand Fund. In this capacity, Dogtopia Advertising serves as the exclusive supplier for the marketing and other services performed in the administering the Brand Fund.

Current Source-Restricted Items

The following items must meet our standards and specifications and must be purchased exclusively through Dogtopia Marketplace or other suppliers we designate or approve: fixtures; furniture; furnishings; operating equipment; construction and build-out supplies and materials; signage; graphics; décor items; inventory; uniforms; print, promotional and branded materials; cleaning products; and operating supplies. You are also subject to the purchase and lease restrictions described below.

Lease

If you lease the premises for your Center, you must use best efforts to ensure your landlord signs the Lease Addendum attached to the Franchise Agreement as ATTACHMENT "B". You must obtain our approval of your lease before you sign it. Although we may review the terms of your lease and provide you with feedback, our advice or recommendations are not a representation or guaranty as to the reasonableness of the terms. The limited purpose of our review is to ensure our minimum brand standards and lease requirements are met.

Real Estate, Design and Construction Services

You must purchase Consultation Services exclusively from us.

You must utilize a real estate company we designate or approve (the "Real Estate Company") to help you find and evaluate potential sites and provide other real estate-related services.

You do not need our approval of any attorney you hire. You may (but need not) use our preferred commercial leasing attorney to review and negotiate your lease to ensure our minimum brand standards and lease requirements are met. If you choose to do so, we cover this attorney's fees to review and negotiate your lease. If you choose not use our preferred attorney, you do not receive a credit or refund of any fees.

You must contract with and utilize one of several architectural companies we have approved to: (a) obtain a site survey and site investigation report for each site you propose; (b) design your Dogtopia Center; (c) prepare

construction plans; and (d) facilitate the submission of applications for required permits on your behalf. The architectural company you work with is referred to as the "Architect Company".

We currently serve as the designated Project Manager (defined in Item 11) to oversee the development and construction of your Center and coordinate with the various contractors and other professionals involved with the process. At no additional cost to you, we may use third parties or contracted resources to perform certain project management functions on our behalf.

We must designate or approve the suppliers you use to design and construct your Center. You must utilize the Real Estate Company, Architect Company and Project Manager we designate (we are currently the only designated Project Manager). You must also separately contract with other professionals we designate or approve, such as your general contractor. The Architect Company may recommend you engage an engineer to design the mechanical, electrical and plumbing systems to ensure compliance with local laws and with your environmental comfort standards. If you choose to hire another supplier to provide any of the services provided by the Real Estate Company, Architect Company or Project Manager, then all of the following apply:

- you must still contract with, and pay for the services of, the supplier we designate
- either we or the supplier we designate must approve the supplier you propose after you submit all information about the proposed supplier that we require (including evidence of required licensure)
- the supplier you propose must coordinate their efforts with, and report to, the supplier we designate
- the supplier we designate must review the work product of the supplier you propose and retain ultimate control over the project
- in the event of a conflict between the supplier you propose and the supplier we designate, the supplier we designate will have final decision making authority
- the supplier you propose must be appropriately licensed and bonded (if required by applicable law)

We must approve the final construction plans for your Center. Once approved, you must hire a designated or approved general contractor and other suppliers to construct and equip the premises according to the specifications contained in the Manual and the final construction plans we approved.

Construction and Build-Out Supplies and Materials

Certain materials used in the construction of your Center must meet our standards and specifications (for example, the rubber flooring, outdoor turf, interior doors, interior graphics, and noise reduction materials for the playrooms). Some of these materials (such as your flooring material, heating ventilation equipment and cooling equipment) must be purchased exclusively from Dogtopia Marketplace or other suppliers we designate or approve.

Fixtures, Furnishings and Equipment

All fixtures, furnishings and equipment must meet our standards and specifications. You must buy all these items either through Dogtopia Marketplace or from other suppliers we designate or approve. In some cases, you must purchase the specific brand and model of equipment we designate (for example, the dog crates, dog tubs, dog suites, drying bank, shelving, interior doors, pass through crates, outdoor turf, grooming table, flooring, HVAC, plumbing and lighting fixtures, to name a few).

Signage and Graphics

All interior and exterior signage and graphics must meet our standards and specifications and be approved by us. We must approve the specific signage and graphics designs you utilize, and you must purchase these items exclusively from our designated supplier. You must purchase your window graphics exclusively from our designated supplier. If you choose to purchase your signage from a different supplier we approve (i.e., another supplier you request and we approve), your costs may increase because your supplier must coordinate with our designated supplier for the window graphics for purposes of obtaining permits relating to overall exterior signage.

Technology Systems

You must purchase and use all Technology Systems we designate, including your computer and POS systems,

webcam systems, telecommunications systems, security systems, digital lobby signage, AI Technology, music systems, and similar systems, together with the associated hardware, software (including cloud-based software) and related equipment, software applications, mobile apps and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems. All of these items must meet our standards and specifications. Most components must be purchased from suppliers we designate or approve. You must license Dogtopia Hub and the Dogtopia App from us.

Operating Supplies

Your operating supplies must meet our standards and specifications (for example, we have certain standards for all of our Dogtopia-branded product lines. You must purchase uniforms and our lines of Dogtopia-branded products exclusively from our affiliate through Dogtopia Marketplace.

Inventory

All inventory must meet our standards and specifications, including leashes, collars, toys, dog food, dog treats and other retail items that you offer for sale. You must purchase all inventory exclusively through Dogtopia Marketplace. You may not offer or sell any retail items we have not approved.

Marketing Materials and Services

All marketing materials must comply with our standards and specifications. We must approve all marketing materials prior to use. We may require that you purchase branded marketing materials (such as signage, business cards, brochures, logoed promotional items, etc.) exclusively through Dogtopia Marketplace or from other suppliers we designate or approve. You must contract with the company we designate to design and implement your grand opening marketing program. We will set up and design your microsite (i.e., local webpage) and social media account. We will control your microsite and social media account. You must use us to provide certain digital marketing services on your behalf (including certain social media marketing, providing content for social media posts, managing your social media account, providing updates to your microsite, etc.). You may engage in certain social media marketing activities, but only in accordance with our social media policy.

Insurance Policies

You must obtain the insurance coverage we require (whether in the Franchise Agreement or in the Manual) from licensed insurance carriers rated A or better by Alfred M. Best & Company, Inc., including the following:

Policy Type	Minimum Coverage
"All risk" Property Insurance	Replacement Value
Comprehensive General Liability Insurance	$1,000,000 per occurrence and $2,000,000 in the aggregate
Professional Liability Insurance	$1,000,000 per occurrence
Automobile Liability Insurance	$1,000,000 per occurrence and $1,000,000 in the aggregate
Animal Bailee Insurance	$25,000 per occurrence
Privacy and Cyber Security Liability Insurance	$100,000 per occurrence
Commercial Umbrella Insurance	$1,000,000 per occurrence
Business Interruption Insurance	At least 12 months
Employment Practices Insurance	$1,000,000 per occurrence
Worker's Compensation Insurance	As required by law
Landlord-Required Insurance	As required by lease
Insurance Required by Law	As required by applicable law

The required coverage and policies are subject to change. Each policy must be endorsed to: (a) name us and our members, officers, directors, and employees as additional insureds; (b) waive all subrogation rights against us;

and (c) provide us with 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy.

Managed Lead Engagement Service Program

If we offer MLES (currently a pilot program) as a standard aspect of our System on a system-wide basis, you will have the option to participate (although we reserve the right to make the program mandatory). The program will be administered by us or a third-party provider we designate. If you choose to participate, you must pay all associated fees for participation in the program.

Credit Card Processing Services

You must use the credit card processing company we designate.

Purchase Agreements

We try to negotiate purchase agreements with suppliers, including favorable pricing terms, for the benefit of our franchisees. If we succeed, you may purchase these items at the discounted prices we negotiate (less any rebates or other consideration paid to us) either through Dogtopia Marketplace, from HJC or directly from the approved or designated supplier, as applicable. As of the issuance date of this Disclosure Document, we have negotiated purchase agreements (including pricing terms) with suppliers for the following goods and services, all of which are purchased through Dogtopia Marketplace or from HJC or other suppliers we designate or approve:

- various office supplies
- various daycare operating supplies
- various grooming and Spa tools and supplies
- various inventory items
- dog suites, drying banks, stainless steel shelves and dog tubs
- various Technology System hardware
- ISP connectivity and managed network equipment, services and support
- uniforms
- promotional items and supplies
- interior graphics and menu boards
- insurance
- certain fixtures, flooring and building materials (including outdoor play area turf)
- HVAC design, equipment and installation

We also negotiated agreements (including pricing terms) with our approved Architect Companies. These companies may offer services such as site surveys, site investigation reports, architectural design services (including preparation of construction plans) and submission of applications for required permits. The specific fees charged vary by Architect Company, project scope and market conditions. In some cases, the pricing we negotiated is not guaranteed, may vary by project and remains subject to change.

We and our affiliate may purchase items in bulk and resell them to you at cost plus a reasonable markup. Currently there are no purchasing cooperatives but we may establish them in the future. You do not receive any material benefits for using designated or approved suppliers other than access to any discounted pricing we negotiate.

Franchisor Revenues from Source-Restricted Purchases

We are the exclusive supplier of Consultation Services, microsite and social media setup services, certain digital marketing services, Dogtopia Hub and the Dogtopia App (although we may delegate certain services to our contracted vendors). We also currently serve as the exclusive Project Manager. We may, but need not, serve as the exclusive administrator of the MLES program (if we implement the program on a system-wide basis). Our affiliate Dogtopia Marketplace is the exclusive supplier for all items you must purchase through the Dogtopia

Marketplace ecommerce platform. Our affiliate Dogtopia Advertising is the exclusive administrator of the Brand Fund. We and our affiliates may generate revenues from these purchases. Neither we nor our affiliate is currently an approved supplier for any other source-restricted item. However, we may designate ourselves or our affiliate as an approved or designated supplier for other goods and services in the future. No other person affiliated with us is currently an approved (or the only approved) supplier. There are no approved or designated suppliers in which any of our officers owns an interest.

In some cases, we collect money from franchisees for payment to third-party suppliers (such as portions of the monthly technology fee we pay to third-party licensors). However, we are not the supplier of the goods or services provided by the third-party licensors.

We, our affiliate and our parent company may receive rebates from approved and designated suppliers ranging from 0.5% to 11% of the cost of the item purchased, or transaction amounts processed, as well as the following rebates:

- The licensor of a software program we discontinued in 2025 pays a rebate equal to $10 per franchisee per month. This rebate has been used to support the costs of development and integration of Dogtopia systems with the licensor's systems.

While we have no obligation to remit these rebates or payments to our franchisees or use them in any particular manner, we may reinvest these funds in the system for any purpose we deem appropriate.

Our total revenue during the fiscal year ended December 27, 2025 was $23,365,118. During that year, we received $1,806,356 in revenue as a result of purchases and leases made by franchised Centers and Company Stores, which represents 7.7% of our total revenues. These revenues are comprised by: (a) $0 in rebates and payments from third-party suppliers and distributors; (b) $1,603,056 in technology fees and digital marketing fees; and (c) $203,300 in Contact Center fees.

During the fiscal year ended December 27, 2025, our affiliate Dogtopia Marketplace received a total of $3,765,042 in revenue from: (a) purchases made by franchised Centers and Company Stores through Dogtopia Marketplace; and (b) rebates and payments from third party-suppliers and distributors. The source of this data is internally prepared reports prepared with the financial accounting software utilized by our affiliate.

During the fiscal year ended December 27, 2025, our parent, Dogtopia Enterprises, LLC, received a total of $727,153 in revenue from rebates and payments from third party-suppliers and distributors. The source of this data is audited financial statements for Dogtopia Enterprises, LLC.

During the fiscal year ended December 27, 2025, our affiliate Dogtopia Advertising received a total of $4,366,722 in contributions to the Brand Fund. The source of this data is internally prepared reports prepared with the financial accounting software utilized by our affiliate.

ITEM 9 FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement (FA), Area Development Agreement (ADA) and other agreements. It will help you find more detailed information about your obligations in these agreements and other items in this Disclosure Document.

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
a. Site selection and acquisition/lease	FA: 3.1, 3.2, 3.3, 7.2, 8.1 & 8.2	Item 7, Item 8 & Item 11
	ADA: 3.1, 3.2 & 4.3	
b. Pre-opening purchases/leases	FA: 7.2, 8.1, 8.2, 8.4, 11.2, 12.9, 12.11, 12.12 & 17.1	Item 5, Item 7, Item 8 & Item 11
	ADA: Not Applicable	
c. Site development and other pre-opening requirements	FA: 7.2 & 8	Item 6, Item 7 & Item 11
	ADA: 4.3	
d. Initial and ongoing training	FA: 5	Item 6 & Item 11

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
	ADA: Not Applicable	
e. Opening	FA: 8.5	Item 11
	ADA: 4.1	
f. Fees	FA: 4.2, 5.5, 6, 8.1, 8.6, 9.4, 11.1, 11.2, 11.3, 11.4, 12.12, 12.12(f), 12.13, 12.18, 15, 17.1, 18.2, 21.2 & 23.2	Item 5 & Item 6
	ADA: 4.1 & 5	
g. Compliance with standards and policies/Operating Standards Manual	FA: 7.1, 8.4, 11.3, 12 & 19.1	Item 11
	ADA: 4.3	
h. Trademarks and proprietary information	FA: 19	Item 13 & Item 13
	ADA: 2	
i. Restrictions on products/services offered	FA: 12.2	Item 16
	ADA: Not Applicable	
j. Warranty and client service requirements	FA: 12.16	Not Applicable
	ADA: Not Applicable	
k. Territorial development and sales quotas	FA: 13	Item 12
	ADA: 4.1	
l. Ongoing product/service purchases	FA: 12.9	Item 8
	ADA: Not Applicable	
m. Maintenance, appearance and remodeling requirements	FA: 12.10 & 12.13	Item 11
	ADA: Not Applicable	
n. Insurance	FA: 17.1	Item 6 & Item 7 & Item 8
	ADA: Not Applicable	
o. Advertising	FA: 11	Item 6, Item 7 & Item 11
	ADA: Not Applicable	
p. Indemnification	FA: 20	Item 6
	ADA: Not Applicable	
q. Owner's participation/ management/staffing	FA: 9	Item 11 & Item 15
	ADA: 7	
r. Records/reports	FA: 17.2 & 17.3	Item 6
	ADA: Not Applicable	
s. Inspections/audits	FA: 18	Item 6 & Item 11
	ADA: Not Applicable	
t. Transfer	FA: 21	Item 17
	ADA: 8	
u. Renewal	FA: 4	Item 17
	ADA: Not Applicable	
v. Post termination obligations	FA: 23	Item 17
	ADA: Not Applicable	
w. Non-competition covenants	FA: 16	Item 17
	ADA: Not Applicable	
x. Dispute resolution	FA: 24	Item 17

OBLIGATION	SECTIONS IN AGREEMENT	DISCLOSURE DOCUMENT ITEM
	ADA: 11	
y. Owner Agreement (brand protection covenants, transfer restrictions and financial assurance for owners and spouses)	FA: ATTACHMENT "C"	Item 15
	ADA: Not Applicable	

ITEM 10 FINANCING

We do not offer direct or indirect financing. We do not guarantee any of your notes, leases or obligations. Although we do not have any contracts with lenders to offer financing, lenders providing financing to our franchisees may, on occasion, pay us a fee as part of their standard financing program (1% of the loan amount). If we receive any fee from a lender, we will contribute that fee to the Dogtopia foundation, which is a 501(c)(3) charitable organization.

ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required to provide you with any assistance.

Before you open your Center, we will:

1. Provide access to the Manual which will help you establish and operate your Business. The Manual includes 448 pages. The Table of Contents is attached to this Disclosure Document as EXHIBIT "F". (§7.1 & 12.1)
2. Provide our written specifications for the goods and services you must purchase to develop, equip and operate your Center and a list of approved and/or designated suppliers for these goods and services. Our affiliate will sell you various items needed to develop your Center through Dogtopia Marketplace. Our affiliate arranges for delivery of items purchased through Dogtopia Marketplace. We do not deliver or install any other items you purchase. (§8.1, 12.1 & 12.9)
3. Assist you with selecting the site for your Center, as discussed below under *Site Selection*. (§3.1 & 7.2)
4. Provide certain site selection, market analysis and construction related assistance in conjunction with the Real Estate Company, Architect Company and Project Manager, as discussed below under *Site Selection* and *Site Development*. (§7.2 & 8.4)
5. Provide Consultation Services with respect to site selection, lease negotiation, design, construction and development of your Center. We do not directly provide or perform any of the site selection, lease negotiation, design, construction or development services. Rather, we consult with you on the process and coordinate with the various professionals with whom we contract and the professionals you separately hire. See Section below entitled *Site Development* for more information. (§3.1, 7.2 & 8.1)
6. Review the terms of your lease or purchase contract for compliance with our minimum brand standards, as discussed below under *Site Development*. (§8.2)
7. Set up your microsite and social media account, as discussed below under *Advertising*. (§11.2)
8. Provide your domain name (for your Center's microsite) and email accounts, as discussed below under *Computer System*. (§7.5 & 12.12(f))
9. Provide an initial training program, as discussed below under *Training.* (§5)

During the operation of your Center, we will:

1. Provide our guidance and recommendations to improve the operation of your Center. (§7.3)
2. Provide periodic training, as discussed below under *Training*. (§5)
3. Maintain a corporate website that will list all Dogtopia franchisees in good standing with us. We may modify

the content of and/or discontinue this website at any time in our sole discretion. (§7.5 & 11.3(g))

4. Manage and maintain your microsite and social media account and provide certain assistance with social media marketing, as discussed below under *Advertising*. (§11.2)

5. Administer the Brand Fund (currently administered by our affiliate Dogtopia Advertising), as discussed below under *Advertising*. (§11.1)

6. Provide you with our suggested retail pricing. To the extent permitted by applicable law, we may set maximum or minimum prices on the goods and services you sell. For example, if we establish a loyalty program (such as a membership or enrollment model) we may establish maximum or minimum prices for the program (or if permitted by applicable law, establish the specific prices for the program), which may be uniformly imposed on a national or regional basis, as determined by us in our sole discretion. (§12.5)

During the operation of your Center, we may, but need not:

1. Conduct periodic field visits to provide onsite consultation, assistance and guidance. (§7.4)

2. Offer and sell various items necessary for the development and operation of your Center through Dogtopia Marketplace or any other platform developed by us or our affiliate. (§12.9)

3. Implement, either directly or through a third-party provider, an optional managed lead engagement service (MLES) on a system-wide basis for purposes of responding to customer inquiries, engaging prospective pet parents, scheduling appointments and routing qualified leads to an appropriate Center in a timely and consistent manner. Once implemented, we may change or discontinue the services at any time. (§7.8)

4. Develop new merchandise or retail items for sale at Dogtopia Centers. (§7.7)

5. Negotiate purchase agreements with suppliers to allow you to purchase certain goods or services at discounted prices. We may also purchase items in bulk at discounted prices and resell them to you at cost plus shipping and a reasonable markup. (§7.6)

6. Conduct periodic conferences to discuss business and operational issues affecting DOGTOPIA® franchisees, including industry changes, new services and/or merchandise, marketing strategies and the like. (§6)

7. Create a franchise advisory council, as discussed below under *Advisory Council*. (§14)

8. Provide additional training or assistance you request, as discussed below under *Training*. (§5)

We do not provide area developers with any support under their ADA.

Training (§5)

We provide an initial training program for your Managing Owner and initial Designated Manager (defined in Item 15). You may send your other owners and assistant managers (if any) to training but it is not required.

Initial training includes a 1-day Orientation and 4 phases of training. The Orientation includes an introduction to the DOGTOPIA® team, an overview of the pre-opening process and a Brand Overview. The Orientation is conducted virtually through a platform of our choosing. The 4 phases of training include:

Phase 1: 5 days of high-level strategy, operations training, marketing training, other operational training, and interactive workshops conducted at our headquarters in Phoenix, Arizona (or, at our option, conducted remotely via Zoom) plus 8 hours of remotely-conducted online training.

Phase 2: 5 days of hands-on training at a DOGTOPIA® training facility covering a variety of subjects.

Phase 3: 5 additional days of training conducted remotely via Zoom classroom (or, at our option, conducted at our headquarters in Phoenix, Arizona) consisting of: (a) a review of lessons/experiences from the initial hands-on training; and (b) detailed training regarding operational and marketing matters to enable you to refine and complete your business plan.

Phase 4: 5 additional days of hands-on training at a DOGTOPIA® training facility covering a variety of subjects.

The various phases of training are conducted at separate times and are not necessarily conducted back-to-back. We may alter training so that our live training programs may be conducted virtually through webinars, video conference, or through any other method of communication we prescribe.

As of the issuance date of this Disclosure Document, we have 1 DOGTOPIA® training facility, which is a Company Store located in Scottsdale, Arizona. We may designate other Dogtopia Centers to serve as training facilities at any time. We periodically prepare and publish training schedules allowing you to select the facility and available training dates that best suit you.

Each phase of training includes a certain amount of preliminary online learning designed to give you an overview of the subjects that will be addressed. Online training is a "self-study" program you complete remotely prior to commencing the classroom or hands-on portion of training.

The Managing Owner and Designated Manager must graduate (i.e., successfully complete initial training to our satisfaction) at least 30 days before you open your Center. In order to "graduate" from training, the trainee must attend and complete all phases of training and pass the associated tests with a minimum score of 90%. The trainee must also demonstrate the necessary cultural understanding of our Noble Cause, Brand Manifesto and Dogtopia-isms. Any trainee that fails to graduate must complete additional training until he or she graduates. If your Managing Owner and/or Designated Manager fail to successfully graduate from training within the required period of time, we may terminate your Franchise Agreement.

Currently, we intend to offer the initial training program at least once a month assuming sufficient demand. The initial training program currently consists of the following:

TRAINING PROGRAM

ORIENTATION			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS ON THE JOB TRAINING**	**LOCATION**
Pre-Opening Process	3	0	Remotely Conducted
Brand Overview	3	0	Remotely Conducted
Total	6	0	

PHASE 1			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS ON THE JOB TRAINING**	**LOCATION**
Online Training	8	0	Remotely Conducted
Dogtopia Management Training	6	0	Remotely Conducted or Corporate Headquarters
Marketing Training	2	0	Remotely Conducted or Corporate Headquarters
IT Training	2	0	Remotely Conducted or Corporate Headquarters
Staffing Training	4	0	Remotely Conducted or Corporate Headquarters
Real Estate and Construction	1	0	Remotely Conducted or Corporate Headquarters
Business Planning	4	0	Remotely Conducted or Corporate Headquarters
Health and Safety	2	0	Remotely Conducted or Corporate Headquarters
Supplier Training	3.75	0	Remotely Conducted or Corporate Headquarters

PHASE 1			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS ON THE JOB TRAINING**	**LOCATION**
Operations Training	6	0	Remotely Conducted or Corporate Headquarters
Total	38.75	0	

PHASE 2			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS ON THE JOB TRAINING**	**LOCATION**
Online Training	12	0	Remotely Conducted
Dogtopia Playroom Training	0	13.5	Dogtopia training facility
Spa Training	0	2	Dogtopia training facility
Medication and Feeding	0	4	Dogtopia training facility
POS Training	0	6	Dogtopia training facility
Guest Interaction	0	2	Dogtopia training facility
Cleaning Protocols	0	6	Dogtopia training facility
Basic Operations	0	6.5	Dogtopia training facility
Total	12	40	

PHASE 3			
SUBJECT	**HOURS OF CLASSROOM TRAINING**	**HOURS ON THE JOB TRAINING**	**LOCATION**
Online Training	3	0	Remotely Conducted
Dogtopia Management Training	8.5	0	Remotely Conducted or Corporate Headquarters
Marketing Training	6	0	Remotely Conducted or Corporate Headquarters
Dogtopia Operations Training	8	0	Remotely Conducted or Corporate Headquarters
Staffing Training	2.5	0	Remotely Conducted or Corporate Headquarters
Real Estate and Construction	1.5	0	Remotely Conducted or Corporate Headquarters
IT Training	2	0	Remotely Conducted or Corporate Headquarters
Business Planning	2.25	0	Remotely Conducted or Corporate Headquarters
Health and Safety	3	0	Remotely Conducted or Corporate Headquarters
Customer Service Training	1.75	0	Remotely Conducted or Corporate Headquarters
Sales Training	2.75	0	Remotely Conducted or Corporate Headquarters
Total	41.25	0	

PHASE 4			
SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS ON THE JOB TRAINING	LOCATION
Online Training	3	0	Remotely Conducted
Dogtopia Playroom Training	0	6	Dogtopia training facility
Spa Training	0	2	Dogtopia training facility
Medication and Feeding	0	2	Dogtopia training facility
POS Training	0	15	Dogtopia training facility
Guest Interaction	0	6	Dogtopia training facility
Cleaning Protocols	0	2	Dogtopia training facility
Basic Operations	0	4	Dogtopia training facility
Management Training	0	3	Dogtopia training facility
Total	3	40	

Training Materials

The training materials consist of the Manual, proprietary tools, training syllabus, employee manual, new hire forms, procedural checklists, marketing collateral and Chart of Accounts. You will not be charged an additional fee for any training materials.

Supplier Training

As part of initial training, we may invite representatives from certain suppliers to provide training programs relating to the use or sale of the goods or services manufactured or provided by the supplier. We currently expect the following suppliers to provide training in conjunction with our initial training program:

SUPPLIER TRAINING PROGRAMS		
SUPPLIER	TOPIC	HOURS OF TRAINING
Crest Insurance	Insurance Matters	.75
MindWire Predictive Index	Behavioral Assessments	1.5
FedEx	Printing and Marketing Solutions	.75
PNC Bank	Financial Services	.5
Paylocity	Payroll Solutions	.5
Total		4.0

Instructors

Brett Letourneau, who is our Operations Training Manager, is in charge of our training program. He may provide training on numerous topics such as operations, staffing, IT, business planning, customer service, sales training, training expectations, employee engagement/culture and utilizing the Learning Management System (LMS). Mr. Letourneau has been with us for 10 years. He has a total of 18 years of experience in the field, including positions involving operations management, customer service and sales. Brett may be assisted by various other instructors who will have a minimum of 1 year of experience in the relevant field.

Ongoing Training

We may offer periodic refresher or supplemental training courses for your Managing Owner and management personnel (some of these programs may include training from suppliers). We may designate each course as mandatory or optional. Any new Managing Owner or Designated Manager you appoint or hire must successfully complete initial training prior to managing your Center. If we inspect your Center and determine you are not operating in compliance with the Franchise Agreement or Manual, we may require that your Managing Owner and management personnel attend remedial training relevant to the operational deficiencies we observed. You

may also request additional training, which we may (but need not) provide.

Training Fees and Costs

We provide our pre-opening initial training program at no additional charge for up to 3 individuals. We may charge you a $2,000 initial training fee for each additional person who attends initial training (either before or after opening) and any person who retakes training after failing a prior attempt. We may charge a training fee of up to $400 per person per day for each person who attends: (a) remedial training; (b) system-wide refresher or supplemental training (other than initial training); or (c) additional training you request. You must also reimburse our Travel Expenses for onsite training or assistance. You are responsible for all wages and Travel Expenses that you and your trainees incur for training. If you transfer your franchise, we may charge the new franchisee our then-current initial training fee for any initial training we provide.

Site Selection (§3.1, 3.2, 7.2 & 8.2)

Under our current model, Dogtopia Centers typically range in size from 4,000 to 6,000 square feet. You must locate and obtain our approval of the site for your Center.

If we approve your site before you sign the Franchise Agreement, we will list the address of your approved site in Part E of ATTACHMENT "A" to the Franchise Agreement. If we do not approve your site before you sign, then the site for your Center must be located within the defined geographic area we designate (your "Site Selection Area") and conform to our minimum site selection criteria.

If we agree upon your Site Selection Area before you sign the Franchise Agreement: (a) we will list your Site Selection Area in Part D of ATTACHMENT "A" to the Franchise Agreement; and (b) you must obtain our approval of your site and send us a fully-executed lease or purchase contract for the premises within 180 days after you sign the Franchise Agreement.

If we have not agreed upon your Site Selection Area before you sign the Franchise Agreement, we will identify an area in Part C of ATTACHMENT "A" to the Franchise Agreement (your "Territory Search Area") that will include multiple potential Site Selection Areas. You will have 30 days to select the Site Selection Area you want. Once you notify us of your choice, we will send you a written notice (the "Site Selection Area Notice") confirming your Site Selection Area. If you fail to notify us of your choice of Site Selection Area within the 30-day period, we may pick your Site Selection Area for you (and it will be identified in the Site Selection Area Notice we send to you). You will have 180 days after we send you the Site Selection Area Notice to obtain our approval of your site and send us a fully executed lease or purchase contract for your Center.

We do not select the site for your Center and we do not purchase the premises and lease it to you. However, we assist you in selecting a site by providing you with a demographic analysis of your Site Selection Area as part of the Consultation Services. We partner with real estate brokers who specialize in retail leasing and are well-versed in our specific use and assist you in identifying and evaluating potential sites. You may also engage additional real estate professionals of your choosing who would work in conjunction with, and report to, our Head of Store Development. Although the real estate brokers, in collaboration with our Store Development team, will assist you in identifying potential sites, you retain ultimate responsibility for selecting the site, subject to our approval.

If you choose to purchase the property, our Consultation Services and site development assistance do not include determining whether a property is suitable for ownership, investment, or development, nor do we undertake any responsibility for identifying defects, code issues or other conditions that may affect the cost, feasibility or timeline of developing the property into a Dogtopia Center. You remain solely responsible for engaging qualified professionals to evaluate the property and for all costs associated with acquiring, remediating or improving the property to meet applicable laws and System standards.

You must send us a complete site report that includes all information we require about your proposed site. In reviewing sites, we consider factors such as: geographical boundaries; demographics; household income; population density; age; dog ownership; traffic/trip count; daytime population; competition; housing density; and urban, industrial and rural characteristics. We may accept or reject proposed sites in our commercially reasonable judgment. We use best efforts to approve or disapprove proposed sites within 30 days after we receive all requisite materials. Your site is deemed disapproved if we do not issue our approval within the 30-day period. Approval

only means we believe the site meets our minimum criteria. It is not a representation that the site will be successful.

Within 5 business days after we approve your site, we will send you a written notice (the "Site Approval Notice") that identifies the address of the approved site for your Center.

We must review and approve your lease or purchase contract before you sign it to ensure the terms are consistent with our minimum brand standards. You may use our preferred commercial leasing attorney to review and negotiate your lease, in which case we cover the associated legal fee. You must engage a real estate attorney of your choosing to advise and assist you with obtaining any necessary special use permits or zoning variances (our commercial leasing attorney does not assist with these matters). If you lease the premises, you must use best efforts to ensure your landlord signs our prescribed form of Lease Addendum. If your landlord refuses to do so we may waive the Lease Addendum requirement (or the provisions disapproved by the landlord) or require you to find a new site for your Center.

If you fail to obtain our approval of your site and send us the fully-executed lease or purchase contract within the applicable time period listed above, we may terminate your Franchise Agreement.

If you sign an ADA, we must approve the site for each Center applying our then-current site selection criteria.

Site Development (§7.2, 8.1, 8.4, 8.6 & 12.13)

In consideration of the REAFC Fee, we provide certain Consultation Services relating to: site selection; lease negotiation; and the design, construction and development of your Center. As part of the Consultation Services we may either:

(a) use our in-house personnel to monitor the development and construction of your Center and coordinate with the various contractors and other professionals involved in the process;

(b) contract with a supplier to provide these services (we contract with the supplier under this option); or

(c) require you to contract with a supplier we designate to provide these services.

The company that provides these services (either us or a third-party supplier) is the "Project Manager". Currently, we are the only person that serves as the Project Manager. At no additional cost to you, we may use third parties or contracted resources to perform certain project management functions on our behalf. A portion of the Real Estate and Facility Coordinate Fee compensates us for the services we provide as the Project Manager. You must separately contract with certain professional service providers, such as architects, attorneys, general contractors, etc. With the exception of our recommended commercial leasing attorney and Project Manager, the cost to engage these professionals is separate and not included in the REAFC Fee.

We provide you with prototype plans for a Dogtopia Center, including exterior and interior design and layout and required fixtures, equipment, décor and signage. You must contract with the Architect Company to modify and adapt these plans to conform to your premises and ensure compliance with local ordinances, building codes, permits requirements, M.E.P. requirements and lease terms. You must send us the final plans for approval. The Architect Company and our other approved or designated suppliers will help you procure all zoning classifications and clearances, special use permits, building permits, utility permits, signage permits, health permits and business permits and/or licenses that are necessary to develop, open and operate your Center at the approved site. We also assist and advise you regarding special use and conditional use permitting strategies and support your efforts to obtain appropriate permitting for your location (you must separately hire an attorney to assist you with these matters as well). As part of the contracted for services, the Architect Company will also prepare a site survey, site investigation report and schematic design for each site you propose.

After we approve the final construction plans, you must hire an approved general contractor to construct and equip the premises to the specifications contained in the approved final plans. The Project Manager will oversee, manage and coordinate the buildout and development of your facility. At least 14 days before opening, you must:

- purchase and install all signs, furniture, fixtures and equipment
- establish broadband or high-speed Internet access

- purchase and install the webcam system we require with cameras located in compliance with our specifications

You must complete construction within 180 days after you sign a lease or purchase contract for your site (or 180 days after you sign the Franchise Agreement if you control the site when the Franchise Agreement is signed). We must approve the build-out and layout of your facility before you open. We may require that you periodically remodel and renovate your Center to conform to our then-current standards and specifications. There is no limit to the cost of these obligations. However, we will not require you to significantly remodel your Center more than once during any 10-year period except as a condition to renewal or Transfer. You may not remodel or renovate your Center without our prior approval.

Advertising (§7.5, 11 & 12.12)

You must participate at your own expense in all advertising, promotional and marketing programs we require.

Our Advertising Obligations

We have no obligation to conduct advertising for the franchise system. However, we may periodically create advertising and marketing materials for your use. We may: (a) use the Brand Fund to pay for the creation and distribution of these materials, in which case is no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; or (c) contract with third-party suppliers to create advertising or marketing materials that you may purchase.

We set up and manage your microsite (i.e. your local website page linked to our company website) and your social media account. You pay us a one-time $700 setup fee for establishing your microsite and social media account when your microsite launches. Each month thereafter, you pay us a digital marketing fee of up to $275 per month (currently $125 per month), which we utilize to maintain, manage and update your microsite and social media account (or any successor platform(s) we designate) and provide other related website and social media services, such as social media posting, monitoring, mobile app improvements, development of creative campaigns and new website features, hosting and maintenance of website, app and social media accounts, local digital marketing campaigns, etc. Some of these services may benefit the System as a whole and do not directly benefit your Center.

Grand Opening Marketing

Prior to opening, you must spend at least $15,000 (or $5,000 if you are a Conversion Franchisee) on your grand opening marketing activities, including digital advertising, guerilla marketing and public relations. We may specify a grand opening marketing program that you must follow.

Post-Opening Marketing

After opening, you must spend at least 2% of Gross Sales (i.e., your Local Marketing Commitment) on local advertising. During the first 6 months after opening, we recommend you spend at least $3,000 per month (if 2% of Gross Sales is less than $3,000) on local advertising. Brand fund fees and grand opening marketing expenditures are not credited towards your Local Marketing Commitment. However, cooperative advertising fees (if imposed) are credited towards your Local Marketing Commitment. You may develop your own advertising and marketing materials and programs, provided we approve them in advance. We must also approve the media you intend to use. You may not use any advertising materials, programs or media that we have not approved.

Websites, Social Media and Digital Advertising

We maintain a corporate website for the Dogtopia brand that lists all Dogtopia Centers in good standing with us. We may modify the content of and/or discontinue this website at any time in our sole discretion. In exchange for the digital marketing fee, we set up and manage your Center's microsite and provide certain social media services. We will own your microsite and domain name. You can market your Center through approved social media channels subject to the following requirements:

- you may only conduct social media utilizing the social media platforms that we approve
- you must strictly comply with our social media policy (as revised from time to time)
- you must immediately remove any post we disapprove (even if it complies with our social media policy)

- we may require that you contract with and utilize a social media company we designate
- you must provide us with full administrator rights to your social media accounts
- we must retain ownership of all social media accounts relating to your Center

Except as otherwise provided above regarding your microsite and social media marketing, you may not: (a) develop, host, or otherwise maintain a website (or other digital presence) bearing our Marks; (b) conduct digital or online advertising; or (c) engage in ecommerce.

Gift Card and Loyalty Programs

We may require that you participate in a gift card or other customer loyalty program (including utilization of a "membership" or "enrollment" model) in accordance with our policies and procedures. In order to participate, you may be required to purchase additional equipment, software and/or Apps and pay fees relating to the use of that equipment, software and/or Apps. We have the right to determine how proceeds from gift card sales or membership/enrollment fees are divided or otherwise accounted for and we may retain proceeds from unredeemed gift cards. You must follow all policies we establish for gift card and/or loyalty programs.

Advertising Cooperatives

We may, but need not, establish regional advertising cooperatives for purposes of pooling advertising funds to be used in discrete regions. We will determine the boundaries of the cooperative, which usually coincide with zip codes, designated marketing areas or municipal boundaries. If your Center is located in a region subject to an advertising cooperative you must: (a) participate in the cooperative according to its rules and procedures and abide by its decisions; and (b) pay a cooperative advertising fee. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the fee will not exceed 2% of Gross Sales. All cooperative advertising fees you pay are credited against your Local Marketing Commitment. Company Stores that are located in cooperatives contribute on the same basis as franchisees.

We specify the manner in which the cooperative is organized and governed. We may administer the cooperative ourselves. Or we may establish an advertising council, comprised by the cooperative's members, to administer the cooperative. We may require that cooperatives operate in accordance with written bylaws, organizational documents or other governing documents we approve. Advertising cooperatives are not required to prepare annual or periodic financial statements. Any financial statements that are prepared will be made available to you upon request. We reserve the right to form, change, merge or terminate advertising cooperatives at any time. No advertising cooperatives were in effect on December 31, 2025.

Brand and System Development Fund

We established, and our affiliate Dogtopia Advertising currently administers, the Brand Fund to promote public awareness of our brand and improve our System. Dogtopia Advertising may use the Brand Fund to pay for any of the following in its discretion:

- developing, distributing or administering advertising and marketing materials and programs
- conducting and administering promotions, contests or giveaways
- public and consumer relations and publicity
- brand development
- sponsorships and charitable and nonprofit donations and events
- research and development of technology, products and services
- website development, mobile app development and search engine optimization
- development, maintenance and promotion of an ecommerce platform
- development and implementation of quality control programs
- conducting market research
- reimbursing us for costs we incur to host franchisee conferences

- changes and improvements to the System
- fees and expenses charged by advertising agencies we engage to provide marketing services
- collecting and accounting for brand fund fees and preparing financial accountings of the Brand Fund
- any other programs or activities we deem appropriate to promote or improve the System
- reimbursing us for administrative, overhead and other expenses we incur to administer the Brand Fund, including compensation paid to our personnel for time spent working on Brand Fund matters

Dogtopia Advertising directs and has complete control and discretion over all advertising programs paid for by the Brand Fund, including the creative concepts, content, materials, endorsements, frequency, placement and media used for the programs. The Brand Fund will not be used to pay for advertisements principally directed at selling additional franchises, although consumer advertising may include notations such as "franchises available" and one or more pages on our website may promote the franchise opportunity.

You must pay the brand fund fee we specify from time to time (currently 2% of Gross Sales, but not to exceed 3% of Gross Sales). We deposit all brand fund fees and noncompliance fees into the Brand Fund. Company Stores contribute to the fund on the same basis as franchisees. However, if we modify the amount or timing of required contributions, any Company Store that is opened or acquired after the modification may contribute to the Brand Fund utilizing the modified amount or timing. Except for brand fund fees paid by Company Stores, we have no obligation to expend our own funds or resources for any marketing activities in your area.

All monies deposited into the Brand Fund that are not used in the fiscal year in which they accrue will be used in a subsequent year. Any surplus of monies may be invested and we or our affiliate may lend money if there is a deficit. An unaudited financial accounting of Brand Fund contributions and expenditures will be prepared within 90 days after the close of our fiscal year and made available to you upon request. During the fiscal year ended December 27, 2025, Dogtopia Advertising spent the marketing funds in the following manner:

Allocation of Marketing Expenditures (2025)				
Use of Funds	**Production**	**Media Placement**	**Administrative Expenses**	**Other***
Percentage Allocation	10%	30%	20%	40%

* "Other" includes website/App enhancements, brand partnerships/licensing and subscription services for services such as Salesforce Marketing Suite, Wochit, Listen 360, Constant Contact and CallCap.

The Brand Fund is not a trust. Neither we nor Dogtopia Advertising have any fiduciary obligations or liability to you with respect to the administration of the Brand Fund. We may discontinue the Brand Fund on 30 days' notice.

Advisory Council (§14)

We created The Dogtopia Franchisee Commission (DFC), which is a franchise advisory council that provides us with suggestions to improve the System including matters such as marketing, operations and new product or service suggestions. We consider DFC suggestions in good faith but are not be bound by them. DFC has been established and operates according to rules and regulations we periodically approve, including procedures governing the selection of DFC's members. Currently, DFC's members are elected by franchisees in accordance with the DFC Charter. Company Stores are not eligible to be council members. Each member has 1 vote on matters on which members are authorized to vote. We may change, suspend or dissolve DFC at any time in our discretion.

Computer System (§7.5, 12.10, 12.12, 17.3 & 18.1)

You must purchase and use all Technology Systems we designate, including a "computer system" that consists of the following: (a) 1 to 2 computers with monitor, keyboard and mouse; (b) several handheld devices (such as iPads); (c) Dogtopia Hub (Salesforce) and Dogtopia App; and (d) printer. We may change the components of the Technology Systems from time to time, including your computer system.

Technology Packages

You must purchase a technology package from us. You must purchase our Standard Package beginning when you sign the Franchise Agreement. Our Standard Package includes: 5 Microsoft licenses (including 5 Dogtopia email addresses); 1 registered domain name (for your Center's microsite); a license to our Learning Management System (LMS); and various Salesforce licenses for "Dogtopia Hub". Once your Center opens, you have the option (but not the obligation) to purchase any (or all) of our 3 optional technology package upgrades (i.e., Salesforce Add-On, Email Add-On and Power BI). The table below lists the various technology packages, including the items included and the associated technology fee.

Tech Packages	Items Included	Required/Optional	Tech Fee*
Standard Package	5 Microsoft Office 365 Licenses (includes 5 Dogtopia Email Addresses) 1 Registered Domain Name (for microsite) License to our Learning Management System 6 Salesforce Sales Cloud Licenses 2 Salesforce Digital Engagement Licenses 1 Salesforce Partner Community Member License 30 Salesforce Partner Community Pooled Licenses	Required	$250 per month (pre-opening) $899 per month (post-opening)
Salesforce Add-On Package	2 Salesforce Sales Cloud Licenses 6 Salesforce Digital Engagement Licenses 2 Salesforce Partner Community Member Licenses 20 Salesforce Partner Community Pooled Licenses	Optional	$100 per month
Email Add-On Package	5 Additional Dogtopia Email Addresses	Optional	$75 per month
Power BI Package	2 BI Licenses "Top 10" Power BIs	Optional	$100 per month

* Our technology packages and technology fee are subject to change from time to time. We will list our current technology package(s) and technology fee in the Manual. We will notify you of any increase to the technology fee at least 60 days before the increased fee goes into effect, but it will not exceed the cap listed in Item 6.

How Computer System is Used

The computer system is used to record sales, process credit card transactions, prepare financial reports, prepare financial statements, manage customer relationships, manage orders, communicate with us, staff members and pet parents, view daily metrics pertaining to the operation of your Center and access LMS.

You must exclusively use the email addresses we provide for all communications with us, pet parents, suppliers and other persons relating to your Business. You may not use any other email address to conduct Dogtopia business, including equity groups, related business entities or personal email addresses. You may not use any email address we provide for any purpose unrelated to your Business. We will own the Dogtopia email addresses and accounts but allow you to use them during the term of your Franchise Agreement.

Fees and Costs

We estimate the initial cost to purchase your computer system hardware will range from $1,000 to $4,000.

As further detailed in Item 6, you pay us a technology fee for certain software, technology and related services we provide. The technology fee for our Standard Package is $250 per month ($3,000 per year) prior to opening and $899 per month ($10,788 per year) after opening. The technology fee for each of our optional technology package upgrades is: (a) $100 per month ($1,200 per year) for the Salesforce Add-On Package; (b) $75 per month ($900 per year) for the Email Add-On Package; and (c) $100 per month ($1,200 per year) for the Power BI Package. We can change the amount of the technology fee (subject to the fee cap in Item 6) based on changes to: the technology we provide; the features associated with the technology; or the prices charged by third-party licensors relating to

technology included in the package. We will notify you at least 60 days prior to any technology fee increase.

Maintenance, Support, Updates and Upgrades

We (or our designee) will provide all required maintenance, support, upgrades and updates for Dogtopia Hub and the Dogtopia App. In exchange for the monthly technology fee, the licensor of Salesforce provides any required maintenance or updates.

Except as otherwise disclosed above: (a) neither we nor any other party has any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system; and (b) we are not aware of any optional or required maintenance, updating, upgrading or support contracts relating to your computer system.

Collection and Sharing of Data

Your computer system will collect sales data, data regarding pet parents and their dogs, and business operations data. This information will be stored in the cloud, but not on your computer. We have independent unlimited access to all cloud-based data collected through your computer system and there are no contractual limits imposed on our access.

Computer System Maintenance and Changes

You must maintain the computer system in good condition at your cost. We may require that you upgrade, update or otherwise change your computer system and other Technology Systems to conform to our then-current specifications. There is no contractual limitation on the frequency or cost of these updates, upgrades or changes.

Opening Requirements (§8.5)

We expect most Non-Conversion Franchisees will open 7 to 12 months after signing the Franchise Agreement. We expect most Conversion Franchisees will complete the conversion process and commence operating under our Marks 3 to 6 months after signing the Franchise Agreement. Factors that may affect this time include:

- the amount of time needed to find an approved site
- protracted lease negotiations with the landlord
- the amount of time needed to secure financing, insurance, licenses and permits (including, when needed, special use permits or zoning variances)
- the amount of time needed to comply with zoning restrictions and environmental regulations
- the condition of the building and extent of required upgrades, remodeling and renovations
- construction delays due to labor or materials shortages, inclement weather or other reasons
- delayed delivery or installation of equipment and fixtures
- the amount of time needed to comply with zoning requirements and other laws and regulations
- the amount of time needed to hire staff and complete training

You may not open your Center prior to receipt of our written authorization to open. Unless we agree to the contrary, you must open your Center to the public within 1 year after signing the Franchise Agreement. We may terminate the Franchise Agreement if you fail to open by this deadline.

Approximately 90 days prior to the physical opening of your Center, you will have a "virtual store opening" through the launch of your Center's microsite, which will be fully capable of processing e-commerce transactions.

ITEM 12 TERRITORY

You will not receive an exclusive territory or development territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Location of Your Center

Each Franchise Agreement grants you the right to operate one Dogtopia Center at the site we approve. You must

identify a site for your Center within a designated Site Selection Area.

You may relocate your Center with our prior written approval, which we will not unreasonably withhold. If we allow you to relocate you must: (a) obtain our approval of the new site for your Center within your designated Territory (or within any other area we approve); (b) comply with our then-current site selection and development requirements; (c) remove trade dress and alter the premises of the closed (i.e., former) Center to eliminate any resemblance to a Dogtopia Center; (d) pay us our then-current relocation fee and any other fees we impose for assistance provided by us and/or our designated or approved suppliers relating to site selection, design, planning and construction of your new Center; and (e) open your Center at the new site and resume operations within 30 days* after closing your Center at the former site. We may change your Territory if you relocate to a new site.

* If your Center is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, you will instead have 120 days to relocate and resume operations at the new site.

Site Selection Area

Your Center must be located within the Site Selection Area (which is a larger area than a territory under a Franchise Agreement but is only capable of supporting 1 Center). The process for determining your Site Selection Area is described in Item 11 in the Section entitled *Site Selection*. Once your Site Selection Area is determined, you have 180 days to find an approved site and secure a fully executed lease or purchase contract.

Territory Search Area

If your Site Selection Area is undetermined when you sign the Franchise Agreement, you must choose from one of multiple proposed Site Selections Areas within the Territory Search Area described in Item 11 (or we will choose for you if you fail to make your selection within 30 days).

Description of Territory (Franchise Agreement)

You receive a protected territory (your "Territory") that we determine in the following manner:

- If there are less than 25,000 Core Profile Individuals that reside and/or work within a 3-mile radius from your Center, your Territory will include the area within a 3-mile radius from the approved site for your Center.
- If there are more than 25,000 Core Profile Individuals that reside and/or work within a 3-mile radius from your Center, your Territory will include an area we designate that includes at least 25,000 Core Profile Individuals that reside and/or work in the area. Under this scenario, we may designate the boundaries of your Territory in any manner we desire, such as by radius (which may be less than 3 miles), area codes, municipal boundaries, streets, polygons or any other method we deem appropriate.

A "Core Profile Individual" is an individual that meets certain criteria or characteristics we establish from time to time that we have found indicate a person is more likely to become a DOGTOPIA® customer. We may change the criteria and/or characteristics that define a Core Profile Individual at any time in our sole discretion, provided that we uniformly apply the change for purposes of designating franchised territories. We may use any demographic software, census, database or other data repository we designate for purposes of determining the number of Core Profile Individuals within an area. A single "Core Profile Individual" may be counted twice if such person both works and resides within the same area. We consider the characteristics that determine a "Core Profile Individual" to be a trade secret.

If we approve your site before you sign the Franchise Agreement, your Territory will be identified in Part F of ATTACHMENT "A" to your Franchise Agreement. If we do not approve your site before you sign the Franchise Agreement, we will send you a written notice designating the boundaries of your Territory within 15 days after you send us a fully executed copy of the lease or purchase contract for the premises for your Dogtopia Center.

Description of Development Territory (ADA)

If you sign an ADA, you receive a protected development territory (your "Development Territory"), which typically consists of a geographic area that coincides with the boundaries of a municipality, such as a city, county or state. The minimum number of Core Profile Individuals in your Development Territory will be equal to or greater than 25,000 multiplied by the total number of Centers you commit to develop pursuant to the ADA. For

example, if you commit to develop 10 Centers your Development Territory will include a minimum of 250,000 Core Profile Individuals (25,000 X 10).

You must sign a separate Franchise Agreement for each Center you develop. Each Center must be located in the Development Territory. You may only develop Centers at sites we approve under the Franchise Agreements according to our then-current site selection criteria.

Development Territory Search Area

If your Development Territory is undetermined when you sign the ADA, we will designate a geographic area in Part F of ATTACHMENT "A" to your ADA (your "Development Territory Search Area") that includes multiple potential development territories you can choose from. You must choose your Development Territory within 60 days after signing the ADA. If you fail to do so, we may (but need not) choose your Development Territory for you. Within 5 business days after we receive your notice of election of Development Territory, we will send you a written Development Territory Notice that will identify the boundaries of your Development Territory.

If we designate your Development Territory before you sign the ADA, your Development Territory will be identified in Part E of ATTACHMENT "A" to your ADA. If we do not designate your Development Territory before you sign the ADA, we will send you a written notice designating the boundaries of your Development Territory within 5 business days after your Development Territory is selected.

Territorial Rights and Protections

The Franchise Agreement provides you with the following territorial protections:

Territory Search Area

You have no territorial rights or protections to your Territory Search Area. The only territorial protections are those that attach to your Site Selection Area (for the limited period of time described below) and ultimately your Territory (for the term of your Franchise Agreement).

Site Selection Area

The Franchise Agreement grants you certain territorial protections for the Site Selection Area during the period of time beginning with the date your Site Selection Area is determined and ending upon the earlier of (a) 30 days after you sign the Franchise Agreement or (b) the date we designate the boundaries of your Territory (the "Site Selection Area Protection Period"). During the Site Selection Area Protection Period we will not develop or operate, or license a third party to develop or operate, another Dogtopia Center located in the Site Selection Area except as otherwise provided below with respect to Captive Venues and Acquisitions. After the Site Selection Area Protection Period expires, you have no territorial rights or protections to any area that is within the Site Selection Area but outside your assigned Territory.

Territory

During the term of your Franchise Agreement we will not develop or operate, or license a third party to develop or operate, another Dogtopia Center in your Territory except as otherwise provided below with respect to Captive Venues, Acquisitions and the potential subdivision of your Territory.

The ADA provides you with the following territorial protections:

Development Territory Search Area

The ADA grants you certain territorial protections for the Development Territory Search Area (if applicable) during the period of time beginning with the date you sign the ADA and ending upon the earlier of (a) 60 days after you sign the ADA or (b) the date we designate the boundaries of your Development Territory (the "Development Territory Search Area Protection Period"). During the Development Territory Search Area Protection Period we will not (a) develop or operate, or license a third party to develop or operate, another Dogtopia Center in the Development Territory Search Area or (b) grant a development territory to any other person that is located in the Development Territory Search Area, except as otherwise provided below with respect to Captive Venues and Acquisitions. After the Development Territory Search Area Protection Period expires, you

have no territorial rights or protections to any area that is within the Development Territory Search Area but outside your assigned Development Territory.

Development Territory

During the term of the ADA we will not develop or operate, or license a third party to develop or operate, another Dogtopia Center located in your Development Territory other than (a) any Dogtopia Center located in your Development Territory when you sign the ADA (either open, under construction or for which a Franchise Agreement has been signed) and (b) as otherwise permitted below with respect to Captive Venues, Acquisitions and the potential subdivision of your Development Territory.

Limitations on Territorial Protections

The territorial rights and protections described above are subject to the limitations and reservation of rights described below.

Captive Venues

We reserve the right to develop and operate, and license third parties to develop and operate, Dogtopia Centers that are located in Captive Venues, including Captive Venues located within your Site Selection Area, Territory, Development Territory Search Area and/or Development Territory. A "Captive Venue" means a non-traditional outlet for a Dogtopia Center that is located within, or is a part of, another establishment or facility that consumers may visit for a purpose unrelated to the Dogtopia Center. Examples include Dogtopia Centers located in:

- hotels and apartment complexes
- corporate campuses and office buildings (i.e., a Dogtopia Center located within another business facility to offer Dogtopia services and products to the employees of such business)
- college campuses or universities
- airports, bus stations and train stations
- co-branded facilities
- fitness facilities
- stadiums or sporting arenas
- shopping malls
- other similar types of establishments or new concept locations

Acquisitions

We reserve the right to acquire (or be acquired by) another company or system that sells goods or services the same as or similar to the goods or services sold by Dogtopia Centers, and the outlets of the acquired or acquiring company may be converted into Dogtopia Centers even if located in your Site Selection Area, Territory, Development Territory Search Area and/or Development Territory (an "Acquisition").

Subdivision of Territory

We reserve the right to subdivide your Territory into multiple franchised territories if the total number of Core Profile Individuals in your Territory equals or exceeds 65,000 and we determine, in our sole discretion, that your original Territory can support 1 or more additional Dogtopia Centers. To exercise our option we must: (a) provide you with a written notice of our election to subdivide your Territory (the "Notice of Territory Subdivision") at least 30 days before we subdivide your Territory; and (b) include within the Notice of Territory Subdivision a description of the boundaries of your new Territory (which will include at least 25,000 Core Profile Individuals) and a description of the boundaries of the new territory or territories that will become available for further development (each, an "Option Territory"). Each Option Territory may either: (a) consist of a geographic area that was entirely within your original Territory; or (b) consist of a geographic area that was partially within your original Territory and partially outside your original Territory. Each Option Territory will include at least 25,000 Core Profile Individuals. Effective 30 days after the date of the Notice of Territory Subdivision (the "Territory

Amendment Date"), the Franchise Agreement will be automatically amended to delete the original Territory description and substitute the new Territory description set forth in the Notice of Territory Subdivision.

During the period of time between the issuance of the Notice of Territory Subdivision and the Territory Amendment Date (the "Option Period"), you have the exclusive option to acquire franchise development rights to each Option Territory. To exercise your option you must: (a) be in compliance with the Franchise Agreement and all other agreements with us and our affiliates; and (b) follow all of the steps required by §3.7 of the Franchise Agreement, including notifying us in a timely manner, signing our then-current form of Franchise Agreement and paying our then-current initial franchise fee. If your Territory is divided into multiple Option Territories, you may exercise your option to either purchase all of the Option Territories or only some of them.

If you do not exercise your option for a given Option Territory, we have the right to develop and operate, or license a third party to develop and operate, a Dogtopia Center within the Option Territory at any time after the Territory Amendment Date. After the Territory Amendment Date, you have no territorial rights or protections relating to any Option Territory for which you and we have not executed a Franchise Agreement.

Subdivision of Development Territory

We reserve the right to subdivide your Development Territory into multiple territories if the total number of Core Profile Individuals in your Development Territory increases by at least 15,000 and we determine, in our sole discretion, that your original Development Territory can support more Dogtopia Centers than you are required to develop under your ADA. To exercise our option we must: (a) provide you with a written notice of our election to subdivide your Development Territory (the "Notice of Development Territory Subdivision") at least 30 days before we subdivide your Development Territory; and (b) include within the Notice of Development Territory Subdivision a description of the boundaries of each franchise territory (each of which will include at least 25,000 Core Profile Individuals). Within 30 days after the date of Notice of Development Territory Subdivision, you must select a franchise territory for each Dogtopia Center that remains to be developed under the ADA. If you fail to notify us of your selections before the end of this 30-day period, we will select your franchise territories in our sole discretion and notify you in writing of the franchise territories we selected for you. Each franchise territory not retained by you is an "Option Territory". Each Option Territory may either: (a) consist of a geographic area that was entirely within your original Development Territory; or (b) consist of a geographic area that was partially within your original Development Territory and partially outside your original Development Territory. Each Option Territory will include at least 25,000 Core Profile Individuals. At the time you or we, as applicable, select the franchise territories you will retain and develop (the "Development Territory Amendment Date"), the ADA will be automatically amended to delete the original Development Territory description and substitute the geographic area comprised by your original Development Territory but excluding each Option Territory.

During the period of time between the issuance of the Notice of Development Territory Subdivision and the Development Territory Amendment Date (the "Option Period"), you have the exclusive option to acquire franchise development rights to each Option Territory. To exercise your option you must: (a) be in compliance with the ADA, all Franchise Agreements and all other agreements with us and our affiliates; and (b) follow all of the steps required by §3.6 of the ADA, including notifying us in a timely manner, signing our then-current form of Franchise Agreement and paying us our then-current initial franchise fee. If there are multiple Option Territories, you may exercise your option to either purchase all of the Option Territories or only some of them. Any Center you develop in an Option Territory will not be counted for purposes of determining compliance with your development schedule.

If you do not exercise your option for a given Option Territory, we may develop and operate, or license a third party to develop and operate, a Dogtopia Center within the Option Territory at any time after the Development Territory Amendment Date. After the Development Territory Amendment Date, you have no territorial rights or protections relating to any Option Territory for which you and we have not signed a Franchise Agreement.

Alternative Channels of Distribution

We reserve the right to sell, and license others to sell, competitive or identical goods or services (including under our Marks or different trademarks) through Alternative Channels of Distribution. An "Alternative Channel of Distribution" means any channel of distribution other than retail sales made to customers while present at a

Dogtopia Center. Examples include: (a) sales through direct marketing, such as over the Internet or through catalogs or telemarketing; (b) sales through retail stores that do not operate under the Marks, such as pet stores, convenience stores or department stores; and (c) sales made at wholesale. We may sell, and license third parties to sell, competitive or identical goods or services through Alternative Channels of Distribution (whether under the Marks or different trademarks) anywhere in your Site Selection Area, Territory, Development Territory Search Area and/or Development Territory. You are not entitled to any compensation for sales that take place through Alternative Channels of Distribution.

Restrictions on Your Sales and Marketing Activities

You may not market or sell through Alternative Channels of Distribution (such as the Internet, catalog sales, telemarketing or other direct marketing) either inside or outside your Territory or Development Territory (excluding marketing of your Center through the microsite we provide). However, you can promote your Center through approved social media sites subject to the restrictions described in Item 11 under *Websites, Social Media and Digital Advertising*.

You can market and advertise outside your Territory as long as: (a) you do not use any domain names, social media accounts or directory listings related to areas outside your Territory; (b) you comply with all policies and procedures in the Manual governing extra-territorial marketing; and (c) you do not engage in targeted marketing directed into a territory or development territory assigned to us, our affiliate or another franchisee (except as otherwise noted below).

You may not engage in targeted marketing directed into a territory or development territory assigned to us, our affiliate or another franchisee unless: (a) the marketing is conducted as part of an advertising cooperative that includes the affected territory; or (b) we, our affiliate or the other franchisee, as applicable, provide written consent to the marketing. Marketing that is distributed, circulated or received both within your Territory and another territory is not "targeted marketing" if: (a) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (b) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in a territory assigned to us, our affiliate, or another franchisee. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual,. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and setting up promotional events that take place in a given territory.

You must comply with any minimum advertised pricing policy we establish.

There are no other restrictions on your right to solicit customers from inside or outside your Territory or Development Territory.

Minimum Performance Requirements

Under the Franchise Agreement, you must generate the following minimum Gross Sales during each 12-month measuring period after your opening date:

Measuring Period (Months after Opening)	Minimum Gross Sales*
0 through 12th month	$250,000
13th through 24th month	$400,000
25th through 36th month	$500,000
Each subsequent 12-month period	$600,000

* The minimum Gross Sales are non-cumulative from measuring period to measuring period.

If you fail to meet these minimum Gross Sales requirements, we may either (a) terminate the Franchise Agreement or (b) modify or eliminate your Territory and/or the territorial protections granted to you.

If you sign an ADA and fail to satisfy your development schedule by opening and operating the prescribed number of Dogtopia Centers within the required period of time, we may terminate your ADA and you will lose the

territorial protections associated with your Development Territory.

Additional Territories and Franchises

As discussed above, you are granted an option to purchase any Option Territory resulting from the subdivision of your Territory or Development Territory. If you sign an ADA, you are granted the right and obligation to develop multiple Dogtopia Centers within your Development Territory. You are not granted any other options, rights of first refusal or similar rights to acquire additional territories or franchises.

Competitive Businesses Under Different Marks

Neither we nor our affiliates currently intend to operate or franchise another business under a different trademark that sells products or services similar to those sold by a Dogtopia Center, but we reserve the right to do so.

ITEM 13 TRADEMARKS

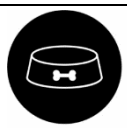
Our affiliate, Trusted Authority, owns the following trademarks that have been registered with the United States Patent and Trademark Office (USPTO):

REGISTERED MARKS			
Mark	**Registration Number**	**Registration Date (Renewal Date)**	**Register (Principal or Supplemental)**
DOGTOPIA	4857442	November 24, 2015 (March 13, 2021)	Principal
THE HAPPY PUP	3410450	April 8, 2008 (October 17, 2018)	Principal
BEST FURRY FRIENDS FOREVER	5117626*	January 10, 2017 (July 3, 2023)	Principal
BFFF	5117629*	January 10, 2017 (July 3, 2023)	Principal
IT'S THE MOST EXCITING DAY EVER!	5399305	February 13, 2018 (August 30, 2024)	Principal
SHOWING THE DOGS LOVE SINCE 2002	5538169	August 14, 2018 (January 8, 2025)	Principal
I'M A REALLY BIG DEAL AROUND HERE	5552961	September 4, 2018 (January 23, 2025)	Principal
DOGTOPIA CONNECT	5245973	July 18, 2017 (April 25, 2023)	Principal
FETCH IT FORWARD	5245979	July 18, 2017 (April 25, 2023)	Principal
ENABLING DOGS TO POSITIVELY CHANGE OUR WORLD	5503105	June 26, 2018 (November 16, 2024)	Principal
DOGTOPIA MANDARIN MIST	7008087	March 21, 2023	Principal
DOGS THINK I'M COOL	7300425	February 6, 2024	Principal
DOGS ARE MY COWORKERS	7503094	September 10, 2024	Principal
DOGTOPIA	7496972	September 3, 2024	Principal
DOGTOPIA CARE	7454189	July 23, 2024	Principal
KETO-DOG	7497554	September 3, 2024	Supplemental

REGISTERED MARKS			
Mark	**Registration Number**	**Registration Date (Renewal Date)**	**Register (Principal or Supplemental)**
DOGS SAVE LIVES	7502272	September 10, 2024	Principal
DOGTOPIA DOGGIE BUBBLES	8096467	January 6, 2026	Principal
DASH BY DOGTOPIA	7765365	April 22, 2025	Principal
	4857156	November 24, 2015 (March 25, 2021)	Principal
	4932307	April 5, 2016 (June 24, 2022)	Principal
	7502193	September 10, 2024	Principal
	7502191	September 10, 2024	Principal
	7576419	November 26, 2024	Principal
	5578032	October 9, 2018 (May 3, 2024)	Principal
	5264874	August 15, 2017 (January 11, 2024)	Principal
	6977264	February 14, 2023	Principal
	5049640	September 27, 2016 (September 23, 2022)	Principal
	7497345	September 3, 2024	Principal
	5399356	February 13, 2018 (August 30, 2024)	Principal
	5404606	February 20, 2018 (September 3, 2024)	Principal
	5572913	October 2, 2018 (February 7, 2025)	Principal
	5710265	March 26, 2019 (July 25, 2025)	Principal

REGISTERED MARKS			
Mark	**Registration Number**	**Registration Date (Renewal Date)**	**Register (Principal or Supplemental)**
	5710266	March 26, 2019 (July 25, 2025)	Principal
	5710272	March 26, 2019 (July 25, 2025)	Principal
	5716102	April 2, 2019 (July 25, 2025)	Principal
	5716101	April 2, 2019 (July 25, 2025)	Principal
	5716099	April 2, 2019 (July 25, 2025)	Principal
	5926949	December 3, 2019	Principal

Trusted Authority also applied to register the following trademarks on the Principal Register of the USPTO:

UNREGISTERED MARKS			
Mark	**Serial Number**	**Application Date**	**Nature of Application (Based on Use or Intent to Use)**
THE ORANGE CLUB	98017073	May 28, 2023	Intent to use application
DOGTOPIA ORANGE CLUB	98017078	May 28, 2023	Intent to use application
HEALTHY, HAPPY LIVES	99631298	February 3, 2026	Actual use application
LONG, HEALTHY, HAPPY LIVES	99630780	February 3, 2026	Actual use application
LONG, HEALTHY, HAPPY LIVES	99630854	February 3, 2026	Actual use application
	99170297*	May 5, 2026	Actual use application

* See Section below entitled "Determinations Affecting the Marks" for a discussion of material determinations affecting these Marks.

We do not have a federal registration for the Marks in the table above labeled "Unregistered Marks". Therefore, these Marks do not have many legal benefits and rights as a federally registered trademark. If our right to use any of these Marks is challenged, you may have to change to an alternative trademark, which may increase your expenses.

All required affidavits have been filed and we intend to file all renewals by the required renewal date.

Agreements Limiting Use of the Marks

On January 1, 2016, we entered into a License Agreement (the "License Agreement") with our affiliate Trusted Authority. Under the terms of the License Agreement, Trusted Authority granted us the right to use the Marks in the Dogtopia System and to sublicense the Marks to our franchisees. The term of the License Agreement continues indefinitely until it is terminated in accordance with its terms. We pay Trusted Authority a monthly royalty fee of $1 per month. Either party is permitted to terminate the License Agreement if the other party breaches and fails to cure within a 30 day period. If the License Agreement is terminated, the agreement states that all sublicenses granted by us to our franchisees will continue in full force and effect until the expiration or termination of the applicable franchise agreement. Except as discussed above (including as described in the notes to the trademark table), no agreements limit our right to use or sublicense the use of the Marks.

Determinations Affecting the Marks

1. Registered Marks - BEST FURRY FRIENDS FOREVER (Reg. #5117626) & BFFF (Reg. #5117629)

Trusted Authority was a named party in a TTAB proceeding no. 92066414 in which Creative Concepts and Manufacturing, LLC ("CCM") sought to cancel Trusted Authority's registrations for the Marks, BEST FURRY FRIENDS FOREVER (Reg. #5117626) and BFFF (Reg. #5117629) based on CCM's prior registered marks for #BFF BEST FRIENDS FOREVER (Reg. #5172180) and #BFF (Reg. #5172156). On December 5, 2017, a Mutual Co-Existence Agreement was reached with CCM and the TTAB proceeding was dismissed. As a result, BFFF (Reg. #5117629) and BEST FURRY FRIENDS FOREVER (Reg. #5117626) are registered trademarks subject to a Mutual Co-Existence Agreement with CCM trademarks of #BFF and #BFF BEST FRIENDS FOREVER.

2. Unregistered Mark – Dog Food Bowl Design (Ser. #99170297)

On February 7, 2026, the USPTO issued a Final Office Action (the "FOA") refusing registration of the dog food bowl design identified in the table above (Serial #99170297) based on the examiner's determination that the submitted specimens fail to directly connect the mark with the identified services in a manner that satisfies the USPTO's standards. We believe the determination is incorrect. We are attempting to work with the examiner to clarify her concerns and overcome the technical objection on which the FOA is based. Depending on the examiner's response we intend to either: (a) file a Request for Reconsideration to overcome the FOA; or (b) submit a new application with the same details.

Except as disclosed above, there are currently no: (a) effective material determinations of the Patent and Trademark Office, the TTAB, the trademark administrator of this state or any court; (b) pending infringements, oppositions or cancellations; (c) pending material litigation involving any of the Marks; or (d) infringing uses we are aware of that could materially affect your use of the Marks.

Use of the Marks

You must obtain a fictitious or assumed name registration if required by your state or local law. The fictitious or assumed name registration must be for "DOGTOPIA of (name of your designated territory)". You must submit your proposed tradename to us for approval. We will notify you of our approval through the issuance of a written Tradename Approval Notice. You may not use any tradename that we have not approved. You must surrender, cancel or abandon the tradename upon the termination, expiration or transfer of the Franchise Agreement.

We may change the trademarks you may use from time to time, including by discontinuing use of the Marks listed in Item 13. If this happens, you must change to the new trademark at your expense.

Infringements

You must notify us immediately if you discover an infringing use (or challenge to your use) of the Marks. We will take the action we deem appropriate. We are not required to take any action if we do not feel it is warranted. You may not control any proceeding or litigation relating to our Marks.

Indemnification and Protection of Use of the Marks

We will indemnify you against, and reimburse you for: (a) all damages for which you are held liable in any judicial

or administrative proceeding arising out of your use of our primary Mark (i.e., DOGTOPIA®) in strict compliance with the Franchise Agreement and Manual; and (b) all costs you reasonable incur in defending against any such claim brought against you in any proceeding in which you are named as a party (except as provided below). Our indemnification obligation does not include or cover, and you are solely responsible for, any costs you incur to change signage or discontinue the use of any Mark and any legal fees you incur for separate, independent legal counsel you choose to hire. Our indemnification obligation only applies if you notify us of the claim or proceeding in a timely manner and you are in full compliance with the Franchise Agreement and Manual.

Except as disclosed above, the Franchise Agreement does not require that we: (a) protect your right to use the Marks; (b) protect you against claims of infringement or unfair competition arising out of your use of the Marks; or (c) participate in your defense or indemnify you for expenses or damages you incur if you are a party to an administrative or judicial proceeding involving our Marks or if the proceeding is resolved in a manner unfavorable to you.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents or pending patent applications are material to the franchise.

Although we have not filed an application for copyright registration for our Manual, website or marketing materials, we do claim a copyright to these items.

During the term of your Franchise Agreement, we will allow you to use certain confidential and proprietary information (some of which constitute "trade secrets") relating to the development, marketing and operation of a Dogtopia Center. Examples include:

- architectural plans, drawings and specifications for a prototype Dogtopia Center
- site selection criteria
- methods, techniques, policies, procedures, standards and specifications
- supplier lists and information
- marketing and merchandising strategies
- financial information
- information comprising the System

We will own all ideas, improvements, inventions, marketing materials (including the associated copyrights) and other concepts you develop relating to a Dogtopia Center. We will also own all operational and customer data relating to your Business. You must treat this data as confidential and proprietary. We license you the right to use this data during the term of your Franchise Agreement. You must comply with our then-current Dogtopia Hub Terms of Use (as set forth in the Manual), all applicable data protection laws and our data processing and data privacy policies in the Manual.

We provide you with access to our confidential information through our Manual, training programs and other periodic support and guidance. You may use this information solely for purposes of developing, marketing and operating your Center in compliance with the Franchise Agreement and Manual. All information in the Manual is confidential. You may not disclose our confidential information to anyone other than your employees, on a need-to-know basis, without our prior permission. We consider all information in the Manual to be confidential. All of your employees, agents and representatives (other than a Designated Manager) must sign the Confidentiality Agreement attached to the Franchise Agreement before you give them access to our confidential information. Without our approval, you may not enter our confidential or proprietary information into public/open AI models or other AI models that use such information to train the AI.

You must promptly notify us if you discover any unauthorized use of our proprietary information or copyrighted materials. We are not obligated to act but will respond as we deem appropriate. You may not control any proceeding or litigation involving allegations of unauthorized use of our proprietary information or copyrighted materials. We have no obligation to indemnify you for any expenses or damages arising from any proceeding or litigation involving our proprietary information or copyrighted materials. There are no infringements known to us at this time.

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

Owner Participation

You must designate an owner who will be primarily responsible for the overall management and supervision of your Center (the "Managing Owner"). The Managing Owner must: (a) be approved by us; (b) successfully complete all training programs we require; and (c) have authority to bind you on all business decisions. Any new Managing Owner you appoint must successfully complete our then-current initial training program before becoming involved with the supervision, management or operation of the Business.

Your other owners are not required to be actively involved with the operation of your Center. If you are an entity, each owner (i.e., each person holding an ownership interest in you) and the spouse of each owner must sign the Owner Agreement attached to the Franchise Agreement. By signing an Owner Agreement, the owner (or spouse of the owner) agrees to: (a) comply with all brand protection covenants, covenants that protect our intellectual property and transfer restrictions set forth in the Franchise Agreement; and (b) guarantee the franchisee's financial obligations.

Designated Manager and Assistant Managers

You must designate an individual who will provide daily on-site management and supervision of your Center (the "Designated Manager"). Your Managing Owner may, but need not, serve as the Designated Manager. Any person you hire as a Designated Manager must: (a) successfully complete all training programs we require; (b) dedicate full time efforts to on-site management of the Center; and (c) sign the Brand Protection Agreement attached to the Franchise Agreement (your Managing Owner is not required to sign the Brand Protection Agreement).

At all times during normal business hours, either the Managing Owner or a Designated Manager must be present at your Center to provide onsite management and supervision. The Managing Owner must monitor and supervise the Designated Manager to ensure your Center is operated in accordance with the Franchise Agreement and the Manual. You may also hire assistant managers who would report to the Managing Owner or your Designated Manager. We do not require that your Designated Manager or assistant managers hold any ownership interest in the franchise (unless the Managing Owner serves as the Designated Manager).

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

We must approve all goods and services you sell. You must offer all goods and services we require. You may not sell any goods or services we have disapproved. At any time, we may change the goods and services you sell and you must comply with the change.

You may only offer and provide Dogtopia products and services from your Dogtopia Center. You may not provide any off-site services without our prior written approval. You may only sell Dogtopia products to retail customers while they are present at your Center. In the future, we may authorize you to provide certain "off-site" services (for example, mobile grooming, pet pick-up, etc.). If we authorize off-site services, you must follow all policies and procedures we establish in the Manual relating to these off-site services.

From time to time, we negotiate agreements with businesses or other organizations ("System Account Customers"), pursuant to which certain individuals associated with the System Account Customer ("System Account Beneficiaries") may receive preferential pricing and/or other benefits at participating Dogtopia Centers. These relationships are referred to as "System Accounts". If we offer you the right to participate in a System Account and you agree to do so, you must honor the terms we negotiate in the System Account Agreement and provide the System Account Beneficiaries with the preferential pricing or other benefits. You are not required to participate in a System Account.

ITEM 17 RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise agreement (FA), Area Development Agreement (ADA) and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
a. Length of the franchise term	FA: 1 (definition of Term) & 4.1	Term expires 10 years after date you sign the lease or purchase contract for your facility. If you already own or lease the facility when you sign the Franchise Agreement, the term expires 10 years after the date you sign the Franchise Agreement.
	ADA: 1 (definition of Term)	Term expires on earlier of (a) opening date listed in development schedule for the last Center you are required to develop or (b) the actual opening date of the last Center you are required to develop.
b. Renewal or extension of the term	FA: 4.1 & 4.2	If you meet our conditions for renewal, you can enter into 1 successor franchise agreement. The renewal term will be 10 years. The parties may mutually agree to further renewals but neither party is obligated to do so (subject to state law).
	ADA: 4.5	No renewal rights.
c. Requirements for you to renew or extend	FA: 4.1 & 4.2	You must: not be in default; give us timely notice; have substantially complied with the Franchise Agreement; sign then-current form of franchise agreement; sign general release (subject to state law); pay renewal fee; remodel Center and upgrade furniture, fixtures and equipment to current standards; complete refresher training (if we require it); and extend lease for duration of renewal term. If you renew, you may be required to sign a contract with materially different terms and conditions than the original contract.
	ADA: 4.5	You may not renew or extend the term of the ADA.
d. Termination by you	FA: 22.1	You can terminate if we default and fail to timely cure.
	ADA: Not Applicable	You can terminate under any grounds permitted by law.
e. Termination by us without cause	FA: 22.3	We can terminate without cause if you and we mutually agree to terminate.
	ADA: 9.2	
f. Termination by us with cause	FA: 22.2	We can terminate if you default.
	ADA: 9.1	
g. "Cause" defined - curable defaults	FA: 22.2	You have the following cure periods: (a) 24 hours for health or safety hazards; (b) 10 days for financial defaults; (c) 20 days for loss of a required license or permit; and (d) 30 days for any other default (other than a default described below under "non-curable defaults").
	ADA: 9.1	You have 30 days to cure any default, other than defaults described below under "non-curable defaults".

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
h. "Cause" defined - non-curable defaults	FA: 22.2	The following defaults cannot be cured: insolvency, bankruptcy or seizure of assets; failure to successfully complete training; failure to find approved site, sign lease or open in timely manner; abandonment; failure to maintain required license or permit; failure to notify us of a matter described in §17.6; conviction of certain crimes or subject of certain administrative actions; failure to comply with material law; commission of act that may adversely affect reputation of System or Marks; health or safety hazards; material misrepresentations; unauthorized Transfers; violation of brand protection covenant; unauthorized use of our intellectual property; breach of Owner Agreement; breach of legal compliance representations; failure to meet minimum performance requirements; termination of lease due to your default; 2nd failure to honor terms of System Account Agreement; 2nd underreporting of Gross Sales by 3%; 2 or more default notices for similar breach in a 12-month period (even if cured); 3 or more default notices for similar or dissimilar breaches in a 18-month period (even if cured); or termination of any agreement between you (or your affiliate) and us (or our affiliate) due to your default. Termination of an ADA due to breach of the development schedule is not grounds for termination of any Franchise Agreement that is otherwise in good standing.
	ADA: 9.1	If we terminate a franchise agreement due to your default, we may terminate the ADA without opportunity to cure.
i. Your obligations on termination/non-renewal	FA: 23.1	Obligations include: remove trade dress and alter premises to eliminate any resemblance to a Dogtopia Center; cease use of intellectual property; return Manuals and branded materials; assign telephone numbers, listings and domain names; pay liquidated damages (if applicable); cease use of email accounts and phone numbers; assign customer information, agreements, data and accounts; assign supplier agreements, warranties and services plans; cancel fictitious names; and pay amounts due (also see "r", below).
	ADA: Not Applicable	The ADA does not impose any post-term obligations on you..
j. Assignment of contract by us	FA: 21.1	No restriction on our right to assign.
	ADA: 8.1	
k. "Transfer" by you – definition	FA: 1 (definition of Transfer) & 21.2	Includes transfer of contract or assets, or ownership change.
	ADA: 1 (definition of Transfer) & 8.2	
l. Our approval of transfer by you	FA: 21.2	We must approve all Transfers but will not unreasonably withhold approval.
	ADA: 8.2	You may not assign your ADA or your right to develop additional locations except as other provided in row "p" (subject to state law).
m. Conditions for our approval of transfer	FA: 21.2	Transferee must: meet our qualifications; successfully complete training (or arrange to do so); obtain required licenses and permits; assume your contracts and obligations to 3rd parties; sign then-current form of franchise agreement for remainder of term or, at our option, assume your Franchise Agreement; and remodel Center and upgrade furniture, fixtures and equipment to current standards within 1 year of Transfer or such shorter period of time we specify. You must: submit transfer application; be in compliance with Franchise Agreement; assign lease, if applicable; pay transfer fee; subordinate transferee's ongoing payments owed to you (if any) to transferee's financial obligations owed to us; and sign general release (subject to state law). We must notify you that we do not intend to exercise our right of first refusal. We may waive some of the conditions for transfer listed above for transfers to an entity controlled by the original owners, or certain transfers of ownership interests between existing owners previously approved by us.

THE FRANCHISE RELATIONSHIP		
PROVISION	**SECTIONS IN AGREEMENT**	**SUMMARY**
	ADA: 8.2	No Transfers permitted except as provided in row "p" (subject to state law).
n. Our right of first refusal to acquire your business	FA: 21.4	We can match any offer for your business.
	ADA: Not Applicable	Not Applicable
o. Our option to purchase your business	FA: 23.3	We have the option to purchase your Business at the expiration or termination of the Franchise Agreement.
	ADA: Not Applicable	ADA does not include a purchase option.
p. Your death or disability	FA: 21.3	Within 180 days, franchise must be assigned by estate to an assignee in compliance with conditions for other Transfers. We may designate manager to operate the Center prior to Transfer.
	ADA: 8.3	Within 180 days, franchise must be assigned by estate to an assignee we approve.
q. Non-competition covenants during the term of the franchise	FA: 16.3	No involvement in competing business.
	ADA: Not Applicable	ADA does not impose any noncompetitive covenants.
r. Non-competition covenants after the franchise is terminated or expires	FA: 16.3 & 23.1	No involvement for 2 years in competing business located in your Territory or within 15 miles of another Dogtopia Center.
	ADA: Not Applicable	The ADA does not impose any noncompetition covenants.
s. Modification of the agreement	FA: 26.3 & 26.8	Requires writing signed by both parties (except we may unilaterally change Manual or reduce scope of restrictive covenants). Other modifications to comply with state laws.
	ADA: 13.7	Requires writing signed by both parties. Other modifications to comply with state laws.
t. Integration/ merger clause	FA: 26.8	Only the terms of the Franchise Agreement, ADA (if applicable) and attachments to Franchise Agreement and ADA are binding (subject to state law). Any representations or promises made outside the Disclosure Document, Franchise Agreement and ADA may not be enforceable. Nothing in the Franchise Agreement or any related agreements is intended to disclaim any of the representations we made in this Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.
	ADA: 13.7	
u. Dispute resolution by arbitration or mediation	FA: 24	Subject to state law, all disputes must be mediated or arbitrated before litigation, except for certain disputes involving our intellectual property or compliance with restrictive covenants.
	ADA: 11	
v. Choice of forum	FA: 24	Subject to state law, all mediation, arbitration and litigation must take place in county where we maintain our principal place of business (currently, Maricopa County, Arizona) at time dispute arises.
	ADA: 11	
w. Choice of law	FA: 26.1	Subject to state law, Arizona law governs.
	ADA: 13.1	

ITEM 18 PUBLIC FIGURES

We do not currently use any public figures 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, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Overview

We have provided two categories of financial performance representation ("FPR"):

(1) 2025 Key Operating Metrics ("Key Operating Metrics FPR")

(2) 2025 Gross Sales Analysis ("Gross Sales Analysis FPR")

The Key Operating Metrics FPR and Gross Sales Analysis FPR are broken down into multiple subsets based on sales brackets and the total number of months of operation of each outlet and as described more fully below.

The FPR data is contained within the tables in the Section below entitled "Financial Performance Representation". We have provided data for franchised stores, Company Stores and Affiliated Stores (defined in Footnote 4 in Item 20). Under NASAA Guidelines, both Company Stores and Affiliated Stores qualify as "company-owned" stores for purposes of this FPR.

The FPRs only include data for Dogtopia Centers that are "Qualifying Outlets". The FPRs are based on the historical results from all Qualifying Outlets, which are described below in more detail.

System Statistics & Subsets Utilized

Both categories of FPR include data for all Dogtopia Centers that met certain qualifying criteria (referred to as a "Qualifying Outlet"). Each of the categories has different qualifying criteria—while all Centers that are Qualifying Outlets for purposes of the Key Operating Metrics FPR are also Qualifying Outlets for purposes of the Gross Sales Analysis FPR, some Centers are Qualifying Outlets for purposes of the Gross Sales Analysis FPR but are not Qualifying Outlets for purposes of the Key Operating Metrics FPR. The following table summarizes the number of Qualifying Outlets for each category:

TABLE 1
Count of Qualifying Outlets Summary – Gross Sales Analysis FPR and Key Operating Metrics FPR

Outlet Type	Total Outlets (12/27/2025)	Qualifying Outlets (Gross Sales Analysis FPR)	Qualifying Outlets (Key Operating Metrics FPR)
All Outlets	266	202	134
Franchised Stores	225	169	101
Company & Affiliated Stores	41	33	33

Qualifying Outlets – Gross Sales Analysis FPR

In order to be a "Qualifying Outlet" for purposes of the Gross Sales Analysis FPR, the Center must (1) have been open and operating for 24 consecutive months as of the end of our fiscal year, which was December 27, 2025; (2) have been open and operating during the entire 2025 fiscal year without interruption; and (3) operate in compliance with the operational standards of the Dogtopia System, including the Manual and franchise playbooks, as of the end of our fiscal year.

Of the 266 open Centers as of December 27, 2025, 56 Franchised Stores and 8 Company & Affiliate Stores did not qualify as "Qualifying Outlets" as follows:

- 44 Franchised Stores and 4 Company & Affiliated Stores were not open and operating for 24 consecutive months as of the end of our fiscal year, or were not open and operating during the entire 2025 fiscal year

without interruption;

- 12 Franchised Stores were excluded due to non-compliance with the operational standards of the Dogtopia System as of the end of our fiscal year; and
- 4 Company & Affiliated Stores were excluded because they were originally developed as research and development locations used to test prototype facility design and construction concepts for the Dogtopia system. These stores are currently operated on a transitional basis and do not operate under the same support structure or retail operations infrastructure as typical franchised or affiliated locations. Accordingly, we have determined their results would not be representative of typical Dogtopia outlets and excluded them from the financial performance representation.

Two Franchised Stores closed during the 2025 fiscal year and have been excluded from the this financial performance representation.

The Gross Sales Analysis FPR is also broken down into separate subset tables that segregate Qualifying Outlets based on months of operation, including Qualifying Outlets that were operating for a minimum of 24 months and a maximum of 36 months, and Qualifying Outlets that were open for more than 36 months.

TABLE 2
Statistics for Gross Sales Analysis FPR Subsets

Outlet Type	24-36 Months Old	36+ Months Old	Total Qualifying Outlets
All Outlets	28	174	202
Franchised Stores	26	143	169
Company & Affiliated Stores	2	31	33

Qualifying Outlets – Key Operating Metrics FPR

In order to be a "Qualifying Outlet" for purposes of the Key Operating Metrics FPR, the Dogtopia Center: (a) must be a "Qualifying Outlet" for purposes of the Gross Sales Analysis FPR; and (b) must have provided us with a complete profit and loss statement no later than our deadline of January 15, 2026. We requested profit and loss statements from all 202 Qualifying Outlets. We received 134 complete profit and loss statements prior to the January 15, 2026 deadline. Therefore, we included a total of 101 franchised Qualifying Outlets and 33 Company-Owned and Affiliated Qualifying Outlets for purposes of the Key Operating Metrics FPR.

The tables below summarize the outlet statistics and the number of Qualifying Outlets included in the Key Operating Metrics FPR.

TABLE 3
Count of Qualifying Outlets for Key Operating Metrics FPR

Outlet Type	Qualifying Outlets under Gross Sales Analysis FPR	January 2026 Survey Incomplete	Total Qualifying Outlets
All Outlets	202	68	134
Franchised Stores	169	68	101
Company & Affiliated Stores	33	0	33

The Key Operating Metrics is broken down into separate subset tables that segregate Qualifying Outlets based on sales brackets. These sales brackets generally follow operating milestones outlined by the franchisor.

TABLE 4
Count of Qualifying Outlets for Key Operating Metrics

Outlet Type	Sales Brackets				Total Qualifying Outlets
	$0-$900,000	$900,000-$1,000,000	$1,000,000-$1,500,000	$1,500,000+	
All Outlets	48	21	61	4	134
Franchised Stores	34	13	52	2	101
Company & Affiliated Stores	14	8	9	2	33

Defined Terms

For purposes of this FPR, the following terms have the meanings given to them below:

"***Cost of Goods Sold***" includes all costs incurred for care of dogs at the facility, including the costs for dog food, dog treats, fresh water.

"***Gross Operating Margin***" means Total Revenue less Total Prime Operating Costs.

"***Gross Sales***", "***Gross Revenue***" and "***Total Revenue***" have the same meaning given to the term "Gross Sales" in Note 2 of Item 6 of this Disclosure Document.

"***Net Operating Margin***" means Gross Operating Margin less Royalty & Marketing Fees less Other Operating Costs.

"***Occupancy Expenses***" includes rent and property maintenance expenses.

"***Other Operating Costs***" means and includes digital marketing fees paid to us, expenses incurred for local store marketing that are paid directly to third-party suppliers, expenditures for promotions and events, utilities, insurance, licenses and fees, personal property tax, related professional fees, office related expenses, bank fees, software, computers, printing, postage and delivery, dues and subscription fees, IT support and environmental/cleaning costs of the dog areas.

"***Prime Operating Costs***" included the total of Cost of Goods Sold, Occupancy Expenses and Wages & Benefits.

"***Royalty & Marketing Fees***" includes royalties paid to us and contributions to the Brand Fund. Company & Affiliated Stores pay these fees on the same basis as franchisees, and therefore have not been imputed for purposes of this Item 19.

"***Wages and Benefits***" includes payroll, payroll tax, payroll processing fees, workers' compensation, training and professional development costs, recruitment costs, employee uniform costs, employee medical expenses relating to dog scuffles, and payroll benefits, but excludes distributions and personal payments made to the business owner.

Financial Performance Representations

A.Key Operating Metrics FPR

TABLE 5 2025 Key Operating Metrics for all Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Qualifying Outlets	48	21	58	7	134
Total Revenue	**100%**	**100%**	**100%**	**100%**	**100%**
Cost of Goods Sold	2.5%	2.8%	2.9%	2.5%	2.7%
Wages and Benefits	48.6%	41.6%	41.8%	37.5%	43.0%
Occupancy	20.7%	16.5%	13.8%	11.1%	15.5%
Total Prime Operating Costs	**71.8%**	**61.0%**	**58.5%**	**51.1%**	**61.2%**
Gross Operating Margin	**28.2%**	**39.0%**	**41.5%**	**48.9%**	**38.8%**
Royalty & Marketing	9.0%	9.0%	9.0%	9.0%	9.0%
Other Operating Costs	12.7%	11.2%	9.6%	9.8%	10.6%
Net Operating Margin	**6.5%**	**18.8%**	**22.9%**	**30.0%**	**19.2%**

TABLE 5(a) 2025 Key Operating Metrics for Franchised Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Qualifying Outlets	34	13	49	5	101
Total Revenue	**100%**	**100%**	**100%**	**100%**	**100%**
Cost of Goods Sold	2.5%	3.4%	3.1%	2.6%	2.9%
Wages and Benefits	48.8%	44.3%	43.1%	43.2%	44.5%
Occupancy	18.3%	17.5%	13.4%	11.0%	14.7%
Total Prime Operating Costs	**69.6%**	**65.2%**	**59.6%**	**56.8%**	**62.1%**
Gross Operating Margin	**30.4%**	**34.8%**	**40.4%**	**43.2%**	**37.9%**
Royalty & Marketing	9.00%	9.00%	9.0%	9.0%	9.00%
Other Operating Costs	12.1%	11.1%	9.7%	10.6%	10.5%
Net Operating Margin	**9.3%**	**14.7%**	**21.7%**	**23.7%**	**18.5%**

TABLE 5(b) 2025 Key Operating Metrics for Company-Owned and Affiliated Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Qualifying Outlets	14	8	9	2	33
Total Revenue	**100%**	**100%**	**100%**	**100%**	**100%**
Cost of Goods Sold	2.3%	1.8%	1.9%	2.4%	2.0%
Wages and Benefits	48.2%	37.3%	34.7%	23.3%	37.9%
Occupancy	26.6%	15.0%	15.7%	11.5%	18.2%
Total Prime Operating Costs	**77.1%**	**54.2%**	**52.2%**	**37.1%**	**58.2%**
Gross Operating Margin	**22.9%**	**45.8%**	**47.8%**	**62.9%**	**41.8%**
Royalty & Marketing	9.0%	9.0%	9.0%	9.0%	9.0%
Other Operating Costs	14.1%	11.4%	9.4%	7.9%	11.1%
Net Operating Margin	**-0.2%**	**25.4%**	**29.3%**	**45.9%**	**21.7%**

TABLE 6 2025 Key Operating Metrics for all Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Number of Qualifying Outlets	48	21	61	4	134
Highest Operating Margin	29.1%	34.2%	51.4%	48.5%	51.4%
Lowest Operating Margin	-39.4%	-4.1%	5.6%	21.4%	-39.4%
Median Operating Margin	9.4%	18.6%	22.7%	36.0%	18.9%
Average Operating Margin	6.5%	18.8%	22.8%	37.3%	19.2%
Number of Qualifying Outlets Attaining or Surpassing Average	21 of 48	6 of 21	16 of 61	1 of 4	70 of 134
Percentage of Qualifying Outlets Attaining or Surpassing Average	**43.8%**	**28.6%**	**26.2%**	**25.0%**	**52.2%**

TABLE 6(a) 2025 Key Operating Metrics for Franchised Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Number of Qualifying Outlets	34	13	52	2	101
Highest Operating Margin	29.1%	32.6%	51.4%	36.0%	51.4%
Lowest Operating Margin	-36.0%	-4.1%	5.6%	21.4%	-36.0%
Median Operating Margin	14.7%	16.9%	21.2%	28.7%	19.4%
Average Operating Margin	9.3%	14.7%	21.7%	28.6%	18.5%
Number of Qualifying Outlets Attaining or Surpassing Average	15 of 34	4 of 13	12 of 52	1 of 2	54 of 101
Percentage of Qualifying Outlets Attaining or Surpassing Average	**44.1%**	**30.8%**	**23.1%**	**50.0%**	**53.5%**

TABLE 6(b) 2025 Key Operating Metrics for Company-Owned and Affiliated Qualifying Outlets					
Financial Metric	**Percentage of Revenue**				
	$0-$900,000	**$900,000-$1,000,000**	**$1,000,000-$1,500,000**	**$1,500,000+**	**All Qualifying Outlets**
Number of Qualifying Outlets	14	8	9	2	33
Highest Operating Margin	16.9%	34.2%	40.9%	48.5%	48.5%
Lowest Operating Margin	-39.4%	17.8%	16.6%	43.3%	43.3%
Median Operating Margin	3.3%	26.4%	29.2%	45.9%	21.7%
Average Operating Margin	-0.2%	25.4%	29.3%	45.9%	21.7%
Number of Qualifying Outlets Attaining or Surpassing Average	4 of 14	2 of 8	2 of 9	1 of 2	15 of 33
Percentage of Qualifying Outlets Attaining or Surpassing Average	**28.6%**	**25.0%**	**22.2%**	**50.0%**	**45.5%**

B. Sales Analysis FPR

TABLE 7 2025 Gross Sales for All Qualifying Outlets – By Outlet Type			
Financial Metric	**2025 Gross Sales By Outlet Type**		
	Company & Affiliated Stores	**Franchised Stores**	**All Qualifying Outlets**
Number of Qualifying Outlets	33	169	202
Highest Gross Sales	$2,153,303	$1,876,551	$2,153,303
Lowest Gross Sales	$565,111	$295,287	$295,287
Median Gross Sales	$937,399	$915,213	$921,160
Average Gross Sales	$976,425	$927,566	$935,548
Number of Qualifying Outlets Attaining or Surpassing Average	12 of 33	81 of 169	97 of 202
Percentage of Qualifying Outlets Attaining or Surpassing Average	36.4%	47.9%	48.0%

TABLE 8 2025 Gross Sales for All Qualifying Outlets – By Operating Period			
Financial Metric	**2025 Gross Sales By Operating Period**		
	Operating 24 to 36 Months	**Operating 36+ Months**	**Operating 24+ Months**
Number of Qualifying Outlets	28	174	202
Highest Gross Sales	$1,362,555	$2,153,303	$2,153,303
Lowest Gross Sales	$378,182	$295,287	$295,287
Median Gross Sales	$820,238	$928,292	$921,160
Average Gross Sales	$843,049	$950,433	$935,548
Number of Qualifying Outlets Attaining or Surpassing Average	13 of 28	80 of 174	97 of 202
Percentage of Qualifying Outlets Attaining or Surpassing Average	46.4%	46.0%	48.0%

TABLE 8(a) 2025 Gross Sales for Franchised Qualifying Outlets – By Operating Period			
Financial Metric	**2025 Gross Sales By Operating Period**		
	Operating 24 to 36 Months	**Operating 36+ Months**	**Operating 24+ Months**
Number of Qualifying Outlets	26	143	169
Highest Gross Sales	$1,362,555	$1,876,551	$1,876,551
Lowest Gross Sales	$378,182	$295,287	$295,287
Median Gross Sales	$838,627	$920,536	$915,213
Average Gross Sales	$861,559	$939,567	$927,566
Number of Qualifying Outlets Attaining or Surpassing Average	11 of 26	66 of 143	81 of 169
Percentage of Qualifying Outlets Attaining or Surpassing Average	42.3%	46.2%	47.9%

TABLE 8(b) 2025 Gross Sales for Company-Owned and Affiliated Qualifying Outlets – By Operating Period			
Financial Metric	**2025 Gross Sales By Operating Period**		
	Operating 24 to 36 Months	**Operating 36+ Months**	**Operating 24+ Months**
Number of Qualifying Outlets	2	31	33
Highest Gross Sales	$639,707	$2,153,303	$2,153,303
Lowest Gross Sales	$565,111	$598,697	$565,111
Median Gross Sales	$602,409	$941,752	$937,399
Average Gross Sales	$602,409	$1,000,555	$976,425
Number of Qualifying Outlets Attaining or Surpassing Average	1 of 2	11 of 31	12 of 33
Percentage of Qualifying Outlets Attaining or Surpassing Average	50.0%	35.5%	36.4%

TABLE 9 2025 Gross Sales for All Qualifying Outlets – By Sales Ranking					
Financial Metric	**2025 Gross Sales By Sales Quartiles**				
	Bottom 25%	**Next 25%**	**Next 25%**	**Top 25%**	**All Outlets**
Number of Qualifying Outlets	51	50	50	51	202
Highest Gross Sales	$698,950	$920,536	$1,132,640	$2,153,303	$2,153,303
Lowest Gross Sales	$295,287	$705,078	$921,784	$1,134,232	$295,287
Median Gross Sales	$597,697	$817,191	$1,002,460	$1,316,749	$921,160
Average Gross Sales	$568,307	$811,123	$1,013,582	$1,348,271	$935,548
Number of Qualifying Outlets Attaining or Surpassing Average	33 of 51	27 of 50	21 of 50	21 of 51	97 of 202
Percentage of Qualifying Outlets Attaining or Surpassing Average	64.7%	54.0%	42.0%	41.2%	48.0%

TABLE 9(a) 2025 Gross Sales for Franchised Qualifying Outlets – By Sales Ranking					
Financial Metric	**2025 Gross Sales By Sales Quartiles**				
	Bottom 25%	**Next 25%**	**Next 25%**	**Top 25%**	**All Outlets**
Number of Qualifying Outlets	42	42	42	43	169
Highest Gross Sales	$698,476	$910,959	$1,130,574	$1,876,551	$1,876,551
Lowest Gross Sales	$295,287	$698,950	$915,213	$1,132,640	$295,287
Median Gross Sales	$588,558	$792,896	$1,002,715	$1,312,781	$915,213
Average Gross Sales	$555,451	$800,345	$1,013,135	$1,331,715	$927,566
Number of Qualifying Outlets Attaining or Surpassing Average	25 of 42	21 of 42	18 of 42	19 of 43	81 of 169
Percentage of Qualifying Outlets Attaining or Surpassing Average	59.5%	50.0%	42.9%	44.2%	47.9%

TABLE 9(b) 2025 Gross Sales for Company-Owned and Affiliated Qualifying Outlets – By Sales Ranking					
Financial Metric	**2025 Gross Sales By Sales Quartiles**				
	Bottom 25%	**Next 25%**	**Next 25%**	**Top 25%**	**All Outlets**
Number of Qualifying Outlets	8	8	8	9	33
Highest Gross Sales	$648,426	$928,867	$1,075,837	$2,153,303	$2,153,303
Lowest Gross Sales	$565,111	$735,220	$937,399	$1,134,232	$565,111
Median Gross Sales	$625,596	$832,884	$974,468	$1,333,209	$937,399
Average Gross Sales	$619,473	$842,385	$987,039	$1,403,427	$976,425
Number of Qualifying Outlets Attaining or Surpassing Average	6 of 8	3 of 8	2 of 8	3 of 9	12 of 33
Percentage of Qualifying Outlets Attaining or Surpassing Average	75.0%	37.5%	25.0%	33.3%	36.4%

Notes to Gross Sales Analysis FPR Tables:

1. The financial performance representations above 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.

Notes to All Tables:

1. In making the above financial performance representations for Franchised Stores, we have relied upon Gross Sales reports and annual profit and loss statements submitted by franchisees. In making the above financial performance representation for Company Stores and Affiliated Stores, we have relied upon unaudited financial statements for these outlets. The data has not been audited.

Some Dogtopia businesses have sold or earned this amount. Your individual results may differ. There is no assurance that you will sell or earn as much.

Written substantiation for this financial performance representation will be made available to you upon your reasonable written request and must be viewed at our headquarters.

Other than the preceding financial performance representation, we do 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 our Chief Executive Officer at 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016 or by phone at (602) 730-6000, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20 OUTLETS AND FRANCHISEE INFORMATION

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025				
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Franchised	2023	174	205	+31
	2024	205	220	+15
	2025	220	225	+5
Company-Owned	2023	31	39	+8
	2024	39	41	+2
	2025	41	41	0

TABLE 1 - SYSTEM-WIDE OUTLET SUMMARY FOR YEARS 2023 TO 2025				
Outlet Type	**Year**	**Outlets at the Start of the Year**	**Outlets at the End of the Year**	**Net Change**
Total Outlets	2023	205	244	+39
	2024	244	261	+17
	2025	261	266	+5

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2023 TO 2025		
State	**Year**	**Number of Transfers**
Arizona	2023	1
	2024	0
	2025	6
California	2023	0
	2024	0
	2025	1
Colorado	2023	0
	2024	1
	2025	1
Florida	2023	1
	2024	1
	2025	0
Illinois	2023	0
	2024	1
	2025	1
Louisiana	2023	0
	2024	0
	2025	1
Maryland	2023	0
	2024	1
	2025	0
Michigan	2023	1
	2024	0
	2025	0
New Jersey	2023	0
	2024	0
	2025	2
New York	2023	0
	2024	1
	2025	0
Ohio	2023	0
	2024	0
	2025	1
Pennsylvania	2023	0
	2024	1
	2025	0

TABLE 2 - TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR) FOR YEARS 2023 TO 2025		
State	**Year**	**Number of Transfers**
South Carolina	2023	1
	2024	1
	2025	0
Texas	2023	1
	2024	3
	2025	1
Virginia	2023	0
	2024	0
	2025	2
Wisconsin	2023	0
	2024	1
	2025	0
Total	2023	5
	2024	11
	2025	16

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Alabama	2023	1	2	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Arizona	2023	9	2	0	0	0	0	11
	2024	11	0	0	0	0	0	11
	2025	11	0	0	0	0	0	11
California	2023	11	2	0	0	0	0	13
	2024	13	1	0	0	0	0	14
	2025	14	0	0	0	0	0	14
Colorado	2023	7	2	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	0	0	0	0	9
Connecticut	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	12	2	0	0	0	0	14
	2024	14	0	0	0	0	0	14
	2025	14	1	0	0	0	0	15
Georgia	2023	6	1	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	1	0	0	0	0	8

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Idaho	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Illinois	2023	8	1	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	0	0	0	0	9
Indiana	2023	2	0	0	0	0	0	2
	2024	2	2	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Iowa	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kansas	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Kentucky	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Louisiana	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Maryland	2023	3	2	0	0	1	0	4
	2024	4	1	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Massachusetts	2023	0	1	0	0	1	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Michigan	2023	9	0	0	0	0	0	9
	2024	9	0	0	0	0	0	9
	2025	9	0	1	0	0	0	8
Minnesota	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	0	0	0	0	0	6
Missouri	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	0	0	6
Nebraska	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Nevada	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New Jersey	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
New Mexico	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New York	2023	4	0	0	0	0	0	4
	2024	4	1	0	0	0	0	5
	2025	5	0	0	0	0	0	5
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Ohio	2023	3	2	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Oklahoma	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Oregon	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	2	0	0	0	0	7
Pennsylvania	2023	7	0	0	0	1	0	6
	2024	6	2	0	0	0	0	8
	2025	8	0	0	0	0	1	7
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Tennessee	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	1	0	0	0	0	6
Texas	2023	30	6	0	0	0	0	36
	2024	36	4	0	0	0	0	40
	2025	40	0	1	0	0	0	39

TABLE 3 - STATUS OF FRANCHISED OUTLETS FOR YEARS 2023 TO 2025								
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Terminations**	**Non-Renewals**	**Reacquired by Franchisor**	**Ceased Operations - Other Reasons**	**Outlets at End of Year**
Utah	2023	1	1	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Virginia	2023	12	1	0	0	0	0	13
	2024	13	0	0	0	0	0	13
	2025	13	2	0	0	0	0	15
Washington	2023	3	1	0	0	0	0	4
	2024	4	1	0	0	0	0	5
	2025	5	0	0	0	0	1	4
Wisconsin	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Totals	2023	174	33	0	0	2	0	205
	2024	205	15	0	0	0	0	220
	2025	220	9	2	0	0	2	225

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023 TO 2025							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired From Franchisee**	**Outlets Closed**	**Outlets Sold to Franchisee**	**Outlets at End of Year**
Arizona	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Connecticut	2023	4	0	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Delaware	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
District of Colombia	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Florida	2023	2	2	0	0	0	4
	2024	4	0	0	0	0	4
	2025	4	0	0	0	0	4
Maryland	2023	2	0	1	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3

TABLE 4 - STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2023 TO 2025							
State	**Year**	**Outlets at Start of Year**	**Outlets Opened**	**Outlets Reacquired From Franchisee**	**Outlets Closed**	**Outlets Sold to Franchisee**	**Outlets at End of Year**
Massachusetts	2023	2	1	0	0	0	3
	2024	3	1	0	0	0	4
	2025	4	0	0	0	0	4
New Hampshire	2023	0	1	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New Jersey	2023	3	2	0	0	0	5
	2024	5	1	0	0	0	6
	2025	6	0	0	0	0	6
New York	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
North Carolina	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Pennsylvania	2023	1	0	1	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Virginia	2023	5	0	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Totals	2023	31	6	2	0	0	39
	2024	39	2	0	0	0	41
	2025	41	0	0	0	0	41

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2025			
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**
Alabama	2	1	0
Alaska	1	0	0
Arizona	2	0	0
Arkansas	2	0	0
California	8	2	0
Colorado	5	4	0
Connecticut	1	0	1
Florida	6	2	0
Georgia	3	0	0
Idaho	1	0	0
Illinois	4	2	0
Indiana	1	0	0

TABLE 5 - PROJECTED OPENINGS AS OF DECEMBER 31, 2025			
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**
Iowa	1	1	0
Kentucky	1	0	0
Louisiana	1	1	0
Maryland	1	1	0
Massachusetts	1	0	0
Michigan	3	0	0
Minnesota	3	1	0
Missouri	1	0	0
Nevada	2	0	0
New Hampshire	1	0	0
New Jersey	10	6	0
New York	3	0	0
North Carolina	6	2	0
Ohio	2	0	0
Oklahoma	1	0	0
Oregon	2	0	0
Pennsylvania	2	0	0
Rhode Island	2	1	0
South Carolina	2	0	0
Tennessee	4	0	0
Texas	14	2	0
Utah	1	0	0
Virginia	4	2	0
Washington	4	1	0
Wisconsin	1	1	0
TOTALS	109	30	1

Notes:

1. In 2023, the franchisee of one of the franchised outlets listed in Table 3 for Louisiana ceased operations of the outlet and the outlet was subsequently resold to a new franchisee before the end of the year. The outlet was temporarily closed during the transition but reopened before the end of the year.

2. No franchise agreements were terminated prior to opening in 2023. In 2024, five franchise agreements were terminated prior to opening.

3. We reclassified outlets opened by Red Barn (Chris Kempner), who was a franchisee and area developer prior to acquiring a controlling interest in the franchisor in 2020. Because Mr. Kempner is now listed in Item 2 of this Disclosure Document, we reclassified his franchised outlets (referred to in this Disclosure Document as "Affiliated Stores") as company-owned outlets. Despite the change in classification, Red Barn continues to operate all Affiliated Stores under Franchise Agreements in the same manner as other franchisees.

4. The 1 projected company-owned opening listed in Table 5 is an Affiliated Store owned by Chris Kempner.

A list of all current Dogtopia franchisees and company-owned outlets is attached to this Disclosure Document as EXHIBIT "G" (Tables 1, 2 and 3), including their names and the addresses and telephone numbers of their outlets as of

December 31, 2025. In addition, EXHIBIT "G" (Table 4) lists the name, city and state, and the current business telephone number (or, if unknown, the last known home telephone number) of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during our most recently completed fiscal year or who has not communicated with us within 10 weeks of the issuance date of this Disclosure Document. **If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.**

In the last 3 fiscal years, some franchisees have signed confidentiality agreements with us. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all such franchisees will be able to communicate with you.

Below is the contact information for the Dogtopia Franchisee Commission that we have sponsored and endorsed:

The Dogtopia Franchisee Commission (DFC)
Contact: Larry Greene
Email: larry.greene@dogtopia.com
Phone: 303-886-2184

Below is the contact information for an independent franchisee organization that has asked to be included in this Disclosure Document:

The Independent Association of Dogtopia® Franchisees (IAFD)
A Chapter of the American Association of Franchisees & Dealers
276 Hazard Ave, Suite 11
Enfield, CT, 06082
Phone: (619) 209-3775
Email: iadf@aafdchapters.org

Other than DFC and IAFD, there are no (a) trademark-specific franchisee organizations associated with the franchise system being offered that we have created, sponsored or endorsed or (b) independent franchisee organizations that have asked to be included in this Disclosure Document.

ITEM 21 FINANCIAL STATEMENTS

Audited financial statements of Better Together, LLC for the fiscal years ending December 31, 2023, December 28, 2024 and December 27, 2025 are attached to this Disclosure Document as EXHIBIT "H". Our fiscal year coincides with a retail calendar and ends on the last Saturday closest to December 31.

ITEM 22 CONTRACTS

Attached to this Disclosure Document (or the Franchise Agreement attached to this Disclosure Document) are copies of the following franchise and other contracts or agreements proposed for use or in use in this state:

Exhibits to Disclosure Document

EXHIBIT "C"	Franchise Agreement
EXHIBIT "D"	Area Development Agreement
EXHIBIT "E"-1	Conversion Addendum
EXHIBIT "E"-2	Franchisee Disclosure Questionnaire **(Questionnaire may not be signed or used if the franchisee resides within, or the franchised business will be located within, a franchise registration state)**
EXHIBIT "E"-3	General Release
EXHIBIT "E"-4	Site Approval Notice
EXHIBIT "E"-5	Site Selection Area Notice
EXHIBIT "E"-6	Territory Notice
EXHIBIT "E"-7	Development Territory Notice
EXHIBIT "E"-8	Tradename Approval Notice
EXHIBIT "I"	Multi-State Addenda

Attachments to Franchise Agreement

ATTACHMENT "B"	Lease Addendum
ATTACHMENT "C"	Owner Agreement
ATTACHMENT "D"	ACH Authorization Form
ATTACHMENT "E"	Brand Protection Agreement
ATTACHMENT "F"	Confidentiality Agreement

Attachments to ADA

ATTACHMENT "B"	Development Schedule Extension Amendment

ITEM 23 RECEIPT

EXHIBIT "K" to this Disclosure Document are detachable receipts. You are to sign both, keep one copy and return the other copy to us.

EXHIBIT "A"

TO DISCLOSURE DOCUMENT

List of State Administrators and Agents for Service of Process

CALIFORNIA
Commissioner of Financial Protection & Innovation
Department of Financial Protection & Innovation
320 West 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
1-866-275-2677

HAWAII
Commissioner of Securities of the State of Hawaii
335 Merchant Street, Room 203
Honolulu, Hawaii 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, Hawaii 96813
(808) 586-2722

ILLINOIS
Illinois Attorney General
Chief, Franchise Division
500 South Second Street
Springfield, IL 62706
(217) 782-4465

INDIANA
Secretary of State
Securities Division
Room E-018
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

MARYLAND
Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

MICHIGAN
Franchise Section
Consumer Protection Division
525 W. Ottawa Street, G. Mennen Williams Building, 1st Floor
Lansing, MI 48913
(517) 335-7567

MINNESOTA
Commissioner of Commerce
Director of Registration
85 Seventh Place East, #280
St. Paul, Minnesota 55101-3165
(651) 539-1500

NEW YORK
New York Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street
New York, NY 10005
(212) 416-8222
Agents for Service of Process:
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, NY 12231

NORTH DAKOTA
North Dakota Insurance & Securities Department
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

RHODE ISLAND
Department of Franchise Regulation
1511 Pontiac Avenue, John O. Pastore Complex, Bldg 69-1
Cranston, Rhode Island 02920
(401) 462-9527

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

VIRGINIA
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051
Agents for Service of Process:
Clerk of the State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 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, Suite 500, Madison, WI 53703
(608) 261-9555

EXHIBIT "B"

TO DISCLOSURE DOCUMENT

Franchisor's Agent for Service of Process

Capitol Services Inc.
1675 S. State St., Suite B
Dover, Delaware 19901
800-316-6660

In states listed in EXHIBIT "A", the additional agent
for Service of Process is listed in EXHIBIT "A"

EXHIBIT "C"

TO DISCLOSURE DOCUMENT

Franchise Agreement

[See Attached]



DOGTOPIA FRANCHISE AGREEMENT

FRANCHISEE: _____
UNIT #:_____
CONTRACT DATE: _____
OPENING DATE: _____

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ATTACHMENTS

ATTACHMENT "A"	Deal Terms
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ATTACHMENT "C"	Owner Agreement
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ATTACHMENT "E"	Brand Protection Agreement
ATTACHMENT "F"	Confidentiality Agreement

DOGTOPIA FRANCHISE AGREEMENT

This Dogtopia Franchise Agreement (this "Agreement") is entered into as of the "Effective Date" listed in Part A of ATTACHMENT "A" between Better Together, LLC, a Delaware limited liability company ("we" or "us") and the "Franchisee" listed in Part B of ATTACHMENT "A" ("you").

1. DEFINITIONS. Capitalized terms not defined above have the meanings given to them below:

"*Account*" means the checking account you designate from which we deduct fees and other amounts owed to us and our affiliates in accordance with §15.5.

"*ACH Agreement*" means the ACH Authorization Agreement attached as ATTACHMENT "D".

"*Acquisition*" means either: (a) a competitive or non-competitive company, franchise system, network or chain directly or indirectly acquiring us, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise; or (b) us, or our affiliate or parent, directly or indirectly acquiring another competitive or non-competitive company, franchise system, network or chain, whether in whole or in part, including by asset or stock purchase, change of control, merger, affiliation or otherwise.

"*Acquired Assets*" means any assets associated with your Center that we elect to purchase upon termination or expiration of this Agreement, as further described in §23.3(a).

"*AI Technology*" means an engineered or machine-based system designed to simulate human intelligence that exhibits adaptiveness after deployment and/or generates outputs (e.g., predictions, recommendations or decisions) for a given set of inputs/objectives, including systems employing computation techniques to simulate intelligent behavior or automate complex tasks (e.g., machine learning, deep learning, natural language processing, computer vision, neural networks, generative artificial intelligence, predictive analytics, intelligent automation tools and algorithmic processing systems).

"*Alternative Channels of Distribution*" means any channel of distribution other than retail sales made to customers while present at a Dogtopia Center, including: (a) sales through direct marketing, such as over the Internet or through catalogs or telemarketing; (b) sales through retail stores that do not operate under the Marks, such as pet stores, convenience stores or department stores; and (c) sales made at wholesale.

"*Anti-Terrorism Law*" means Executive Order 13224 issued by the President of the United States of America (or any successor Order), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act) of 2001 (or any successor legislation) and all other present and future Laws addressing or in any way relating to terrorist acts and acts of war.

"*Appraised Value*" means the fair market value of the Acquired Assets as determined by independent appraisers in accordance with §23.3(b).

"*Architect Company*" means an architectural company that we approve and you engage in accordance with §7.2 to obtain site surveys and site investigation reports, design your Center, prepare construction plans and facilitate the submission of applications for required permits on your behalf.

"*Architectural Services Agreement*" means the contract you sign with the Architect Company in accordance with §8.1(a).

"*Brand Protection Agreement*" means the Brand Protection Agreement attached as ATTACHMENT "E".

"*Business*" means the franchised business you operate pursuant to this Agreement.

"*Business Data*" means, collectively or individually, Pet Parent & Dog Data and Operational Data.

"*Captive Venue*" means a non-traditional outlet for a Dogtopia Center that is located within, or is a part of, another establishment or facility that consumers may visit for a purpose unrelated to the Dogtopia Center. Examples include Dogtopia Centers located in hotels, apartment complexes, corporate campuses and office buildings (i.e., a Dogtopia Center in another business facility to service its the employees), college campuses, universities, airports, train stations, co-branded facilities, fitness facilities, stadiums, sporting arenas, bus stations, shopping malls, or within other similar types of establishments or new concept locations.

"*Claim*" means any action, allegation, assessment, claim, demand, litigation, proceeding or regulatory

procedure, investigation or inquiry.

"*Collateral*" means your assets listed in §15.8 that are used as collateral to secure your financial obligations.

"*Competing Business*" means any business meeting at least one of the following criteria: (a) a business competitive with a Dogtopia Center that derives, or is reasonably expected to derive, at least 30% of its revenue from any combination of dog daycare services, dog boarding services and/or dog spa and wellness services; (b) a business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) a business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include a Dogtopia Center operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

"*Confidential Information*" means and includes: (a) Know-How; (b) Business Data; (c) information in the Manual or comprising the System; (d) terms of Definitive Agreements and any amendments thereto; and (e) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that are: (i) designated as confidential; (ii) known by you to be considered confidential by us; and/or (iii) reasonably to be considered confidential due to their nature. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you or your Owners, employees or other constituents); (b) you can demonstrate was rightfully possessed by you or an Owner, without obligation of nondisclosure, before we disclosed the information to you or the Owner; (c) is independently developed by you or an Owner without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose the information to you or an Owner without breaching a confidentiality covenant imposed on such third party.

"*Confidentiality Agreement*" means the Confidentiality Agreement attached as ATTACHMENT "F".

"*Consultation Services*" means the advice and consultation services we provide pursuant to §3.1, §7.2 and §8 in connection with various aspects of the development of your Center, including site selection, lease negotiation, design, construction and development.

"*Conversion Franchisee*" means a franchisee who converts an independent dog daycare facility to a Dogtopia Center. You qualify as a Conversion Franchisee if the Center you develop and operate pursuant to this Agreement was, immediately prior to the Effective Date, an independent dog daycare facility you intend to convert to a Dogtopia Center.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate claim or secure common law or registered copyright protection and that we allow Dogtopia franchisees to use, sell or display in connection with the marketing and/or operation of a Dogtopia Center.

"*Core Profile Customer*" means an individual meeting certain criteria or characteristics we establish from time to time that we have found indicate a Person is more likely to become a customer of a Dogtopia Center, as further described in §3.4.

"*Definitive Agreements*" means, collectively: (a) this Agreement; (b) the Area Development Agreement pursuant to which this Agreement is executed (if applicable); (c) any other Franchise Agreement between you (or your affiliate) and us (or our affiliate) for a Dogtopia Center or any other franchised concept; and (d) all ancillary agreements related to any of the foregoing, including Owner Agreements.

"*Designated Manager*" means the Person you designate to provide daily on-site management and supervision of your Center in accordance with §9.2.

"*Dispute*" means any Claim or dispute between the parties that involves or relates to a Definitive Agreement, the offer or sale of franchise rights or the relationship between the parties.

"*Dogtopia Center*" or "*Center*" means a dog daycare, boarding and spa facility authorized to operate under

the Marks and use our System, including any Center operated by us, our affiliate, you or another Person.

"*Dogtopia Marketplace*" means our designated ecommerce platform that leverages system-wide buying power to deliver preferential quality and pricing to franchisees for the purchase of various items needed for the development and/or operation of a Dogtopia Center.

"*Entity*" means a corporation, partnership, limited liability company or other form of association.

"*Equity Interest*" means a direct or indirect ownership or other beneficial interest in a business or Entity.

"*Excluded Claim*" means any Claim that, according to §24.6, is not subject to mandatory negotiation, mediation or arbitration.

"*Force Majeure*" means acts or circumstances that are beyond a party's control, including fire, storm, flood, earthquake, explosion or accident, acts of war or terrorism, rebellion, insurrection, sabotage, epidemic, failures or delays of transportation and strikes, provided that: (a) the non-performing party promptly notifies the other party of the Force Majeure event; (b) the non-performing party is without fault and the delay or failure could not have been prevented by reasonable precautions by the non-performing party; (c) nothing herein excuses or permits any delay or failure to pay fees or other amounts owed on the applicable due date; (d) insolvency, lack of funding or financing, currency fluctuations or devaluations, foreign exchange controls or inflation is never deemed Force Majeure; and (e) an epidemic or pandemic of a contagious illness or disease, or economic or financial changes caused by an epidemic or pandemic of a contagious illness or disease, is never deemed Force Majeure except to the extent a Governmental Authority mandates closure (or prevents the opening) of the Dogtopia Center as a result of such epidemic or pandemic.

"*Franchisee Entity*" means an Entity that: (a) signs this Agreement as the franchisee (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

"*General Release*" means our then-current form of Waiver and Release of Claims that you and your Owners must sign pursuant to §4.2 in connection with a franchise renewal or §21.2 in connection with a Transfer.

"*Governmental Authority*" means any national, provincial, state, county, local, municipal or other government, or any ministry, department, agency or subdivision thereof, whether administrative or regulatory, or any other body that exercises similar functions, including courts and taxing authorities.

"*Gross Sales*" means all amounts invoiced and/or collected by you from all goods and services sold at, from, or relating to your Business, regardless of manner of payment (e.g., cash, check, credit card, debit card, on credit or via barter transaction). Gross Sales also includes all other revenue you receive relating to your Business, including advertising revenue, sponsorship fees and business interruption insurance proceeds. The full amount of the invoiced sale is included in Gross Sales at the time the order is placed, including amounts paid on credit and deposits on account applied at a later date (such as pre-paid items for services to be performed, subscription fees and membership/enrollment fees). For barter transactions, at the time the order is placed you must include in Gross Sales the full standard non-discounted price that you charge for the applicable good or service. If we pay you any amounts based on your participation in a Special Account, you must include the full amount we pay to you in Gross Sales. With respect to discounted goods or services, Gross Sales includes the actual discounted price charged to the customer provided that the discount is part of a national promotion that we have sponsored or endorsed. You may offer other discounts or promotional programs to specific customers or targeting a certain type of customer (for example, veterans, teachers, etc.) and you may offer free goods or services to your owners, employees, friends and family members, but for purposes of reporting Gross Sales, the maximum discount allowable will be 10% (except as otherwise discussed below for dog daycare for your owners and employees). If you discount the good or service more than 10% from your standard pricing (including by providing free goods or services), then you may only deduct 10% of the standard price from Gross Sales but must include the remainder of the standard price for the good or service. You may offer free or discounted dog daycare for your owners and employees and you are not required to include the value of these daycare services in Gross Sales.

The following amounts are excluded from Gross Sales: (a) sales or use taxes you collect and pay to a Governmental Authority; (b) tips and gratuities paid by customers; (c) proceeds from gift card and gift certificate sales (the proceeds are added to Gross Sales when the gift certificate or gift card is redeemed); (d)

amounts contributed by customers to the Dogtopia Foundation or another 501(c)(3) organization we approve (the organization must relate to dogs and must be approved by us before you may promote the organization and/or accept donations at your facility); and (e) amounts you advance to a veterinarian to treat a dog that are subsequently reimbursed by the pet parent.

If you previously included any amount in Gross Sales that is subsequently refunded to a customer (as part of a bona fide refund or discount) or written off as uncollectible (in accordance with any write-off policies in the Manual), then you may adjust your Gross Sales for the reporting period in which the refund or write off takes place by deducting the amount of the refund or write off. We may require that you provide us with written documentation supporting the refund or write off. Instead of allowing you to deduct refunds and write offs from Gross Sales, we may instead provide you with a "credit" against future royalty fees in the amount of the refunds and write offs. If you do not strictly follow the policies in the Manual regarding the determination and reporting of refunds, discounts and write offs, you will not be entitled to deduct these amounts from Gross Sales and you will not receive a credit against future royalty fees. We reserve the right to make reasonable adjustments to the calculation of Gross Sales from time to time to reflect changes to: (a) the programs, products or services offered at Dogtopia Centers; (b) the point-of-sale system utilized at Dogtopia Centers; (c) our policies regarding permissible discounts and/or exclusions from Gross Sales; or (d) our policies regarding refunds, write-offs, gift certificates or gift cards; and (e) our policies regarding the calculation of Gross Sales relating to Prepaid Liabilities.

"***Improvement***" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Dogtopia Center, (b) method of operation of a Dogtopia Center, (c) processes, systems or procedures utilized by a Dogtopia Center, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Dogtopia Center or (e) trademarks, service marks, logos or other intellectual property utilized by a Dogtopia Center, whether developed by you, your Owners, your employees or any other Person.

"***Indemnified Parties***" means and includes us and each of our past, present and future owners, members, officers, directors, employees and agents, as well as our parents, subsidiaries and affiliates, and each of their past, present and future owners, members, officers, directors, employees and agents.

"***Intellectual Property***" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"***Interim Manager***" means a Person we designate to temporarily manage your Center pursuant to §9.4.

"***Interim Term***" means a month-to-month extension of the Term under the circumstances described in §4.3.

"***IP Dispute***" means any: (a) actual or suspected infringement of the Intellectual Property; (b) challenge to your use of the Intellectual Property; or (c) claim by any Person, other than us or our affiliate, of any rights in or to the Intellectual Property.

"***Know-how***" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, development, construction, marketing or operation of a Dogtopia Center including: architectural plans, drawings and specifications for a prototype Dogtopia Center; site selection criteria; methods and techniques; standards and specifications; policies and procedures; marketing strategies and programs; merchandising strategies; supplier lists, relationships and information; and information comprising the System or included in the Manual.

"***Law***" means and includes laws, rules, regulations and ordinances as well as judgments, decrees, orders, advisory opinions, directives, interpretive statements and releases issued by Governmental Authorities.

"***Licenses***" means and includes any and all licenses, permits, certifications, accreditations and other authorizations or approvals that (a) are issued by a Governmental Authority or national accreditation organization and (b) are required Law (or are required by us) for the operation of a Dogtopia Center, including

"***Local Marketing Commitment***" means the minimum amount of money you must spend each month on local advertising and marketing to promote your Center in accordance with §11.3(b).

"***Losses and Expenses***" means and includes any of the following: compensatory, exemplary and punitive damages; fines and penalties; attorneys' fees; experts' fees; court costs; Travel Expenses and other costs

associated with investigating and defending a Claim; settlement amounts; judgments; damage to reputation or goodwill; and all other costs, damages, liabilities and expenses associated with any of the foregoing.

"*Managing Owner*" means the Owner you designate and we approve with primary responsibility for the management and supervision of the Center in accordance with §9.1.

"*Manual*" means our confidential Operating Standards Manual for the operation of a Dogtopia Center.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Centers to use, including DOGTOPIA® and the associated logo. The Marks also include any distinctive trade dress used to identify a Center or the products it sells.

"*Notice of Territory Subdivision*" means the notice we provide to you if we elect to subdivide your Territory under the circumstances described in §3.6.

"*Operational Data*" means and includes all data and information pertaining to the operation of your Center including employee data, expense data, financial accounting data and Gross Sales data.

"*Option Acceptance Notice*" means the notice you provide to us if you elect to exercise your option to purchase franchise development rights to an Option Territory in accordance with §3.7.

"*Option Period*" means the period of time described in §3.6 during which you must decide whether to exercise your option to purchase franchise development rights to an Option Territory.

"*Option Territory*" means any territory resulting from a subdivision of the Territory for which you are granted an option to acquire in accordance with §3.6.

"*Owner*" means a Person who either: (a) directly signs this Agreement as the franchisee, either alone or in conjunction with one or more other Persons; or (b) directly or indirectly through one or more intermediaries owns any Equity Interest in the Business or Franchisee Entity.

"*Owner Agreement*" means the Owner Agreement attached as ATTACHMENT "C".

"*Package*" means a package of services that a customer redeems on multiple visits.

"*PCI-DSS*" means the payment card industry data security standard, which is a set of security requirements established by the following major credit card brands from time to time: American Express, Discover Financial Services, JCB International, MasterCard Worldwide, and Visa Inc., which standards are set forth at https://www.pcisecuritystandards.org as of the Effective Date.

"*Person*" means an individual, Entity, unincorporated organization, joint venture, Governmental Authority, estate (or executor thereof) or trust (or trustee thereof).

"*Pet Parent & Dog Data*" means all data pertaining to pet parents, dogs, potential pet parents and business operations, including pet parent and dog contracts, pet parent information and other information about pet parents and dogs, whether collected by you, us or any other Person.

"*Post-Term Restricted Period*" means, with respect to you, the two-year period after the termination, expiration or Transfer of this Agreement; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the termination, expiration or Transfer of this Agreement.

"*Post-Term Restricted Period*" means, with respect to an Owner, the two-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity; *provided, however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Post-Term Restricted Period means the one-year period after the earlier to occur of: (a) the termination, expiration or Transfer of this Agreement; or (b) the date on which the Owner no longer owns an Equity Interest in the Business or Franchisee Entity.

"*Prepaid Liabilities*" means, as of a given point in time, the total amount of outstanding prepaid liabilities carried by your Center as a liability for unredeemed gift cards, Packages, memberships or other prepaid items purchased by customers (provided we allow you to retain the proceeds from these sales).

"*Program Participation Rules*" means the policies, procedures, fees and other requirements pertaining to any gift card, loyalty, membership, enrollment or other system-wide program we implement pursuant to §12.14.

"*Prohibited Activities*" means and includes any of the following: (a) owning, operating or having any other interest (e.g., as a director, officer, employee, manager, consultant, creditor, representative, agent or in any similar capacity) in a Competing Business, other than owning less than 5% of the Equity Interests in a Competing Business that is a publicly-traded company; (b) disparaging or otherwise making negative comments about us, our affiliate, the System or any Center (this provision does not prohibit disclosure of truthful information to Governmental Authorities); (c) diverting or attempting to divert any business from us, our affiliate or another franchisee; (d) inducing any Person to transfer their business from a Center to a competitor; or (e) utilizing any supplier relationship established through your association with us for any purpose unrelated to your Center.

"*Project Manager*" means the project management company we designate in accordance with §7.2 to oversee the development and construction of your Center and coordinate with the various contractors and other professionals involved with the process.

"*REAFC Fee*" means the fee described in §8.1(e) that you pay us in exchange for the Consultation Services we provide.

"*Real Estate Company*" means the real estate company we designate in accordance with §3.1 to assist you in identifying and evaluating potential sites and negotiating your lease.

"*Reportable Event*" means any event or occurrence described in §17.6 that you must report to us.

"*Restricted Territory*" means the geographic area within: (a) your Territory (including the premises of your Center); and (b) a 15-mile radius from all other Centers that are open or under construction when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable then Restricted Territory means the geographic area within: (a) your Territory (including the premises of your Center); and (b) a 10-mile radius from all other Centers that are open or under construction when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines each of the foregoing Restricted Territory descriptions are too broad to be enforceable then Restricted Territory means the geographic area within: (a) your Territory (including the premises of your Center); and (b) a five (5) mile radius from all other Centers that are open or under construction when the Post-Term Restricted Period begins; *provided, however*, that if a court of competent jurisdiction determines all of the foregoing Restricted Territory descriptions are too broad to be enforceable then Restricted Territory means the geographic area within your Territory (including the premises of your Center).

"*Site Approval Notice*" means our then-current form of Site Approval Notice that we may issue to you in accordance with §3.1 to identify the approved site for your Center.

"*Site Selection Area*" means the geographic area within which you must identify an approved site for your Center, as further described in §3.2.

"*Site Selection Area Notice*" means our then-current form of Site Selection Area Notice that we may issue to you in accordance with §3.3 to identify your Site Selection Area.

"*Site Selection Area Protection Period*" means the limited period of time described in §3.2 during which you receive certain territorial protections with respect to your Site Selection Area.

"*Successor Agreement*" means our then-current form of Dogtopia Franchise Agreement you must sign pursuant to §4.2 in connection with a renewal of your franchise rights.

"*System*" means our business format and set of specifications and operating procedures for the operation of a Dogtopia Center, the distinctive characteristics of which include: distinctive interior and exterior design, décor, signage, color scheme and other trade dress elements; the Marks; health and safety protocols; enrollment model; marketing strategies and programs; merchandising strategies; customer service standards; product and service offering; techniques and methods; standards and specifications; policies and procedures; training programs; technology solutions; and operating system.

"*System Account*" refers to a relationship we establish with a System Account Customer pursuant to a System Account Agreement.

"*System Account Agreement*" means an agreement we enter into with a System Account Customer in accordance with §12.8 that enables System Account Beneficiaries to receive preferential pricing and/or other benefits at participating Dogtopia Centers.

"*System Account Beneficiary*" means an individual associated with a System Account Customer who is entitled to receive preferential pricing and/or other benefits at participating Dogtopia Centers under the terms of a System Account Agreement.

"*System Account Customer*" means a business or other organization with whom we negotiate a System Account Agreement in accordance with §12.8.

"*Technology Systems*" means all information and communication technology systems we specify from time to time, including computer and point-of-sale systems, telecommunications systems, webcam systems, AI Technology, security systems, music systems, dog monitoring and wellness systems and similar systems, together with the associated hardware, software and related equipment, applications and third-party services relating to the establishment, use, maintenance, monitoring, security or improvement of these systems.

"*Term*" means the period of time beginning on the Effective Date and expiring 10 years after: (a) the date the lease or purchase contract for the premises is fully executed (if you do not own the premises as of the Effective Date); or (b) the Effective Date (if you or your affiliate owns the premises as of the Effective Date).

"*Territory*" means the protected territory for your Center, as further described in §3.4.

"*Territory Amendment Date*" means the 30th day after we issue a Notice of Territory Subdivision to you, which is the date a subdivision of your Territory pursuant to §3.6 becomes effective.

"*Territory Notice*" means our then-current form of Territory Notice that we may issue to you in accordance with §3.4 to identify your approved Territory (if your Territory is unknown as of the Effective Date).

"*Territory Search Area*" means the geographic area within which you must identify your Site Selection Area (if your Site Selection Area is unknown as of the Effective Date), as further described in §3.3.

"*Third-Party Technology*" means any Technology Systems (or components thereof) owned by Persons who are not affiliated with us.

"*Tradename Approval Notice*" means our then-current form of Tradename Approval Notice that we issue to you in accordance with §19.4 to notify you of our approval of the tradename you propose for your Center.

"*Transfer*" means any direct or indirect, voluntary or involuntary, assignment, sale, sublicense or other transfer or disposition of; (a) this Agreement; (b) the franchise or intellectual property rights granted by this Agreement; (c) the Business you conduct pursuant to this Agreement; (d) the right to manage the Center or occupy its premises; (e) the Center's assets, excluding the sale of fixtures or equipment in the ordinary course; or (f) an Equity Interest in the Business or Franchisee Entity; including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner's death (including via the Laws of intestate succession).

"*Travel Expenses*" means and includes all travel, meals, lodging, local transportation and other living expenses incurred: (a) by us and our trainers, field support personnel, auditors and/or other representatives to visit your Center; or (b) by you and your personnel to attend training programs or conferences.

2. GRANT OF FRANCHISE. We hereby grant you the right, license and obligation to own and operate one (1) franchised Dogtopia Center using our Intellectual Property from the site we approve. As a franchisee, you will establish and operate a dog daycare, boarding and spa facility under the name DOGTOPIA® that: (a) offers the services for dogs that we require from time to time, including daycare, boarding, grooming and training; and (b) sells the dog-related products that we authorize or require from time to time. If you are a Conversion Franchisee, you must sign a Conversion Addendum concurrently with the execution of this Agreement. We reserve all rights not expressly granted to you.

3. SITE SELECTION AND TERRITORY.

3.1. **Site Selection**. You must develop your Center at a site we approve. You must obtain our approval of your site and send us a copy of the fully executed lease or purchase contract for your site no later than 180 days after: (a) the Effective Date (if we designate your Site Selection Area before signing this Agreement); or (b) the date we send you a Site Selection Area Notice in accordance with §3.3 (if we do not designate your Site Selection Area before signing this Agreement). The site for your Center must be located in the Site Selection Area described in §3.2 and conform to our minimum site selection criteria. We assist you in selecting a site by providing a demographic analysis of your Site Selection Area. To further assist you in identifying and evaluating potential sites, you must either: (a) contract with and utilize the Real Estate Company we designate; or (b) contract with both the Real Estate Company we designate and another real estate professional of your choosing who must work in conjunction with, and report to, the Real Estate Company we designate. Although the Real Estate Company assists you in finding potential sites, you retain ultimate responsibility for selecting your site (which we must approve). You must send us a site report, in the format we prescribe, for each site you propose. The site report must include all documents, information, photos and video we require. We will accept or reject sites you propose in our commercially reasonable judgment. We will use best efforts to notify you of our decision within 30 days after we receive all requisite materials. Your site is deemed disapproved if we do not issue our approval within the 30-day period. If we approve the site for your Center before signing this Agreement, we will list the address of your approved site in Part E of ATTACHMENT "A". Otherwise, we list the address of your approved site in a Site Approval Notice that we send to you within five (5) business days after site approval (our designation of the approved site is immediately effective and binding the date we issue the Site Approval Notice). Our approval of a site is not a representation or warranty of any kind, express or implied, of the suitability of the site for a Dogtopia Center. It only means we believe the site meets our minimum site selection criteria.

3.2. **Site Selection Area.** Your Center must be located within the geographic area we designate (the "Site Selection Area"). We identify your Site Selection Area in: (a) Part D of ATTACHMENT "A" if we designate your Site Selection Area before signing this Agreement; or (b) a Site Selection Area Notice we issue to you in accordance with §3.3 if we do not designate your Site Selection Area before signing this Agreement. During the Site Selection Area Protection Period, your Site Selection Area has the same territorial protections, and is subject to the same limitations on territorial protections pertaining to Captive Venues and Acquisitions, that are described in §3.5 with respect to your Territory, except we will not subdivide your Site Selection Area under any circumstances. The "Site Selection Area Protection Period" means the period of time that begins the date we designate your Site Selection Area and ends upon the earlier of: (a) the 30th day after the Effective Date; or (b) the date we designate your Territory in accordance with §3.4. All territorial rights and protections associated with your Site Selection Area automatically terminate when the Site Selection Area Protection Period expires.

3.3. **Territory Search Area.** If we do not designate your Site Selection Area before signing this Agreement, then Part C of ATTACHMENT "A" will describe your "Territory Search Area". We will promptly notify you of all available Site Selection Areas within the Territory Search Area. You must select one of these Site Selection Areas and notify us of your selection within 30 days after the Effective Date. You may only select a Site Selection Area that is available on the date you notify us of your selection. If you fail to notify us of your selection within the 30-day period, we may either: (a) grant you a reasonable extension (but only if no other franchisees are searching for Site Selection Areas within the same Territory Search Area); or (b) designate your Site Selection Area, which you must accept. We will send you a Site Selection Area Notice identifying the boundaries of your Site Selection Area within five (5) business days after you (or we, if applicable) select it (our designation of the Site Selection Area is immediately effective and binding the date we issue the Site Selection Area Notice). You do not receive any territorial rights or protections to the Territory Search Area.

3.4. **Designation of Territory.** We will grant you a protected territory (your "Territory") that will be determined as follows:

(a) if there are fewer than 25,000 Core Profile Individuals that reside and/or work within a three (3) mile radius from the approved site for your Center, your Territory will consist of the geographic

area within a three (3) mile radius from the approved site for your Center; or

(b) if there are more than 25,000 Core Profile Individuals that reside and/or work within a three (3) mile radius from the approved site for your Center, your Territory will consist of a geographic area we designate that includes a minimum of 25,000 Core Profile Individuals that reside and/or work in the area (we may define the Territory boundaries in any manner we deem appropriate).

A "Core Profile Individual" is an individual meeting certain criteria or characteristics we establish from time to time that we have found indicate a Person is more likely to become a customer of a Dogtopia Center. We may change the criteria and/or characteristics that define a Core Profile Individual at any time in our sole discretion, provided that we uniformly apply such change for purposes of designating franchised territories. The number of Core Profile Individuals in your Territory is measured only as of the date we establish your Territory. We may use any demographic software, census, database or other data repository we designate for purposes of determining the number of Core Profile Individuals within a geographic area. A single "Core Profile Individual" may be counted twice if such Person both works and resides within the same area. Your Territory will be identified in: (a) Part F of ATTACHMENT "A" (if we approve the site for your Center before signing this Agreement); or (b) a Territory Notice that we issue to you within 15 days after you send us the fully-executed copy of the lease or purchase contract for your Center's premises (if we do not approve your site before signing this Agreement). Our designation of your Territory in the Territory Notice is immediately effective and binding the date we issue the Territory Notice. We may modify your Territory in accordance with our then-current territory guidelines and criteria at such time that: (a) you renew your franchise rights; or (b) we approve a new site for your Center (if you relocate).

3.5. Territorial Rights and Limitations. During the Term we will not develop or operate, or license a third party to develop or operate, a Dogtopia Center that is located in your Territory except as otherwise provided in §3.5 (Captive Venues and Acquisitions) and §3.6 (Subdivision of your Territory). At any time during the Term we reserve the right to: (a) develop and operate, and license third parties to develop and operate, Dogtopia Centers in Captive Venues that are located in your Territory; and (b) engage in Acquisitions that involve, or subsequently result in, conversion of: (i) the acquired or acquiring company's outlets to DOGTOPIA® outlets, even if those outlets are located in your Territory or (ii) your Center to an an outlet of the acquiring company, even if your Center and one or more outlets of the acquiring company are located in your Territory. We reserve the right to sell, and license third parties to sell, competitive or identical goods and services (including under the Marks) within the Territory through Alternative Channels of Distribution.

3.6. Subdivision of Territory. At any time during the Term we have the option to subdivide your Territory into multiple franchised territories if: (a) the total number of Core Profile Individuals in your Territory equals or exceeds 65,000; and (b) we determine, in our sole discretion, that your original Territory can support one or more additional Dogtopia Centers. In order to exercise our option, we must: (a) provide you with a notice of our election to subdivide your Territory (the "Notice of Territory Subdivision") at least 30 days before we subdivide your Territory; and (b) include within the Notice of Territory Subdivision a description of the boundaries of your new Territory (which shall include at least 25,000 Core Profile Individuals) and a description of the boundaries of the new territory or territories that will become available for further development (each, an "Option Territory"). Each Option Territory may either: (a) consist of a geographic area that was entirely within your original Territory; or (b) consist of a geographic area that was partially within your original Territory and partially outside your original Territory. Each Option Territory will include a minimum of 25,000 Core Profile Individuals. Effective 30 days after the date of the Notice of Territory Subdivision (the "Territory Amendment Date"), this Agreement shall be automatically amended, without the need for further action by either party, to delete the original Territory description in Part F of ATTACHMENT "A" or in the Territory Notice, as applicable, and replace it with the description of your new Territory as set forth in the Notice of Territory Subdivision. During the period of time that begins the date we issue the Notice of Territory Subdivision and ends on the Territory Amendment Date (the "Option Period"), you shall have an option to acquire franchise development rights to each Option Territory in accordance with §3.7. Following the Territory Amendment Date, you shall have no territorial rights or protections relating

to any Option Territory for which you and we have not executed a Franchise Agreement.

3.7. Option to Acquire Option Territory. During the Option Period, you have an exclusive option, but not the obligation, to purchase franchise rights to develop and operate a Dogtopia Center within each Option Territory. In order to exercise your option, you must: (a) send us a notice of your election to purchase the franchise rights (an "Option Acceptance Notice") at least two (2) business days prior to the Territory Amendment Date; and (b) complete the purchase of franchise rights within 30 days after we receive your Option Acceptance Notice (or such longer period of time we designate in our discretion) by signing our then-current form of Franchise Agreement and paying the then-current initial franchise fee in full. If your Territory is divided into multiple Option Territories, you may exercise your option to either purchase all of the Option Territories or only some of them. You must sign a separate Franchise Agreement and pay a separate initial franchise fee for each Option Territory you purchase. We have the unrestricted right to develop and operate, or grant rights to any other Person to develop and operate, a Dogtopia Center anywhere within a given Option Territory if any of the following are true: (a) you notify us that you will not exercise your option; (b) you fail to send us the Option Acceptance Notice at least two (2) business days before the Territory Amendment Date; (c) you send us the Option Acceptance Notice in a timely manner but fail to sign the Franchise Agreement and/or pay us the initial franchise fee within the required period of time; or (d) you are, or your affiliate is, in default under any Definitive Agreement at any time between the date we send you the Notice of Territory Subdivision and the date you intend to sign a Franchise Agreement for the Option Territory.

4. TERM AND RENEWAL.

4.1. Generally. This Agreement grants you the right to operate your Center during the Term. You may renew your franchise rights by signing a Successor Agreement for a 10-year renewal term. The parties may agree to further renewals after expiration of the first (1st) renewal term, but neither party is obligated to do so (unless required by applicable Law, in which case the same renewal conditions in this Agreement apply to subsequent renewals). In order to sign a Successor Agreement you must satisfy all renewal conditions specified in this Agreement or the Successor Agreement you wish to renew, as applicable. The Successor Agreement will be the current form of franchise agreement we use to grant franchises as of the expiration of the Term or renewal term, as applicable, the terms of which may vary materially and substantially from the terms of this Agreement. If this Agreement is a Successor Agreement, the Term of this Agreement and your remaining renewal rights, if any, shall be governed by your original franchise agreement.

4.2. Renewal Requirements. In order to renew, you and the Owners (as applicable) must:

(a) send us a notice of your desire to enter into a Successor Agreement not less than 270 days nor more than one (1) year before the expiration of the Term or renewal term, as applicable;

(b) not be in default under any Definitive Agreement when you send the renewal notice or sign the Successor Agreement;

(c) have substantially and timely complied with your obligations under all Definitive Agreements (except a termination of an Area Development Agreement for breach of the development schedule shall not be a basis for non-renewal);

(d) sign the Successor Agreement and all ancillary documents we require franchisees to sign;

(e) sign a General Release;

(f) concurrently with the execution of the Successor Agreement, pay us a renewal fee equal to 50% of our then-current non-discounted initial franchise fee applicable to the purchase of a first (1st) franchise by a Person who is not a Conversion Franchisee;

(g) remodel the Center and upgrade all furniture, fixtures and equipment to conform to our then-current standards and specifications;

(h) extend the term of your lease (if applicable) for the duration of the renewal term;

(i) complete any refresher training we require and pay us our then-current training fee; and

(j) take any additional actions we reasonably require.

If we elect not to renew or offer you the right to renew, we will send you a notice of non-renewal at least 180 days prior to the expiration date, which shall set forth the basis for our decision. If you have any objection to our notice of non-renewal, including a dispute as to the basis for our decision, you must send us a notice of objection that sets forth the basis for your objection. Your notice of objection must be sent to us no later than 30 days after you receive our notice of non-renewal. Your failure to send us a notice of objection during such 30-day period constitutes your consent to the non-renewal of your franchise. Our failure to send you a notice of non-renewal at least 180 days prior to the expiration date constitutes our offer to renew your franchise in accordance with, and subject to, the renewal terms and conditions set forth above.

4.3. **Interim Term.** If you do not sign a Successor Agreement but continue to operate your Center after the Term expires, we may either treat this Agreement as: (a) expired as of the Term expiration date with you operating in violation of our rights; or (b) continued on a month-to-month basis (the "Interim Term") until either party provides the other party with 30 days' prior notice of termination of the Interim Term. All your obligations remain in full force and effect during the Interim Term as if this Agreement had not expired, and all obligations imposed on you upon expiration of the Term will take effect upon termination of the Interim Term.

5. TRAINING

5.1. **Initial Training.** Your Managing Owner and Designated Manager must attend and successfully complete our initial training program at least 30 days before your Center opens. Initial training may include multiple phases that take place at different times and at different locations.

5.2. **Post-Opening Training.** Any new Managing Owner or Designated Manager appointed or hired after your Center opens must successfully complete our then-current initial training program prior to managing your Center. We may offer periodic refresher or supplemental training courses for your Managing Owner and management personnel. We may designate each course as mandatory or optional. If we determine your Center is not operating in full compliance with this Agreement or the Manual, we may require that your Managing Owner and management personnel attend remedial training relevant to your operational deficiencies. We may, but need not, provide additional assistance or training requested by you at a mutually convenient time.

5.3. **Supplier Training** Your Managing Owner and Designated Manager must attend all supplier training programs we specify relating to the utilization or sale of the goods or services manufactured or provided by the supplier.

5.4. **Training Locations.** Our training programs may take place at any location we designate, including our corporate headquarters, a Dogtopia Center of our choosing or any other location we designate. We reserve the right to conduct training programs virtually.

5.5. **Training Fees and Expenses.** We provide our pre-opening initial training program at no additional charge for up to three (3) individuals. We may charge you an initial training fee of $2,000 per Person for: (a) each additional Person who attends our initial training program before or after your Center opens; and (b) any Person who retakes initial training after failing a prior attempt. You must pay us a training fee of up to $400 per Person per day for any Person who attends remedial training, refresher or supplemental training, or additional training you request. If we provide onsite training or assistance, you must also reimburse all Travel Expenses we incur. You are responsible for all wages and Travel Expenses you and your personnel incur to attend training.

6. **CONFERENCES & MEETINGS**. We may require that the Managing Owner attend periodic conferences we conduct. If the Managing Owner cannot attend and we excuse his or her absence, you must send the Designated Manager (or an assistant manager if the Managing Owner serves as your Designated Manager). The Managing Owner or Designated Manager as applicable, must stay at the hotel or resort where the conference is held unless the conference is held in your local area. In connection with each conference, we may charge you a nonrefundable conference registration fee of up to $899 for each attendee. This fee is due one (1) month prior to the conference. If neither the Managing Owner nor the Designated Manager attend a

required conference, you must pay us a $1,000 participation fee. You are responsible for all wages and Travel Expenses you and your personnel incur to attend conferences. In addition to these conferences, we may require your Managing Owner, Designated Manager, assistant managers and other employees attend monthly meetings we conduct via webinar or teleconference.

7. OTHER FRANCHISOR ASSISTANCE.

7.1. **Manual.** We provide you with access to our Manual during the Term. The Manual may also incorporate and include our Electronic Training Programs. The Manual will help you develop and operate your Business. The information in the Manual is confidential and proprietary and may not be disclosed to third parties without our prior approval.

7.2. **Site Selection & Project Development Assistance**. In accordance with §3.1, §8.1, §8.2 and §8.4, you must use: (a) the Real Estate Company we designate to assist you with site selection, lease negotiation and related real estate services; (b) an Architect Company we approve to obtain a site survey and site investigation report for each site you propose, design your Center, prepare construction plans and facilitate the submission of applications for required permits on your behalf; and (c) the Project Manager we designate to oversee the development and construction of your Center and coordinate with the various contractors and other professionals involved with the process. We may, at our option, either directly serve as the Project Manager or contract with (or require you to contract with) a third-party company we designate to serve as the Project Manager. We provide certain site selection, market analysis and construction-related assistance in conjunction with the Real Estate Company, Architect Company and Project Manager. Specifically, we will:

(a) provide a demographic analysis to help you choose your Site Selection Area and find an approved site for your Center;

(b) provide a template "Letter of Intent" for the lease or purchase contract for your Center (either directly or through the Real Estate Company);

(c) review the site survey and site investigation report obtained by the Architect Company and, based on our review, provide our recommended changes (if any) to the Letter of Intent;

(d) review your proposed lease and provide our recommended changes (if any) to ensure compliance with our brand standards (our recommended changes are non-binding and you retain ultimate responsibility for negotiating your lease, other than mandatory Lease Addendum terms);

(e) review and provide feedback on the architectural plans prepared by the Architect Company (we must approve the final plans in accordance with §8.4); *provided, however*, that you retain sole responsibility for reviewing and ensuring the M.E.P. Engineer's design for your mechanical, electrical and plumbing systems complies with (i) local Laws and (ii) your environmental comfort standards and needs; and

(f) advise you regarding special use and conditional use permitting strategies and support your efforts to procure appropriate permitting for your proposed site (you must also hire an attorney to help with these matters).

We will also coordinate and work with the Real Estate Company, Architect Company, M.E.P. Engineer and Project Manager (if the Project Manager is a third-party company) relating to the site selection, lease negotiation, design and project management services provided by such companies.

7.3. **General Guidance.** We will periodically review and evaluate your Center and reports you submit to us and provide our guidance and recommendations on ways to improve the operation of your Center. We will advise you of new developments, techniques and improvements in the areas of advertising, management and operations. We do not represent that your compliance with our advice, guidance or recommendations will result in any level of success of your Business.

7.4. **Field Visits**. We may, but need not, conduct periodic field visits to provide onsite consultation, assistance and guidance regarding Center operations. We will provide a report detailing any problems or concerns observed during the visit together with our instructions to address or resolve them. You

must implement all mandatory corrective measures in the time and manner we specify.

7.5. **Website.** We currently maintain a corporate website for the DOGTOPIA® brand. We will also create and host a microsite for your Center that will be linked to our corporate website and list information about your Center we deem appropriate, such as contact information and hours of operation. We will provide one (1) registered domain name for the microsite under our standard technology package. We will own your Center's microsite and domain name. We may change or discontinue our website and/or your Center's microsite at any time in our discretion.

7.6. **Purchase Agreements.** We may, but need not, negotiate purchase agreements with suppliers to obtain discounted prices for franchisees. We will arrange for you to be able to purchase the goods or services directly from the supplier at the discounted prices we negotiate (subject to any rebates the supplier pays to us). We may also purchase goods from suppliers in bulk and resell them to you at our cost plus shipping fees and a reasonable markup.

7.7. **Merchandise.** We may, but need not, develop new or additional merchandise and retail items for sale at your Center. You agree to maintain a reasonable supply of these items at your Center at all times. We may require that you purchase certain merchandise, inventory items, equipment or other goods we designate exclusively through Dogtopia Marketplace.

7.8. **Managed Lead Engagement Services.** We are currently piloting a managed lead engagement service program ("MLES") that uses a combination of technology-enabled tools (including AI-assisted workflows) and human-supported contact center resources to respond to customer inquiries, engage prospective pet parents, schedule appointments and route qualified leads to an appropriate Dogtopia Center in a timely and consistent manner. If we decide to offer MLES as a standard aspect of our System on a system-wide basis, it would initially be offered to franchisees on a voluntary basis but we reserve the right to make the program mandatory. Participation does not guarantee any particular level of lead volume, conversion or business results. We could administer MLES ourselves or through an affiliate or third-party provider. If you elect to participate and we or our affiliate administer the program, we may charge you a participation fee (the "MLES Fee") that would not exceed $300 per month. We reserve the right to change, suspend or terminate MLES at any time in our discretion. At any time you do not participate in MLES, you must arrange for answering incoming phone calls and responding to customer inquiries and communications during regular business hours. Failure to comply with this requirement is a material breach of this Agreement.

8. ESTABLISHING YOUR FACILITY

8.1. Project Management.

(a) Management Companies. We will contract with the Real Estate Company under a Master Services Agreement to provide the real estate related services described in this Agreement (you must also directly contract with the Real Estate Company). If we elect to require you to use a third-party Project Manager, you must separately contract with that company. You must sign an Architectural Services Agreement with the Architect Company. We will coordinate and work with the Real Estate Company, Architect Company, M.E.P. Engineer and Project Manager to provide the various project management services described in this Agreement. If you desire to engage the services of a separate supplier to provide any of the services provided by the Real Estate Company, Architect Company or Project Manager, then the following apply:

(i) you must still contract with and pay for the services of the supplier we designate;

(ii) either we or the supplier we designate must approve the supplier you propose;

(iii) the supplier you propose must coordinate with and report to the supplier we designate;

(iv) the supplier we designate must review the work product of the supplier you propose and retain ultimate control over the project;

(v) if there is a conflict between the supplier you propose and the supplier we designate, the supplier we designate has final decision-making authority; and

(vi) the supplier you propose must be appropriately licensed and bonded (if required by applicable Law).

(b) Services to be Rendered. The Real Estate Company, Architect Company, M.E.P. Engineer and Project Manager will help you complete certain site selection, design, planning and construction deliverables relating to the development of your Center as further detailed in the table below:

Deliverable	Description	Timing	Responsible Party	Who Pays?
Market Analysis	Demographic analysis of site selection area	After Franchise Agreement signed	Real Estate Company and us	Covered by REAFC Fee
LOI	Letter of Intent with proposed lease terms	When you find an approved site	Real Estate Company and any attorney you hire	You pay your attorney
Zoning Analysis	Confirmation by qualified professional that you can operate at the approved site	Before signing lease	Architect Company, us and any attorney you hire	You pay Architect Company and your attorney
Lease Negotiation	Negotiating lease terms	After acceptance of your LOI	Real Estate Company, us and any attorney you hire	You pay your attorney or we pay if you use our preferred attorney
Pre-Construction Survey	A survey of the site	Before schematic design	Architect Company	You pay Architect Company
Schematic Design	2-dimensional rendering of floor plan for the site	After LOI	Architect Company and us	You pay Architect Company
Construction Plans	Construction documents including architectural, mechanical, plumbing & electrical engineering	After schematic design	Architect Company	You pay Architect Company
General Contractor Bids	Bids from general contractors for construction of Center	After all drawings are complete and permits are issued	Project Manager solicits bids, you review them and select a general contractor	You pay general contractor
Construction Coordination	Provider acts as a project coordinator	After general contractor is selected	Project Manager	Covered by REAFC Fee
Project Closeout	Final Site Visit & Punchlist With Warranty Assistance	Pre/Post Certificate of Occupancy	Project Manager	Covered by REAFC Fee

We assist the Real Estate Company, Architect Company and Project Manager (we currently serve as Project Manager) with certain deliverables as further detailed in §7.2. The specific services provided to you may vary depending upon market conditions, building requirements and other factors. The services we provide are covered by the REAFC Fee.

(c) Required Additional Services. You are encouraged (or in some instances required) to engage certain real estate professionals designated or approved by us to provide certain services that are not directly provided by the Real Estate Company including: (a) an attorney to review and negotiate the lease or purchase contract for your facility; and (b) an attorney or other real estate professional to prepare a zoning analysis of your proposed Center and obtain any necessary special use permits or zoning variances. You must also engage certain professionals designated or approved by us to provide certain development and construction services that are not directly provided by the Project Manager, including an approved general contractor to manage the construction of your Center. The Real Estate Company, Architect Company and Project Manager will identify certain suppliers that have been approved or designated by us to provide the services listed above. If you wish to use a different supplier, we must approve the supplier you propose.

(d) Optional Additional Services. We strongly recommend, but do not require, that you utilize the Real Estate Company, Architect Company, M.E.P. Engineer and/or Project Manager to conduct (and/or coordinate with third-party suppliers to conduct) the following optional services:

(i) an architect and/or M.E.P. Engineer to perform environmental surveys, including internal air quality, asbestos causing materials, radon, mold and hazardous waste;

(ii) an attorney to conduct title searches;

(iii) an architect, inspector and/or engineer to conduct inspections of mechanical, electrical, plumbing, fire protection, building and structural systems; and

(iv) an architect to conduct Americans with Disabilities Act (ADA) surveys.

You must pay additional fees for these optional services. The REAFC Fee does not cover the fees for these services.

(e) Fees & Expenses. Upon execution of this Agreement, you must pay us a nonrefundable Real Estate and Facility Coordinate Fee (the "REAFC Fee") as follows: (a) $44,500 if you are not a Conversion Franchisee and you do not own the real property for your Center as of the Effective Date; (b) $35,000 if you are not a Conversion Franchisee and you do own the real property for your Center as of the Effective Date; or (c) $15,500 if you are a Conversion Franchisee or you are purchasing your second (2nd) or subsequent Center. The REAFC Fee covers our fees for the required services we provide (including our fees imposed for Consultation Services and the services we provide as the Project Manager). The REAFC Fee does not cover any other fees or expenses you will incur, including fees imposed by the Real Estate Company (who is paid by your landlord), the Architect Company, attorneys or general contractors. You must separately contract with and pay all fees imposed by these third-party suppliers. Similarly, if you choose to purchase any optional additional services described in §8.1(d), you must separately contract with and pay all fees imposed by the suppliers. No fees or services, other than those expressly set forth in this Agreement, are included in the REAFC Fee, including: (a) License submission fees; (b) outdoor play area design and build-out; or (c) other direct and indirect costs to prepare your Dogtopia Center for opening.

(f) Disclaimer of Liability. We established relationships with certain real estate and project management professionals to help you identify qualified professionals experienced with our brand who have demonstrated competency in rendering such services in the development of other Dogtopia Centers. We attempt to obtain favorable pricing with these suppliers. Although we may assist and coordinate with certain of these suppliers, we do not guarantee the quality of their work and we have no liability for their services. You may propose suppliers of your choosing to provide the real estate, architectural design and project management services described above. You are strongly encouraged to interview and review the backgrounds of our designated and approved suppliers and speak with other franchisees who have used them. Although you must utilize the Real Estate Company, Architect Company and Project Manager we designate, you may also engage the services of other suppliers we approve to perform similar services on your behalf, subject to the requirements set forth in §8.1(a). ***You hereby waive any claims against us arising in connection with: (a) the services performed by the Real Estate Company; (b) the Architectural Services Agreement or the services performed by the Architect Company; (c) the services performed by any third-party Project Manager; or (d) any other agreement you enter into with a third-party supplier relating to any of the services contemplated by this §8.1 or any other services relating to the development of your Center***. In addition, if you choose not to purchase any of the recommended, but optional, services listed in §8.1(d), you do so at your own risk and acknowledge we have no liability for any damages you may incur as a result of your failure to obtain such services. If you have a dispute with an approved or designated supplier, we will consult with you on potential ways to resolve the dispute.

8.2. Lease or Purchase Contract. We must approve the lease or purchase contract for your Center's premises before you sign it. You must utilize the Real Estate Company, or a broker or attorney designated or approved by the Real Estate Company, to negotiate your lease or purchase contract, as applicable, and obtain any necessary zoning variances. If you use our preferred commercial real estate attorney, we will pay for their fees to negotiate your lease (you do not receive a credit or refund of any fee if you choose not to use our preferred attorney). You may hire other attorneys or real estate

professionals of your choosing to work with and assist our designated or approved real estate professionals with these matters. If you lease the premises for your Center, you must use best efforts to ensure your landlord signs the prescribed form of Lease Addendum attached to this Agreement as ATTACHMENT "B". If your landlord refuses to do so we may either: (a) waive the Lease Addendum requirement (or the provisions disapproved by the landlord); or (b) require you to find a new site for your Center. You must promptly send us a copy of your fully executed purchase contract or lease and Lease Addendum, as applicable, for our records. Although we may review lease for compliance with our brand standards, we make no representation as to the reasonableness of the terms. You hereby waive any Claims against us arising in connection with: (a) our review of and feedback regarding your lease terms; or (b) any advice or legal services provided by our preferred commercial leasing attorney.

8.3. **Ownership of Real Estate**. If you or your affiliate will purchase or otherwise own the premises for your Center, you are solely responsible for conducting all due diligence regarding the condition, suitability, zoning, environmental status, and legal compliance of the property. Neither we nor any of our vendors, contractors, or service providers will perform structural inspections, environmental assessments, property condition evaluations or other reviews typically conducted by or on behalf of a property owner, unless separately engaged by you for that purpose. Our Consultation Services and site development assistance do not include determining whether a property is suitable for ownership, investment, or development, nor do we undertake responsibility for identifying defects, code issues or other conditions that may affect the cost, feasibility or timeline of developing the property into a Dogtopia Center. You remain solely responsible for engaging qualified professionals to evaluate the property and for all costs associated with acquiring, remediating or improving the property to meet applicable Laws and System standards. If we or our designee exercise our purchase option in accordance with §23.3 and you or your affiliate own the premises, then you or your affiliate must enter into a lease with us or our designee upon standard and commercially reasonable leasing terms, including rent at fair rental value, for a term of 10 years or such shorter term that we specify.

8.4. **Construction.** We will provide you with prototype plans for a Dogtopia Center, including exterior and interior design and layout and required fixtures, equipment, décor and signs. You must contract with the Architect Company (and any other necessary engineers and professionals) to adapt and modify these plans to comply with all applicable Laws and lease requirements. The Architect Company must prepare the final construction plans and submit them to us for approval. You must use the Architect Company and, when necessary, an attorney or other real estate professional, to obtain all zoning classifications and clearances, special use permits, building permits, utility permits, signage permits, health permits, business permits and/or other Licenses necessary to develop, open and operate a Dogtopia Center at the approved site. We may also provide our advice and assistance on these matters. You must certify to us in writing once all such permits and Licenses have been obtained and provide copies to us. Once we approve the final construction plans prepared by the Architect Company, you must hire an approved general contractor to construct and equip the premises to the specifications contained in the approved final plans. At least 14 days before opening, you must: (a) purchase and install all signs, furniture, fixtures and equipment; (b) establish broadband or high-speed Internet access; and (c) purchase and install the webcam system we require with cameras located in compliance with our specifications. We must approve the real estate professionals you use to design and construct your Center, although you do not need our approval of any attorney you hire. The Real Estate Company, Architect Company, M.E.P. Engineer, and Project Manager will inform you of the identities and qualifications of the engineers, contractors, attorneys and other professionals we approved who are available to help you with the design and development of your Center. You acknowledge these requirements are necessary and reasonable to preserve the identity, reputation and goodwill we developed and the value of the franchise. Before you open, we must approve the layout of your Center. You must complete construction within 180 days after you sign a lease or purchase contract for the site (or within 180 days after the Effective Date if you control the site as of the Effective Date).

8.5. **Opening**. You must open your Center to the public within one (1) year after the Effective Date. You must send us a notice identifying your proposed opening date at least 30 days before opening. We may conduct a pre-opening inspection of your Center. You must implement all changes we require before opening. You may not open your Center prior to receipt of our written authorization to open. We will

not issue our authorization to open before: (a) the Managing Owner and Designated Manager successfully complete initial training; (b) you pay all amounts owed to us, our affiliates and suppliers that are due as of the opening date; (c) you purchase all required insurance and provide us with evidence of coverage; (d) you obtain, and certify to us that you have obtained, all required permits and Licenses; and (e) we review and approve the construction, build-out and layout of your Center.

8.6. Relocation. You may relocate your Center with our prior approval, which we will not unreasonably withhold. If we allow you to relocate you must: (a) locate your new Center within the Territory or any other area we approve (but outside any territory assigned to another Dogtopia Center); (b) comply with §8.1 through §8.5 with respect to your new Center (excluding the one-year opening period); (c) deidentify your former Center in accordance with §23.1(k); (d) pay us our then-current relocation fee and/or other fees we impose for assistance provided by us and/or our designated or approved suppliers relating to site selection, design, planning and construction of the new Center, which will not exceed $44,500; and (e) open your Center at the new site and resume operations within 30 days after closing your Center at the former site; *provided, however*, that if you relocate because your Center is destroyed, condemned or otherwise rendered unusable due to the physical condition of the premises, then you have 120 days after closing to reopen at the new site. We may revise the boundaries of your Territory for your new Center. We may require you to conduct another grand opening marketing campaign in accordance with §11.3(a) to promote the opening of your Center at the new site.

9. MANAGEMENT AND STAFFING.

9.1. Owner Participation. You must designate an Owner with primary responsibility for the overall management and operation of your Center (the "Managing Owner"). The Managing Owner must: (a) be approved by us; (b) have binding decision-making authority on matters involving your Center; and (c) successfully complete all training programs we require.

9.2. Designated Manager. You must designate a Person to provide daily on-site management and supervision of your Center (the "Designated Manager"). Your Managing Owner may, but need not, serve as the Designated Manager. The Designated Manager must: (a) dedicate full-time efforts to the onsite management of the Center; (b) successfully complete all training programs we require; and (c) sign a Brand Protection Agreement (except for the Managing Owner). Either the Managing Owner or a Designated Manager must be onsite at your Center during normal business hours. The Managing Owner must at all times dedicate commercially reasonable efforts to monitoring and supervising the Designated Manager to ensure the Center is managed and operated in accordance with this Agreement and the Manual. You may, but need not, hire one (1) or more assistant managers to assist with the management of the Center.

9.3. Employees. You must determine appropriate staffing levels for your Business to ensure full compliance with this Agreement and our system standards. You may hire, train and supervise employees to assist you with the proper operation of the Business. We may prescribe certain training programs that you must conduct for your employees. Your employees must maintain a neat and clean appearance and wear the uniforms that we designate. You must pay all associated wages, commissions, benefits, worker's compensation premiums and payroll taxes (and other withholdings required by Law). These employees will be employees of yours and not of ours. We do not control the day-to-day activities of your employees or the manner in which they perform their assigned tasks. You must inform your employees that you exclusively supervise their activities and dictate the manner in which they perform their assigned tasks. In this regard, you must use your legal business Entity name (not our Marks or a fictitious name) on employee applications, paystubs, pay checks, employment agreements and similar documents. We do not control the hiring or firing of your employees. You have sole authority and responsibility for employment-related decisions, including hiring, promotion, hours worked, rates of pay, benefits, work assignments, training and working conditions. Although we may provide you with sample employment policies and tools as examples of what we use at corporate locations, you are solely responsible for developing your own employment policies and practices. We strongly recommend you hire an employment attorney or human resources professional to help you develop your own employment policies and procedures. You must ensure each employee signs our prescribed acknowledgment form explaining the nature of the franchise relationship and clarifying you

are his or her sole employer. You must also post a conspicuous notice for employees in the back-of-house area explaining your franchise relationship with us and that you (and not we) are their sole employer. We may prescribe the form and content of this notice. You must comply with all employment related Laws including wage-hour, civil rights, immigration, employee safety and related employment and payroll Laws. You may not engage in any discriminatory employment practices.

9.4. Interim Manager. We may, but need not, designate a Person (an "Interim Manager") to manage your Center if: (a) you fail to appoint an approved and fully-trained replacement Managing Owner within 30 days after your Managing Owner ceases to perform the responsibilities of a Managing Owner; or (b) you fail to cure a material breach before the expiration of the cure period. The Interim Manager will cease to manage your Center at the time you appoint an approved and fully-trained replacement Managing Owner or you cure the material breach, as applicable. If we appoint an Interim Manager, you agree to: (a) pay us a management fee in an amount we reasonably designate (not to exceed 3% of Gross Sales generated during the time the Interim Manager manages your Center); and (b) reimburse all Travel Expenses the Interim Manager incurs. The Interim Manager has no liability to you except for gross negligence or willful misconduct. We have no liability to you for an Interim Manager's actions unless we are grossly negligent in appointing the Interim Manager.

10. FRANCHISEE ENTITY. You represent that Part B of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Franchisee Entity authorizing the execution of this Agreement, a copy of the Franchisee Entity's organizational documents and a current Certificate of Good Standing. Each Owner of the Franchisee Entity, and the spouse of each Owner who is a natural Person, must sign an Owner Agreement.

11. ADVERTISING & MARKETING.

11.1. Brand Fund. Our affiliate Dogtopia Advertising, LLC ("Dogtopia Advertising") administers a brand and system development fund (or "brand fund") to promote public awareness of our brand and improve our System. On each royalty fee due date, you must pay Dogtopia Advertising a brand fund fee equal to 2% of Gross Sales for the prior reporting period. We may change the brand fund fee (not to exceed 3% of Gross Sales) upon 30 days' prior notice. We may collect brand fund fees from you and remit the funds to Dogtopia Advertising. Dogtopia Advertising (or any successor administrator of the fund) may use the fund to pay for any of the following:

(a) developing, administering or distributing advertising and marketing materials and programs;

(b) conducting and administering promotions, contests or giveaways;

(c) public and consumer relations and publicity;

(d) brand development;

(e) sponsorships and charitable and non-profit donations and events;

(f) research and development of technology, products and services;

(g) website development, mobile app development and search engine optimization;

(h) developing, maintaining and promoting an ecommerce platform;

(i) developing and implementing quality control programs and customer satisfaction surveys;

(j) conducting market research;

(k) researching, developing, testing and implementing changes and improvements to the System;

(l) reimbursing costs we incur to host franchisee conferences not covered by registration fees;

(m) fees and expenses charged by advertising agencies we engage to provide marketing services;

(n) collecting and accounting for brand fund fees and preparing financial accountings of the fund;

(o) any other programs or activities we deem appropriate to promote or improve the System; and

(p) direct or indirect labor, administrative, overhead and other expenses incurred by us, Dogtopia

Advertising and/or other affiliates relating to any of these activities, including salary, benefits and other compensation of any of our (and any of our affiliate's) officers, employees or independent contractors based on time spent working on any brand fund matters described above.

Dogtopia Advertising has sole discretion in determining the content, concepts, materials, media, endorsements, frequency, placement, location and all other matters pertaining to any of the foregoing activities. Any surplus of monies in the fund may be invested and we or our affiliates may lend money to the fund if there is a deficit. The fund is not a trust and neither we nor Dogtopia Advertising have any fiduciary obligations to you with respect to the administration of the fund. An annual statement of fund operations, including deposits and disbursements, will be prepared within 90 days after the close of our fiscal year and made available upon request. In terms of marketing activities paid for by the fund, neither we nor Dogtopia Advertising ensure that: (a) expenditures in (or affecting) a given geographic area are proportionate or equivalent to the brand fund fees paid by franchisees in that geographic area; or (b) franchisees benefit directly or in proportion to their brand fund fees. We may suspend or discontinue the fund at any time in our sole discretion upon 30 days' prior notice.

11.2. Marketing Assistance From Us. We will provide reasonable marketing consulting, guidance and support throughout the Term on an as-needed basis. We will set up and manage your microsite and social media account. At the time your microsite launches, you must pay us a one-time $700 setup fee for establishing your microsite and social media account. Each month thereafter, you must pay us a digital marketing fee of $125 per month, which we utilize to maintain, manage and update your microsite and social media account (or any successor platform(s) we designate) and provide other related website and social media services. Some of these services may benefit the System as a whole without directly benefiting your Center. The $125 monthly fee is due on the 15th day of each month or such other date we specify from time to time. We may change the $125 monthly fee from time to time upon 30 days' prior notice (not to exceed $275 per month). We may create and provide you with access to local advertising assets such as print marketing materials, social media templates and stock photography. We may: (a) use the brand fund to pay for the creation and distribution of these materials, in which case there will be no additional charge; (b) provide online access to these materials, in which case you must print the materials at your expense; and/or (c) contract with third-party suppliers to create and sell these materials to you.

11.3. Your Marketing Activities.

(a) Pre-Opening Advertising. Prior to opening, you must spend at least $15,000 on advertising and marketing activities to promote the opening of your Center, including digital advertising, guerilla marketing and public relations. We must approve all advertising in accordance with §11.3(e). We may specify a grand opening marketing program you must follow.

(b) Post-Opening Advertising. You must participate at your expense in all advertising, promotional and marketing programs we require, including any advertising cooperative we establish pursuant to §11.4. After opening, you must spend at least 2% of monthly Gross Sales on local advertising to promote your Center (the "Local Marketing Commitment"). We measure your compliance on a rolling six-month basis, meaning as long as your average monthly expenditure on local advertising over the six-month period is at least 2% of Gross Sales, you are deemed in compliance even if your expenditure in a given month is less than 2% of Gross Sales. Brand fund contributions and grand opening marketing expenditures do not count toward satisfaction of the Local Marketing Commitment. The Manual may designate other types of expenditures that will or will not count toward satisfaction of the Local Marketing Commitment.

(c) Advertising Standards. All your advertising must be completely factual, conform to the highest standards of ethical advertising and comply with all Laws. You must ensure your advertisements and promotional materials do not infringe upon the intellectual property rights of others. You must comply with any minimum advertised pricing policy we establish from time to time.

(d) Extra-Territorial Marketing. You may advertise and market outside your Territory as long as you: (i) do not use any domain names, social media accounts or directory listings related to areas outside your Territory; (ii) comply with all policies and procedures in the Manual governing extra-

territorial marketing; and (iii) do not engage in targeted marketing directed into another Dogtopia Center's territory (unless conducted as part of an advertising cooperative that includes the affected territory or the marketing is conducted with the prior written consent of the owner of each affected Dogtopia Center). Marketing that is distributed, circulated or received both in your Territory and another Dogtopia Center's territory is not "targeted marketing" if: (i) you use reasonable efforts to limit circulation or distribution of the advertising to areas in your Territory; and (ii) most recipients of the advertising are located in your Territory and there is only incidental circulation or distribution in another Dogtopia Center's territory. The meaning of "targeted marketing" that is "directed into a territory" may be further defined in the Manual. Examples include direct mail sent to addresses in a given territory, digital advertising sent to devices with IP addresses registered in a given territory and conducting promotional events in a given territory. In most cases, we attempt to limit digital advertising to the area within a six (6) mile radius from the Dogtopia Center that is the subject of the ad. However, it is possible digital ads may be viewed in another franchisee's territory and we shall have no liability if this occurs. If you advertise or market outside your Territory in violation of this Section, you must follow our instructions to remedy such violation, which may include: (i) transitioning customer contracts to the affected Dogtopia Center if the pet parent chooses to use that Center (the pet owner always reserves the right to choose the Dogtopia Center they wish to utilize); and/or (b) compensating the owner of the affected Dogtopia Center for lost revenues resulting from the violation. If there is a dispute between you and another franchisee regarding extra-territorial marketing, you and the other franchisee must use good faith efforts to resolve the dispute before notifying us of the dispute.

(e) Advertising Approval. Prior to use, we must approve all advertising and marketing programs and materials you intend to use, including all materials we did not prepare or previously approve, or that we prepare or approve and you modify. We must also approve the media you use. You may not use any advertising materials, programs or media that we have not approved or that we approve and later disapprove. We have 30 days to review and approve or disapprove advertising and marketing materials and programs you submit. Our failure to approve them within the 30-day period constitutes our disapproval. Any advertising you propose and we approve is an "Improvement" for purposes of §19.6.

(f) Social Media. You may promote your Center using social media provided that: (i) you only use social media platforms we approve; (ii) you strictly comply with our social media policy; (iii) you immediately remove any post we disapprove (even if compliant with our social media policy); (iv) you contract with any social media company we designate upon request; and (v) we own all social media accounts relating to your Center and retain full administrator rights.

(g) Internet & Websites. Without our prior approval, which we may withhold in our sole discretion, you may not: (i) develop, host or otherwise maintain a website (or other digital presence) that references our Marks; (ii) conduct digital or online advertising or marketing; or (iii) engage in ecommerce. The foregoing restrictions do not apply to the microsite we provide for your Center.

11.4. Advertising Cooperative. We may, but need not, establish regional advertising cooperatives to create and/or purchase advertising that benefits all Dogtopia Centers in the region. We may: (a) determine the boundaries of the cooperative; (b) specify the manner in which the cooperative is organized and governed; (c) require the cooperative to be administered in accordance with written bylaws, organizational documents or other governing documents we approve; and (d) require you to participate in the cooperative according to its rules and procedures and abide by its decisions. You must pay a cooperative advertising fee on each royalty fee due date or such other date specified by the cooperative. We may set the minimum cooperative advertising fee or we may allow the cooperative to set the fee based on majority vote of its members. In either case, the fee will not exceed 2% of Gross Sales. We may either: (a) collect cooperative advertising fees and remit them to the cooperative; or (b) require you to pay these fees directly to the cooperative. All cooperative advertising fees you pay are credited towards your Local Marketing Commitment. We may form, change, merge or dissolve advertising cooperatives in our discretion.

12. OPERATING STANDARDS.

12.1. **Operating Standards Manual**. You must develop and operate your Center in full compliance with this Agreement, the Manual and our standards in order to maintain the goodwill associated with the Marks. The Manual may contain, among other things: (a) architectural plans and specifications for the design, dimensions, layout, equipping and trade dress for a prototype Center; (b) a list of (i) goods and services (or specifications for goods and services) you must purchase to develop and operate your Center and (ii) designated and approved suppliers; (c) a description of the authorized goods and services you may sell; (d) specifications, techniques, methods, operating procedures and quality standards; and (e) policies and procedures pertaining to any matters we deem appropriate, including: reporting and data entry; accounting and bookkeeping; insurance; marketing and advertising; gift card, loyalty, membership and enrollment models and programs; AI Technology; and data ownership, use, transfer and protection. The Manual is designed to establish and protect our brand standards and the uniformity and quality of the goods and services offered by Centers. We can modify the Manual at any time. Modifications are binding at the time we notify you of the change, subject to any "grace period" we provide to implement the change. Notices may be provided electronically in the form of the Franchisee newsletter and then updated and memorialized in the Manual. All mandatory provisions in the Manual (whether included now or in the future) are binding on you. The Manual may consist of written text as well as videos, tutorials, training modules, recordings or other means of communication.

12.2. **Authorized Goods & Services.** You must offer all goods and services we require from time to time in our commercially reasonable discretion. You may not offer any other goods or services without our prior approval. We may change authorized goods and services at any time and you must comply with our instructions regarding same.

12.3. **Inventory Management**. At all times, you agree to maintain at your Center a reasonable inventory of all products, merchandise and retail items we require. You must comply with any minimum inventory stocking requirements that we impose through the Manual.

12.4. **Sales Restrictions**. You may only sell to retail customers while they are present at the Center. In the future, we may authorize you to provide certain "off-site" services (for example, mobile grooming, pet pick-up, etc.). Unless you receive our prior approval, you may not: (a) offer, sell or provide DOGTOPIA® products and services from any location other than your Center's premises; (b) provide off-site services; (c) advertise, sell or provide goods or services through Alternative Channels of Distribution, including via mobile service or through an ecommerce site; (d) sell authorized goods or services to any Person for purposes of resale; or (e) use, or allow any other Person to use, your Center for any purpose other than offering the goods and services we authorize. If we authorize off-site services, you must strictly comply with all associated policies and procedures in the Manual.

12.5. **Pricing.** We will provide you with our suggested retail pricing, which may vary by market. You may deviate from our suggested pricing at your discretion; *provided, however*, that we may set maximum or minimum prices on the goods and services you sell to the extent permitted by applicable Law. Without limiting the generality of the foregoing, if we establish a loyalty program, membership or enrollment model, or similar program, we may establish maximum or minimum prices for such program (or if permitted by applicable Law, establish the specific prices for such program), which may be uniformly imposed on a national or regional basis, as determined by us in our sole discretion, but only to the extent permitted by applicable Law.

12.6. **Customer Payments.** You must, at your expense, lease or purchase the necessary equipment and/or software and have arrangements in place with Visa, MasterCard, American Express, Discover and all other credit card issuers we designate, in order for you to be able to accept such methods of payment from customers. We may require that you utilize our designated supplier for credit card processing services. You must accept debit cards, credit cards, stored value cards, and other non-cash systems (including, for example, Apple Pay and/or Google Wallet) that we specify. You must acquire and install all necessary hardware and/or software used in connection with these non-cash systems.

12.7. **Restrictions on Customers**. You may accept business from pet owners regardless of whether they reside within or outside your Territory. Similarly, other Dogtopia Centers may accept business from

pet owners who reside within your Territory. If you service a customer and the customer desires to transfer their business to a different Dogtopia Center for any reason, you must follow all customer transition policies set forth in the Manual.

12.8. System Accounts. From time to time, we may, but need not, negotiate agreements ("System Account Agreements") with businesses or other organizations ("System Account Customers"), pursuant to which certain individuals associated with the System Account Customer ("System Account Beneficiaries") may receive preferential pricing and/or other benefits at participating Dogtopia Centers. These relationships are referred to as "System Accounts". In some cases, we may bill System Account Customers centrally and remit payments to participating Dogtopia Centers in accordance with our then-current policies and procedures for System Accounts (we may deduct any fees you owe from any such remittance to you). If we negotiate a System Account, we may, but need not, offer you the right to participate by providing goods or services to the System Account Beneficiaries under the terms of the System Account Agreement. If we offer you the right to participate, we will notify you of the offer and the applicable terms for participation. If you wish to participate, you must send us a notice of participation within 45 days after receiving the offer notice from us. If you accept the offer within the 45-day period, we will notify the System Account Customer that your Center is a "participating location" where System Account Beneficiaries may receive goods and services under the terms of the System Account Agreement. In such event, you must honor all terms of the System Account Agreement. If you do not accept the offer within the 45-day period, we will notify the System Account Customer that your Center is a "non-participating location" and you will not be obligated to honor the terms of the System Account Agreement. If you elect to be a participating location, we may terminate your participation at any time: (a) you are in default under this Agreement; or (b) you fail to honor the terms of the System Account Agreement. If you elect to participate in a System Account, your failure to honor the terms of the System Account Agreement will constitute a default under this Agreement.

12.9. Suppliers and Purchasing.

(a) Generally. You must purchase, lease or license, as applicable, all goods, services and other items required by the Manual. You must only purchase goods and services that satisfy all standards and specifications we designate. You must comply with all sourcing and supplier restrictions we impose from time to time.

(b) System Suppliers. In accordance with the Manual, you must purchase certain goods and services exclusively from suppliers we designate or approve. The Manual may designate us or our affiliate as a designated or approved supplier. The Manual may require that purchases be made through our designated ecommerce platform, Dogtopia Marketplace. We and our affiliates may generate a profit from these purchases. Our right to specify the suppliers you use is necessary so we can control the uniformity and quality of goods and services used, sold or distributed in connection with the development and operation of Centers, protect our trade secrets, negotiate bulk purchase discounts and protect the reputation and goodwill associated with our System and Marks. You must immediately discontinue purchasing from any supplier we disapprove.

(c) Approval Process. If you wish to purchase alternative goods or services or purchase from alternative suppliers, you must send us a request for approval that: (i) identifies the proposed supplier and the goods/services to be purchased; (ii) includes all information we require about the goods/services and the supplier (including the supplier's qualifications, reputation, financial strength and production capabilities); and (iii) includes product samples for examination and testing purposes. We may condition our approval on the supplier's agreement to comply with our minimum insurance, indemnification, reporting and confidentiality requirements for system suppliers. We will approve or disapprove your request within 60 days after we receive all required information and samples. Your request is deemed disapproved if we fail to issue our approval within the 60-day period. You must pay us a supplier/product review fee in the amount we designate (not to exceed $2,500 per test) to cover the costs we incur to review suppliers or goods/services you propose. We need not consider substitute goods or alternative suppliers for goods that are proprietary or branded with our Marks.

(d) Payment Disputes. You understand that: (i) your failure to timely pay a system supplier may jeopardize the supplier's relationship with us and other franchisees; and (ii) a supplier's termination of its relationship with us or refusal to supply goods or services to our franchisees may cause significant harm to us and our franchisees. Accordingly, you agree to promptly pay all amounts owed to system suppliers except as otherwise permitted by this Section. If you have a bona-fide dispute with a supplier that you believe justifies non-payment or partial payment, you must promptly notify the supplier of the particulars of your Claim and diligently pursue resolution of the Claim or prosecution of appropriate legal action. Any trade debt that remains unpaid more than 30 days after its due date constitutes a material breach of this Agreement unless, before the end of the 30-day period: (i) you and the supplier agree to alternative payment terms; or (ii) you initiate appropriate legal action to contest the trade debt.

(e) Supplier Payments. We may receive rebates, benefits and other consideration from suppliers based on your purchases, leases or licenses. We may retain these payments as compensation and reimbursement for time and expenses we incur to negotiate and manage supplier relationships. We have no obligation to pass them through to you or use them for any particular purpose (except as otherwise agreed to by us and a supplier).

(f) Disclaimer of Liability. Provided that we designate or approve system suppliers in good faith, we have no liability to you for their acts, errors or omissions including defective or tainted goods, delayed delivery or inability to meet demand. With respect to goods purchased from us or our affiliate, you acknowledge that we or our affiliate purchase the goods from third-party suppliers or manufacturers and resell them to you as a convenience. If you have any type of Claim relating to the purchase of goods or services from a system supplier, your sole recourse shall be against the supplier. If we or our affiliate are the supplier, your sole recourse shall be against the supplier or manufacturer from whom we or our affiliate acquired the goods unless both: (i) the Claim arises from our (or our affiliate's) failure to supply the goods in breach of our obligations under this Agreement; and (ii) our (or our affiliate's) failure to supply the goods is not caused by a Force Majeure event. ***We and our affiliates make no warranties or representations and expressly disclaim all warranties and representations, including the implied warranties of merchantability and fitness for a particular purpose, with respect to goods or services you purchase from system suppliers***.

12.10. Equipment Maintenance & Changes. You must maintain your equipment in good condition and promptly repair or replace damaged or obsolete equipment. We may require that you change your equipment. Our right to require these changes is critical to our ability to administer and change the System and you must comply with these changes within the time period we reasonably specify.

12.11. Business Vehicle. You must comply with any standards or specifications we prescribe for vehicles used in connection with your Business. You must maintain the interior, exterior and mechanical parts of all such vehicles in good cleanliness, repair and condition and regularly service and maintain the vehicle to keep it in good working order. You must purchase and install any vehicle wraps we specify.

12.12. Technology Systems.

(a) Generally. You must acquire and utilize all Technology Systems we require from time to time. Technology Systems may relate to matters such as: purchasing; pricing; accounting; order entry; inventory control; security; data storage, retrieval and transmission; client information; client loyalty; marketing; communications; copying, printing and scanning; or any other business purpose we deem appropriate. We may require that you acquire new or substitute Technology Systems and/or replace, upgrade or update existing Technology Systems at your expense upon reasonable prior notice. You are solely responsible for: (i) the acquisition, operation, maintenance, updating and upgrading of your Technology Systems; (ii) the manner in which your Technology Systems integrate and interface with our computer system and those of third parties; and (iii) any consequences resulting from improper use or operation, or failure to properly maintain, update or upgrade, Technology Systems.

(b) Use & Access. You must use Technology Systems in accordance with the Manual and comply with all associated data entry policies. You may not load or permit any unauthorized programs, applications or games on your Technology Systems. You must ensure your employees are adequately trained in the use of the Technology Systems. You agree to take all steps necessary to provide us with independent and unlimited access to data collected by or through your Technology Systems, including Gross Sales data for purposes of calculating fees owed. You must also obtain any necessary signed consents from customers in order for us to access Pet Parent & Dog Data. Upon request, including upon termination or expiration of this Agreement, you must provide us with user IDs and passwords for your Technology Systems.

(c) AI Technology. Except as otherwise provided below or in the Manual, you may not use AI Technology without our approval. You do not need our approval to use commercially available off-the-shelf productivity software with embedded AI Technology features (e.g., Microsoft Office with Copilot or Google Workspace with Gemini) for internal business purposes provided that: (i) you only use commercially available standard features and configurations (e.g., no beta, preview, experimental or custom features, third-party plugins, extensions or integrations); (ii) you do not input, upload, submit, expose or otherwise make available to AI Technology any Confidential Information; (iii) you do not authorize, permit or enable training, fine-tuning, grounding or improvement of any AI models, algorithms, products or services based on Confidential Information (if available, you must affirmatively opt out of any such training or improvement features and send us confirmation of same upon request); (iv) you do not use AI Technology (1) for consumer-facing, client-facing or other external communications, content or materials, (2) for marketing analytics, targeting, lead qualifying, profiling or other activities involving clients or third parties, (3) in violation of any Law, (4) in a manner that may cause physical or psychological harm or materially impact the health, safety or fundamental rights of any natural Person or (5) in any other manner prohibited by the Manual; and (v) you maintain commercially reasonable security measures to prevent unauthorized access to or disclosure of any data processed through such AI Technology and immediately notify us of any suspected or actual data breach, security incident or unauthorized use involving AI Technology.

(d) Disruptions. You are solely responsible for protecting against computer viruses, bugs, power disruptions, communication line disruptions, internet access failures, internet content failures, date-related problems and attacks by unauthorized Persons. Upon request, you must obtain and maintain cyber insurance and business interruption insurance for technology disruptions. ***We and our affiliates: (i) make no representations or warranties that the Technology Systems will be free from defects or that your use of the Technology Systems will be uninterrupted or error-free; and (ii) have no liability for any indirect, consequential, incidental, special or punitive damages (including damages associated with loss of use, interruption of business, loss of data or loss of profits) arising from or relating to the Technology Systems.***

(e) Third-Party Technology. You understand and agree that we and our affiliates: (i) do not own certain Technology Systems (or components thereof) you must use to operate the Center (i.e., Third-Party Technology); and (ii) have no liability to you for any losses, damages or expenses you incur as result of Third-Party Technology not functioning properly. Accordingly, you hereby: (i) waive any and all Claims against us or our affiliates relating to Third-Party Technology; and (ii) acknowledge your sole recourse for any liabilities, losses, damages or expenses you incur due to improperly functioning Third-Party Technology shall be against the owner or licensor of such Third-Party Technology.

(f) Email. We provide you with a certain number of DOGTOPIA® email addresses/accounts. We may charge you our then-current fee for each email address/account we provide (this fee would be included in or added to the technology fee described in §12.12(g)). You must exclusively use these email addresses for all communications with us, customers, suppliers and other Persons relating to your Business. You may not use them for any purpose unrelated to your Business. We own the email addresses and accounts but allow you to use them during the Term. We have independent access to your email account at all times. As of the Effective Date: (i) we provide

five (5) DOGTOPIA® email addresses/accounts as part of our standard technology package; and (ii) we offer an optional "email package" upgrade that includes five (5) additional DOGTOPIA® email addresses/accounts.

(g) Fees & Costs. You are responsible for all fees, costs and expenses associated with acquiring, licensing, utilizing, updating and upgrading Technology Systems. Certain Technology Systems must be purchased or licensed from third-party suppliers. We and/or our affiliate may develop proprietary Technology Systems (or components thereof) that become part of our System. If this occurs, you agree to: (i) pay us (or our affiliate) commercially reasonable licensing, support and maintenance fees; and (ii) upon request, sign our prescribed form of license agreement governing use of proprietary Technology Systems (or components thereof). We may enter into master agreements with licensors of Third-Party Technology and charge you for amounts we pay them based on your use of their Third-Party Technology. The technology fee includes all amounts you pay us and our affiliates relating to Technology Systems, including amounts paid for proprietary items and amounts we collect from you and remit to suppliers of Third-Party Technology. The technology fee may change based on changes to Technology Systems or prices charged by third parties with whom we enter into master agreements. The technology fee may include a reasonable administrative fee for the time, money and resources we invest to administer the technology platform and associated components, negotiate and manage contracts with third-party licensors, and collect and remit technology fees owed to third-party licensors on behalf of franchisees under master license arrangements. The technology fee does not include amounts you pay directly to third-party suppliers. The technology fee is due the 15th day of each month or as we otherwise specify. We list the current technology fee in the Manual. The technology fee will not exceed $1,500 per month.

12.13. Remodeling & Maintenance. We may periodically require you to remodel and renovate your Center to conform to our then-current standards and specifications. There is no limit to the cost of these obligations, but we will not require you to significantly remodel or renovate your Center more than once during any 10-year period except as a condition to renewal or Transfer. You may not remodel or renovate your Center without our prior approval. We will not approve any remodeling or renovations that conflict with our then-current standards and specifications. If we allow you to expand the size of your Center after opening, you must pay us a $7,500 Center Expansion Fee for the Consultation Services we provide relating to the design, planning and expansion of your facility. You must maintain your Center in good order and condition, reasonable wear and tear excepted, and make all necessary repairs, including replacements, renewals and alterations, at your sole expense, to conform to our standards and specifications. Without limiting the generality of the foregoing, you agree to take the following actions at your expense: (a) thorough cleaning, repainting, redecorating of the interior and exterior of the Center's premises at the intervals we prescribe (or at such earlier times that such actions are required or advisable); and (b) interior and exterior repair of the Center's premises as needed. You must comply with any maintenance, cleaning or facility upkeep schedule we prescribe.

12.14. System Programs.

(a) Generally. We may periodically develop and implement membership, loyalty, gift card and other system-wide programs. You must fully participate in all programs we designate as mandatory. In order to participate you must: (i) comply with all policies and procedures we establish for program participation; (ii) purchase or license and utilize all equipment, software, mobile applications, technology and others items we designate as being necessary for program participation and pay all associated fees and costs; and (iii) pay us, our affiliate, or a third party we designate, all program fees, contributions or other amounts we require for program participation (collectively, "Program Participation Rules"). Program Participation Rules may be set forth in the Manual. We may change Program Participation Rules at any time and you must comply with the change. We may develop and implement new or successor programs and/or modify or terminate existing programs at any time.

(b) Membership or Enrollment Model. We may require (and currently do require) that all Centers operate under a membership and/or enrollment model, in which case your Center must honor

memberships, enrollments and the associated benefits and privileges even if the member purchased the membership or enrollment from another Center. We have the right to: (i) determine how membership or enrollment fees are divided or otherwise accounted for; (ii) require that all membership or enrollment fees be paid to us or deposited into a trust account we control for subsequent disbursement to the Center(s) visited by the member; (iii) adopt policies regarding cooperation between franchisees relating to members who utilize the services of, or enjoy membership or enrollment privileges at, multiple Centers; and (iv) designate the use of new Technology Systems to monitor sales and allocate payments to the Centers(s) visited by the member, either in whole or on a percentage basis. We may require you to utilize the form of membership or enrollment agreement we specify. You must hire an attorney, licensed in your state, to review the membership or enrollment agreement and advise you of any changes necessary to comply with local Laws. You must obtain our approval of any such changes prior to implementation.

(c) Loyalty Program. You must fully participate and implement all required customer loyalty, rewards and other affinity programs designed to increase customer loyalty, generate new customers or increase demand for and utilization of the services offered by Dogtopia Centers.

(d) Gift Card Program. You must participate in any gift card program we establish and honor all gift cards, even if purchased from us or another Center. You may not sell gift cards we have not approved. We have the right to: (i) determine how gift card proceeds are divided or otherwise accounted for; (ii) require that gift card proceeds be paid to us or deposited into a trust account we control for subsequent disbursement to the Centers(s) where the gift card is redeemed; and (iii) retain proceeds from unredeemed gift cards.

12.15. Hours of Operation. Your Center must be open during the minimum days and hours of operation set forth in the Manual, subject to any conflicting requirements in your lease or imposed by Law. You must establish specific hours of operation and submit them to us for approval. You understand that your customers may require assistance outside normal business hours. Accordingly, you must ensure that at all times you have one or more "on-call" employees who are available to assist customers outside your normal business hours.

12.16. Standards of Service & Professionalism. You must manage and operate your Center in an ethical, safe and honorable manner, provide courteous and professional services to pet parents and dogs and always keep the best interests of the pet parents and their dogs in mind while protecting the goodwill associated with the Marks. If you receive a customer complaint, you must follow the complaint resolution process we specify to protect the goodwill associated with the Marks. You must also treat your employees and our staff with honesty and respect. You understand that your breach of this Section may significantly damage the goodwill associated with our Marks and our System.

12.17. Quality Assurance Programs. For quality control purposes we may periodically: (a) inspect your Center in accordance with §7.4 or §18.1; (b) hire mystery shoppers or quality assurance firms to inspect your Center; and/or (c) implement customer satisfaction programs (including use of evaluation cards and surveys). These inspections and programs may address a variety of issues including customer service, pet safety, sanitation, inventory rotation, etc. You must fully cooperate with all inspections. We may require that you directly pay any mystery shopper or firm we hire for the cost of the inspection. Alternatively, we may pay for the cost of the inspection and require you to reimburse us. We may also utilize the brand fund to pay the fees associated with the program, in which case you will not be charged any additional fee beyond your standard brand fund fee. We may implement a scoring system pursuant to which each Center receives a "grade" or "score" based on inspection or survey results. Failure to achieve a passing grade or score constitutes a default under this Agreement. You must implement all corrective measures we require, in the time we specify, to rectify any noncompliance issues revealed by inspection or survey.

12.18. Failure to Comply with Standards. You acknowledge the importance of every one of our standards and operating procedures to the reputation and integrity of the System and goodwill associated with the Marks. If we notify you of a breach of our standards or operating procedures (including failure to

submit required reports in a timely manner) and you fail to cure within the time period we prescribe, we may (in addition to our other remedies under this Agreement) impose a noncompliance fee of $500 per occurrence. We may impose a separate $500 fee every 48 hours the same noncompliance issue remains uncured after we impose the initial fee. Any noncompliance fees we collect are paid in consideration of us refraining from exercising our contractual right to terminate this Agreement. If you fail to cure a breach before the expiration of the cure period (if any) and we take steps to cure the breach (for example, obtaining required insurance coverage on your behalf or paying amounts you owe to system suppliers), then you must reimburse all costs and expenses we directly or indirectly incur in connection with our efforts to cure the default. Your payment of noncompliance fees and default expense reimbursements does not preclude us from terminating this Agreement in accordance with §22.2 if the default continues after we collect these amounts.

13. MINIMUM PERFORMANCE REQUIREMENTS. You must generate the following minimum Gross Sales during each 12-month measuring period commencing with the opening date of your Center:

Measuring Period (Months after Opening)	**Minimum Gross Sales***
0 through 12th month	$250,000
13th through 24th month	$400,000
25th through 36th month	$500,000
Each subsequent 12-month period	$600,000

* The minimum Gross Sales are non-cumulative from measuring period to measuring period.

If you fail to meet these requirements, we may either: (a) terminate this Agreement; or (b) modify or eliminate your Territory and/or the territorial protections granted to you.

14. FRANCHISE ADVISORY COUNCIL. We may, but need not, create a franchise advisory council to provide us with suggestions to improve the System, including matters such as marketing, operations and new product or service suggestions. We consider all suggestions in good faith but are not bound by them. The council would be established and operated according to rules and regulations we periodically approve, including procedures governing the selection of the council's members. Each member has one vote on all matters on which members are authorized to vote.

15. FEES

15.1. Initial Franchise Fee. You agree to pay us an initial franchise fee in the amount set forth in Part G of ATTACHMENT "A" in one lump sum at the time you sign this Agreement. The initial franchise fee is fully earned and nonrefundable once this Agreement has been signed.

15.2. Royalty Fee. On the day we designate from time to time (the "royalty fee due date"), you must pay us a royalty fee equal to 7% of Gross Sales generated during the immediately preceding reporting period. The current reporting period runs from the opening of business on Sunday through the close of business on Saturday and the current royalty fee due date is the Wednesday immediately following the end of the prior reporting period. We may periodically change the reporting period and royalty fee due date through updates to the Manual upon 30 days' notice.

15.3. Other Fees and Payments. You must pay all other fees, expense reimbursements and other amounts specified in this Agreement in a timely manner as if fully set forth in §15. You also agree to promptly pay us an amount equal to all taxes levied or assessed against us based on goods or services you sell or goods or services we furnish to you, excluding income taxes imposed on us based on fees you pay us under this Agreement.

15.4. Due Date & Late Fee. Payments are due 10 days after invoicing unless otherwise specified. If any sum due under this Agreement is not received by us when due or there are insufficient funds in your Account to cover the sum when due, then in addition to this sum you must pay us $100 plus default interest on the amount past due at a rate equal to the lesser of 18% per annum (pro-rated on a daily basis) or the highest rate permitted by applicable Law. We will not impose a late fee for any amount

paid pursuant to §15.5 if, but only to the extent that, sufficient funds were available in your Account to be applied towards the payment when due; *provided, however*, that if we are unable to determine the amount due because you fail to record sales or submit Gross Sales reports in a timely manner, we may assess a late fee on the entire amount that was due. This §15.4 does not constitute our agreement to accept late payments or extend credit to you. Fees are nonrefundable unless otherwise noted.

15.5. Method of Payment. You must complete and send us an ACH Agreement authorizing us to electronically debit your designated Account for all amounts owed to us and our affiliates on the applicable due date, excluding the initial franchise fee. You must notify us within five (5) days of any change to any information pertaining to the Account. You must sign all other documents required by us or your bank to enable us to debit your Account for amounts owed. You must deposit all Gross Sales into the Account and ensure sufficient funds are available for withdrawal before each payment due date. If there are insufficient funds in your Account, any excess amounts you owe will be payable upon demand, together with any late fee imposed pursuant to §15.4. We may also impose a $100 NSF fee for each instance where either: (a) there are insufficient funds in your Account to cover amounts owed when due; or (b) a check you issue to us is returned due to insufficient funds.

15.6. Application of Payments. We have sole discretion to apply any payments from you to any past due indebtedness of yours or in any other manner we feel appropriate.

15.7. CPI Adjustments. We may periodically adjust all fees (including minimum fees) expressed as a fixed dollar amount based on changes to the U.S. Consumer Price Index (CPI). We may periodically review and increase these fees up to the increase in the CPI, but only if the then-current CPI ("Current CPI") is more than 5% higher than the corresponding CPI in effect on: (a) the Effective Date of this Agreement (for the initial fee adjustment); or (b) the date we implemented the last fee adjustment (for subsequent fee adjustments) ("Baseline CPI"). The adjusted fee is calculated by multiplying the current fee by the sum of one (1) plus a fraction: (a) the numerator of which is Current CPI minus Baseline CPI; and (b) the denominator of which is Baseline CPI. We may utilize any CPI index series published by the U.S. Department of Labor or any comparable Governmental Authority that we deem appropriate. We currently use the following index: All Urban Wage Earners and Clerical Workers (CPI-W), U.S. City Average (1982-84 = 100), "All Items". We will notify you of any CPI adjustment at least 60 days before it becomes effective. We may implement no more than one (1) fee adjustment during any five (5) year period. If we decline to exercise our right to increase fees in a given five (5) year period despite a 5% or greater CPI increase, that potential fee increase will accumulate and may be carried forward and applied in connection with a subsequent fee adjustment. We may also adjust the minimum Gross Sales figures in §13 at the same time, and in the same manner, as we adjust fees in accordance with this Section.

15.8. Security Interest. In order to secure payment of all amounts owed under this Agreement, you hereby grant us a first priority, unsubordinated security interest in all of your furniture, fixtures, equipment, signage, inventory, accounts receivable, and realty (including your interest under all real property and personal property leases) associated with your Business, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with your Business (collectively, the "Collateral"). You agree to execute all documents necessary to document, perfect and record our security interest in the Collateral, including, without limitation, Uniform Commercial Code financing statements used in the jurisdiction in which your Center is located. If you default under this Agreement, we may exercise all rights of a secured creditor granted by law, in addition to our other rights and remedies under this Agreement and at law. This Agreement shall be deemed a Security Agreement. You hereby irrevocably authorize us at any time and from time to time to file in any filing office in any Uniform Commercial Code ("UCC") jurisdiction any initial financing statements and amendments thereto that: (a) indicate the Collateral (i) as all your assets or words of similar effect, regardless of whether any particular asset comprising part of the Collateral falls within the scope of the UCC of such jurisdiction, or (ii) as being of an equal or lesser scope or with greater detail; and (b) provide any other information required by the UCC applicable in your jurisdiction, for the sufficiency or filing office acceptance of any financing statement or amendment, including (i) whether you are an organization, the type of organization and any

organizational identification number issued to you, and (ii) in the case of a financing statement filed as a fixture filing, a sufficient description of real property to which the Collateral relates. If a third-party lender requests that we subordinate our security interest in any assets of your Center as a condition to lending you working capital for the operation of your Business, we will agree to do so in accordance with our then-current subordination policies.

15.9. Prepaid Liabilities. From time to time, we may establish policies and procedures in the Manual governing: (a) the sale of gift cards, Packages, memberships and other prepaid items from our website or from a Center; and (b) the method of accounting, financial reporting, characterization and treatment of proceeds from the sale of gift cards, Packages, memberships and other prepaid items that are attributable to goods or services that may be redeemed on subsequent visits ("Prepaid Liabilities"). If we allow you to retain the proceeds from the sale of gift cards, Packages, memberships or other prepaid items, we may require that you purchase a surety bond, or other form of financial assurance that we designate or approve, in an amount equal to or greater than the total amount of Prepaid Liabilities carried by your Center. Upon the expiration or termination of this Agreement, we may require you to pay us an amount equal to the total outstanding amount of your Center's Prepaid Liabilities. We may also require, as a condition to Transfer, that you pay the transferee an amount equal to the total outstanding amount of your Center's Prepaid Liabilities as of the date of Transfer.

16. BRAND PROTECTION COVENANTS.

16.1. Reason for Covenants. The Intellectual Property, training and assistance we provide would not be acquired except through implementation of this Agreement. You agree that competition by you, the Owners or Persons associated with you or the Owners (including family members) could seriously jeopardize our franchise system because you and the Owners receive an advantage through knowledge of our day-to-day operations and Know-how. You and the Owners agree to comply with the covenants in §16 to protect the Intellectual Property and our franchise system.

16.2. Intellectual Property & Confidential Information. You and the Owners agree to: (a) refrain from using any Intellectual Property or Confidential Information in any business or for any purpose other than the operation of your Center pursuant to this Agreement; (b) maintain the confidentiality of our Confidential Information at all times; (c) refrain from making unauthorized copies of documents containing Confidential Information; (d) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (e) stop using the Intellectual Property and Confidential Information immediately upon the expiration, termination or Transfer of this Agreement (any Owner who ceases to be an Owner before the expiration, termination or Transfer of this Agreement must stop using the Intellectual Property and Confidential Information immediately at the time he or she ceases to be an Owner).

16.3. Unfair Competition. You and the Owners may not engage in any Prohibited Activities during the Term or Post-Term Restricted Period. Notwithstanding the foregoing, you and the Owners may have an interest in a Competing Business during the Post-Term Restricted Period as long as the Competing Business is not located in the Restricted Territory. If you or an Owner engage in a Prohibited Activity during the Post-Term Restricted Period (other than having an interest in a Competing Business permitted by this Section), the Post-Term Restricted Period applicable to you or the non-compliant Owner, as applicable, shall be extended by the period of time during which you or the non-compliant Owner, as applicable, engaged in the Prohibited Activity. For purposes of clarity, you and the Owners remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Post-Term Restricted Period under this Agreement, and the expiration of the Post-Term Restricted Period under this Agreement does not in any way diminish your or the Owners' obligation to comply with such covenants.

16.4. Family Members. Because an Owner could circumvent the intent of §16 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child or grandchild) and it would be difficult for us to prove whether the Owner disclosed Confidential Information to the family member, each Owner agrees that he or she will be presumed to have violated the terms of §16 if any member of his or her immediate family engages in any Prohibited Activity during the Term or Post-

Term Restricted Period or uses or discloses Confidential Information. However, the Owner may rebut this presumption with evidence conclusively showing he or she did not disclose Confidential Information to the family member.

16.5. **Employees**. All employees, officers, directors, independent contractors and other Persons associated with you or your Center must sign and send us a Confidentiality Agreement before accessing our Confidential Information. Any Person who signs a Brand Protection Agreement need not sign a Confidentiality Agreement. You must: (a) use best efforts to ensure these individuals comply with the Brand Protection Agreements and Confidentiality Agreements, as applicable; (b) immediately notify us of any breach that comes to your attention; and (c) reimburse all expenses we incur to enforce a Brand Protection Agreement or Confidentiality Agreement, including attorneys' fees and court costs.

16.6. **Covenants Reasonable**. You and the Owners agree that: (a) the covenants in §16 are reasonable both in duration and geographic scope; (b) our use and enforcement of similar covenants with other franchisees benefits you and the Owners by preventing them from unfairly competing with your Center; and (c) you and the Owners have sufficient resources, business experience and opportunities to earn an adequate living while complying with the covenants in §16.

16.7. **Breach of Covenants**. You and the Owners agree that: (a) any breach of §16 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at Law; and (b) we are entitled to injunctive relief if you or an Owner breach §16, together with any other relief available at equity or Law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires us to post a bond despite our agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is 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.

17. YOUR OTHER RESPONSIBILITIES

17.1. **Insurance.** For your protection and ours, you agree to maintain the following insurance policies:

(a) "all risk" property insurance, including coverage for fire, vandalism and malicious mischief, with minimum coverage for full replacement cost, covering all assets including inventory, furniture, fixtures, equipment and other property used to operate the Center;

(b) comprehensive general liability insurance against claims for bodily and personal injury, death and property damage caused by or occurring in conjunction with the operation of your Business with minimum liability protection of $1,000,000 combined single limit per occurrence and $2,000,000 in the aggregate;

(c) automobile liability and property damage insurance covering all loss, liability, claim or expense of any kind whatsoever resulting from the use, operation, or maintenance of any automobiles or motor vehicles, owned, leased, or used by you, or your officers, directors, employees, partners or agents, in the operation of your Business, with minimum liability protection of $1,000,000 combined single limit per occurrence and $1,000,000 in the aggregate;

(d) professional liability insurance with minimum liability protection of $1,000,000 per occurrence;

(e) cyber protection insurance with minimum liability protection of $100,000;

(f) business interruption insurance for 12 months, including coverage of fees owed under this Agreement;

(g) animal bailee insurance with minimum liability protection of $25,000;

(h) commercial umbrella insurance with minimum liability protection of $1,000,000;

(i) employment practices liability insurance with minimum liability protection of $1,000,000;

(j) worker's compensation insurance as required by Law;

(k) any insurance required under your lease or by Law; and

(l) any other insurance we specify in the Manual from time to time.

These policies reflect our minimum requirements and may not be adequate to fully protect your interests. You may wish to procure additional coverage. You must provide us with proof of coverage: (a) prior to opening; (b) within 10 days after a policy renewal; and (c) any other time on demand. You must obtain these policies from licensed insurance carriers rated A or better by AM Best. Each policy must be endorsed to: (a) name us and our members, officers, directors, and employees as additional insureds; (b) waive all subrogation rights against us; and (c) provide us with at least 30 days' prior written notice of the termination, expiration, cancellation or modification of the policy. We may disapprove any policy that fails to meet these criteria, and you must immediately secure a new policy meeting our criteria. Upon 10 days' notice, we may increase the minimum liability coverage amount of any policy and/or require different or additional types of insurance due to inflation, special risks, changes in Law or standards of liability, higher damage awards or other relevant changes in circumstances. If you fail to maintain a required policy we may, at our option, obtain the policy on your behalf. If we do so, you must promptly sign any application or other form required to obtain the policy and reimburse us for all premiums and other costs we incur, together with a reasonable fee for services rendered in connection with procuring insurance on your behalf.

17.2. Books & Records. You must prepare complete and accurate books, records, accounts and tax returns pertaining to your Business and keep copies for at least five (5) years after their preparation. We may require you to prepare your books and records in compliance with our bookkeeping and accounting standards and policies in the Manual. You must maintain, and send to us upon request, a list of all pet parents and dogs that have used your Center and copies of all associated pet parent and dogs' contracts, together with all other data and information that comprises Pet Parent & Dog Data. You must send us copies of your books and records within seven (7) days of our request.

17.3. Reports.

(a) Generally. You must prepare all reports we require in the form and manner we specify. You must send us copies of required reports upon request. We may independently access your Technology Systems to retrieve and compile Business Data and generate any reports we deem appropriate, including Gross Sales reports. Reports must be received by us no later than 3:00 pm Arizona time in order for the report to be deemed timely submitted.

(b) Report of Initial Investment Costs. To help us update our Franchise Disclosure Document, you must complete and send us a report, in the form we designate, listing all expenses you incur to develop and open your Center. You must send us the completed report within 60 days after the opening date of your Center.

(c) Gross Sales Reports. No later than each royalty fee due date, you must prepare and send us a statement of your Gross Sales for the prior reporting period. We may waive this reporting requirement at any time we are able to independently poll your Technology Systems to determine your Gross Sales. If you miscalculate Gross Sales, you must notify us of the error before the end of the next reporting period. Otherwise, you will not be entitled to a refund or credit of fees paid to us based on previously reported Gross Sales.

(d) Advertising Expenditure Reports. No later than 30 days after the expiration of your grand opening period, you must prepare and send us a report detailing your expenditures on your grand opening marketing campaign in accordance with §11.3(a). Upon our request you must, no later than the 15th day of each month, prepare and send us a monthly report detailing your expenditures incurred during the prior month on local advertising required by §11.3(b). All advertising expenditure reports must include copies of receipts for the reported expenditures.

17.4. Financial Statements. No later than the 15th day of each month, you must prepare and send us a monthly balance sheet and profit and loss statement for your Business for the prior month. No later than March 1st of each year, and an annual statement of profit and loss and source and application of funds for the prior calendar year. Financial statements must be: (a) verified and signed by you certifying to us that the information is true, complete, and accurate; (b) prepared on an accrual basis

in compliance with Generally Accepted Accounting Principles; and (c) submitted in any format we reasonably require. We may require that your financial statements be reviewed or audited by a certified public accountant. You must send us a copy of any financial statement required by this Section upon request. You hereby authorize us to disclose Operational Data to prospective franchisees, Governmental Authorities and other Persons for any reasonable business purpose, provided the disclosure is not prohibited by applicable Law.

17.5. Legal Compliance. You must: (a) secure, and maintain throughout the Term, all required permits and Licenses; and (b) operate your Center in compliance with all applicable Laws.

17.6. Reportable Events. You must notify us within two (2) business days after you become aware of any of the following (each, a "Reportable Event"): (a) the occurrence of an incident at your Center involving significant to a pet or Person; (b) the issuance of a citation or notice of violation by a Governmental Authority (or the commencement of an inquiry you believe is reasonably likely to lead to a citation or notice of violation) relating to a health or safety matter involving your Center; (c) an allegation of animal abuse or the commencement (or written threat) of an action, suit or proceeding against you, your Owners and/or your Center that is reasonably likely to materially and adversely affect you, your Center or the goodwill associated with the Marks; (d) a cancellation, termination or non-renewal of a required License; (e) the conviction or indictment of any Owner for a felony or other crime reasonably likely to materially and adversely affect you, your Center or the goodwill associated with the Marks; or (f) receipt of a default notice from your landlord.

17.7. Ownership & Protection of Business Data & Accounts.

(a) Ownership & Use. We exclusively own all: (i) Business Data, whether collected by you, us or another Person; and (ii) customer accounts and relationships. We license you the right to use the Business Data solely for purposes of operating your Center in compliance with this Agreement.

(b) Protection. You must protect Pet Parent & Dog Data with a level of control proportionate to the sensitivity of data. You must comply with all applicable privacy Laws, data protection Laws and our data processing and data privacy policies in the Manual (if any). Upon request, you must sign any data processing or data privacy agreement required by Law (or required by us). You may not enter Business Data into public/open AI models or any other AI model that uses such information to train the AI without our prior approval.

(c) PCI-DSS. You agree to: (i) adhere to all applicable compliance standards established by PCI-DSS; (ii) establish appropriate administrative, technical and physical controls consistent with Law and PCI-DSS to preserve the security and confidentiality of all credit card information (in any form) you store, process, transmit or access; (iii) promptly notify us of any suspected or actual security breach or potential compromise of credit card information; (iv) send us updates regarding the status of PCI-DSS via completed PCI AOC (Attestation of Compliance), PCI-DSS SAQ (Self-Assessment Questionnaire) or other mutually-agreed method; and (v) promptly notify us of any PCI-DSS noncompliance to discuss your remediation efforts and timeline.

(d) Data Breach. In the event of a data breach, we reserve the right to exclusively control the response, but we have no liability to you for any damages arising from the data breach. You must cooperate with us and follow our instructions relating to the data breach.

18. INSPECTION AND AUDIT

18.1. Inspections. For quality control purposes and to ensure compliance with this Agreement, we (or our representative) may enter your Center, evaluate your operations and inspect your books, records, accounts and tax returns, and take pictures and/or video of your Center, staff and Business operations. We will determine the scope of the inspection, which may include, among other things:

(a) evaluating the physical condition of your Center for cleanliness, sanitation and state of repair;

(b) examining and copying your books, records, accounts and tax returns;

(c) auditing your use of AI Technology and related data handling practices;

(d) inspecting and testing your equipment;

(e) monitoring and speaking with your staff;

(f) monitoring your (and your employees') interactions with dogs and pet parents; and

(g) contacting your landlord and pet parents.

We may conduct inspections at any time without prior notice. We (or our representative) will use reasonable efforts to minimize any interference with the operation of your Center. You and your employees must cooperate and not interfere with the inspection. You consent to us accessing your Technology Systems to retrieve Business Data. You must reimburse all Travel Expenses and other costs we incur to conduct an inspection to verify whether you remedied: (a) a health or safety issue identified by a Governmental Authority; or (b) a breach of system standards we bring to your attention. We bear the cost of all other inspections.

18.2. Audit. We may audit your books and records at any time. You must fully cooperate with us and any Person we hire to conduct the audit. If an audit reveals an understatement of Gross Sales you must immediately pay us all additional fees you owe together with any late fee imposed pursuant to §15.4. We may require you to send us your personal tax returns if an audit reveals you understated Gross Sales by 2% or more. You must reimburse us for the cost of any audit (including reasonable accounting and attorneys' fees and Travel Expenses incurred by us or the auditor) that: (a) is required due to your failure to provide information we request, preserve records or file reports as required by this Agreement; or (b) reveals you understated Gross Sales by at least 3%. We bear the cost of all other audits. Your reimbursement of our audit costs does not preclude us from terminating this Agreement.

19. INTELLECTUAL PROPERTY

19.1. Ownership & Use. You acknowledge that: (a) our affiliate Trusted Authority, LLC is the exclusive owner of the Intellectual Property and the associated goodwill; and (b) your right to use the Intellectual Property is derived solely from this Agreement and is limited to a license to operate your Center during the Term pursuant to, and only in compliance with, this Agreement and the Manual. You may not use the Intellectual Property relating to the sale of unauthorized goods or service or in any manner not expressly authorized by us. Any unauthorized use of the Intellectual Property is an infringement of our rights. You must comply with all provisions in the Manual governing use of the Intellectual Property. You will not acquire any goodwill, title or interest in or to the Intellectual Property. Any goodwill arising from your use of the Marks insures exclusively to us (or our affiliate) with no obligation to pay you compensation attributable to any goodwill from your use of the Marks. We make no representation or warranty that the Intellectual Property does not infringe the intellectual property rights of others.

19.2. Intellectual Property Changes. We may change the Intellectual Property at any time in our sole discretion, including the Copyrighted Materials, Know-how, Marks and/or System. You must, at your expense, implement all Intellectual Property changes we require in accordance with our instructions. We are not liable for any Losses and Expenses you incur (including loss of goodwill associated with a Mark) due to a change to the Intellectual Property.

19.3. Use of Marks. You agree to: (a) use the Marks as the sole identification of your Center; *provided, however*, that you must identify yourself as the independent owner of your Center in the manner we prescribe; and (b) prominently display the Marks in the manner we prescribe on or in connection with any advertising, promotional materials, displays, receipts, stationery and forms we designate to give notice of trademark and service mark registrations and copyrights. You may not: (a) use the Marks in any modified form or as part of a corporate or trade name or with any prefix, suffix or other modifying words, designs or symbols (other than logos we license to you); (b) use the Marks when signing a contract, lease, check or other agreement or in any other manner that may cause confusion or imply we are liable for your obligations; (c) register or attempt to register a Mark, or a trademark confusingly similar to a Mark, with a Governmental Authority; or (d) challenge or contest the validity or ownership of our Marks. We retain the sole right to advertise on the Internet and create websites or social media platforms using the DOGTOPIA® name and any other names we may designate in the Manual. You must monitor your employees to ensure they are not using our Marks in an unauthorized manner (for

example, on their personal social media accounts, websites or other online platforms).

19.4. **Tradename**. You must obtain a tradename (i.e., a fictitious or assumed name) registration if required by applicable Law. The tradename must be for "DOGTOPIA of (name of your designated territory)". You must submit your proposed tradename to us for approval. We will notify you of our approval through the issuance of a Tradename Approval Notice. You may not use any tradename we have not approved. You must surrender and cancel the tradename upon the termination, expiration or Transfer of this Agreement.

19.5. **Use of Know-how**. We disclose our proprietary Know-how to you during training programs, in the Manual and through other guidance furnished during the Term. You do not acquire any interest in the Know-how other than the right to utilize it, during the Term, solely for purposes of developing and operating your Center in compliance with this Agreement and the Manual.

19.6. **Improvements**. If you (or your Owner or employee) conceive of or develop an Improvement, you must send us a notice describing the Improvement. You must obtain our approval prior to using the Improvement. You or your Owner or employee, as applicable, must assign to us or our designee, without charge, all rights to any Improvement we approve, including the right to grant sublicenses. If applicable Law precludes assigning ownership to us, you or your Owner or employee, as applicable, must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.

19.7. **IP Disputes**. You must immediately notify us of any IP Dispute. You may not communicate with any Person other than us and our counsel in connection with the IP Dispute. We have sole discretion in deciding what action, if any, to take in response to an IP Dispute. We exclusively control all litigation and other proceedings relating to IP Disputes. You must execute all documents, render all assistance, and perform all acts that our counsel deems necessary or advisable to protect or maintain our interest in the proceeding and/or protect the Intellectual Property.

20. INDEMNITY. You agree to indemnify the Indemnified Parties and hold them harmless for, from and against any and all Losses and Expenses they incur as a result of or in connection with:

(a) the construction, development, marketing, use or operation of your Center;

(b) the breach of a Definitive Agreement committed by you or your Owner or affiliate;

(c) the breach of an agreement with a third party committed by you or your Owner or affiliate;

(d) any representations you or your Owner make to a transferee in connection with a Transfer;

(e) any Claim relating to taxes or penalties a Governmental Authority assesses against us as a direct result of your failure to pay or perform functions required of you under this Agreement;

(f) any Claim relating to services or actions of a supplier or any contract entered into between you and a supplier including any agreement with, or services provided by, the Real Estate Company, Architect Company, Project Manager (unless we serve as Project Manager) or any other supplier contemplated by §8.1 relating to the design, construction and development of your Center;

(g) any other acts or omissions by you or your owners, officers, employees, independent contractors, subcontractors, agents or representatives in any way relating to this Agreement or the Business;

(h) libel, slander or disparaging comments made by you or your Owners, officers, employees or independent contractors regarding the System, a Center or an Indemnified Party (this provision does not apply to disclosure of truthful information to Governmental Authorities);

(i) any labor, employment or similar type of Claim pertaining to your employees (including Claims alleging we are a joint employer of your employees) or our relationship with you or your Owners (including Claims alleging we are an employer of you and/or any of your Owners); or

(j) any actions, investigations, rulings or proceedings conducted by any Governmental Authority (including the United States Department of Labor, Equal Employment Opportunity Commission or National Labor Relations Board) relating to your employees.

You and your Owners must immediately notify us of any Claim or proceeding described above. The Indemnified Parties have the right, in their sole discretion, to: (a) retain counsel of their choosing to represent them with respect to the Claim; and (b) control the response thereto and the defense thereof, including the right to settle the Claim. You may participate in the defense at your expense. You must fully cooperate and assist the Indemnified Parties with defense of the Claim and reimburse all costs and expenses they incur in defending the Claim including, without limitation, mediation, arbitration or court expenses, expert fees and Travel Expenses incurred by attorneys or expert witnesses to attend proceedings or hearings relating to the matter. Your indemnification obligations survive, and continue in full force and effect after, the Transfer, termination or expiration of this Agreement.

Provided you and your Owners and affiliates are in full compliance with all Definitive Agreements, we will indemnify you and your Owners and hold them harmless for, from and against any and all Losses and Expenses they incur as a result of or in connection with any Claim asserted against you and/or your Owners where a court or arbitrator held that your use of our primary Mark (i.e., DOGTOPIA®) in strict compliance with the terms of this Agreement and the Manual violates a third-party's intellectual property rights. You must promptly notify us of any such Claim and fully cooperate with our defense of the Claim. For purposes of our indemnification obligation, the term "Losses and Expenses" shall expressly exclude: (a) any costs that you incur for changing signage or discontinuing the use of any Mark; and (b) any legal fees you incur for separate, independent legal counsel you choose to hire.

21. TRANSFERS

21.1. **By Us**. We have the unrestricted right to assign this Agreement to any Person without prior notice to you; *provided, however,* that we will remain liable for obligations we incur prior to the assignment date. We may also delegate any of our obligations under this Agreement.

21.2. **By You**. The rights and duties created by this Agreement are personal to you and the Owners. We are granting you franchise rights in reliance upon the character, skill, attitude, business ability and financial resources of you and your Owners. Because this Agreement is a personal services contract, neither you nor any Owner may engage in a Transfer without our prior approval. Any Transfer without our approval is void and constitutes a breach of this Agreement. We will not unreasonably withhold our approval of a proposed Transfer if all of the following conditions are satisfied:

(a) you send us a completed Application for Consent to Transfer in the form we specify and provide us with all information we request regarding the proposed Transfer;

(b) we believe the proposed transferee has sufficient business experience, aptitude and financial resources to own and operate a Dogtopia Center and meets our minimum criteria for franchisees;

(c) you and your affiliates and Owners are in full compliance with all Definitive Agreements;

(d) the transferee's owners successfully complete, or make arrangements to attend, the initial training program and the transferee pays us any applicable training fee;

(e) your landlord consents to the assignment of your lease to the transferee;

(f) the transferee and its owners obtain all required permits and Licenses to own and operate the Center;

(g) the transferee and its owners sign our then-current form of franchise agreement (unless we instruct you to assign this Agreement to the transferee) except that: (i) the initial term shall be 10 years from execution of the franchise agreement and the renewal term(s) shall be the renewal term(s) remaining under this Agreement; and (ii) the transferee need not pay an initial franchise fee;

(h) if we require that the transferee sign our then-current form of franchise agreement, the transferee receives a copy of our then-current Franchise Disclosure Document and delivers a signed and dated receipt to us, and executes our then-current form of franchise agreement only after the expiration of all applicable cooling off periods; *provided, however,* that we have no liability to a transferee for any representations made by you or your representatives that are inconsistent with, or are beyond the scope of, any representations we make in the Franchise Disclosure Document;

(i) the transferee assumes your obligations under this Agreement and other Business contracts (including customer contracts and supplier contracts) and signs any agreement we require to confirm the foregoing;

(j) the transferee agrees to remodel the Center and upgrade all furniture, fixtures and equipment to conform to our then-current standards and specifications (these changes must be completed within 12 months after the Transfer or such shorter period of time we specify);

(k) you or the transferee pay us a transfer fee equal to 50% of our then-current non-discounted initial franchise fee (for the purchase of a first franchise by a Person who is not a Conversion Franchisee) to defray expenses we incur in connection with the Transfer (in addition to the transfer fee, you must reimburse us for any commission we pay our broker if our broker finds the transferee);

(l) you pay the transferee an amount equal to the total amount of outstanding Prepaid Liabilities carried by your Center as of the Transfer date or you provide another form of financial assurance we approve (such as transferring a surety bond to the transferee covering the Prepaid Liabilities);

(m) you and your Owners sign (i) a General Release and (ii) a written consent to termination of this Agreement in the form we prescribe (if we require the transferee sign a new franchise agreement);

(n) you agree to subordinate the transferee's financial obligations to you to the transferee's financial obligations owed to us pursuant to the franchise agreement (we may require you to enter into a written subordination agreement);

(o) we choose not to exercise our right of first refusal described in §21.4; and

(p) you or the transferring Owner, as applicable, and the transferee satisfy all other conditions we reasonably require as a condition to approval of the Transfer.

We may waive some of the Transfer conditions listed above for Transfers from the Owners to an Entity owned and controlled by such Owners or certain Transfers of ownership interests between existing Owners previously approved by us. Our consent to a Transfer shall not constitute a waiver of any Claims we have against the transferor or our right to demand the transferee comply with all terms of the franchise agreement.

21.3. Owner Death or Disability. Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Business or Franchisee Entity must be Transferred to another Person in compliance with §21.2. An Owner is deemed to have a "permanent disability" only if he/she has a medical or mental problem preventing him/her from substantially complying with his/her obligations under this Agreement or operating the Business in the manner required by this Agreement and the Manual for a continuous period of at least three (3) month.

21.4. Our Right of First Refusal. If you or an Owner wish to engage in a Transfer, you or the Owner, as applicable, must obtain and send us a bona-fide offer executed by the purchaser after completion of due diligence. We have 30 days after receiving the offer to decide whether to purchase the interest for the same price and upon the same terms contained in the offer, except we may substitute cash for any non-cash form of payment proposed in the offer. If we notify you within the 30-day period that we intend to purchase the interest, you or the Owner, as applicable, must sell the interest to us. We will have an additional 30 days to prepare for closing. You or the Owner, as applicable, must provide us with all customary representations and warranties regarding the title to and condition of the assets or Equity Interest that we purchase, or at our option, the representations and warranties contained in the offer. At our option, we may reduce the purchase price by an amount equal to any real estate and/or brokerage commissions arising from the sale. If we do not exercise our right of first refusal, you or the Owner, as applicable, may complete the Transfer to the purchaser pursuant to the terms of the offer, subject to the requirements of §21.2, including our approval of the transferee. If the sale is not completed within 120 days after we receive the offer, or there is a material change to the terms of sale, we will again have the right of first refusal specified in this Section.

22. TERMINATION

22.1. **By You**. You may terminate this Agreement if we materially breach this Agreement and: (a) you send us a default notice, specifying the nature of the breach, no later than 90 days after its occurrence; (b) we fail to cure the breach, or take reasonable steps to commence cure of the breach, within 60 days after receipt of the default notice; and (c) you are not in default under this Agreement. If we take reasonable steps to commence cure of a breach within 60 days after receipt of the default notice, we shall have an additional period of time (not to exceed 120 days after receipt of the default notice) to fully cure the breach. If you terminate pursuant to §22.1, you must still comply with your post-term obligations described in §23 (other than payment of liquidated damages) and all other obligations that survive the termination of this Agreement.

22.2. **By Us**. We may terminate this Agreement, effective upon delivery of a notice of termination to you, for any of the following reasons, all of which constitute material events of default and "good cause" for termination, and without opportunity to cure except for any cure period expressly set forth below:

(a) if you are insolvent due to your inability to pay your debts as they become due;

(b) if you file a voluntary petition in bankruptcy or any pleading seeking any reorganization, liquidation, dissolution or composition or other settlement with creditors under any Law, or you are the subject of an involuntary bankruptcy (which may or may not be enforceable under the Bankruptcy Act of 1978);

(c) if your Center, or substantially all of its assets, are seized by a government official or taken over or foreclosed upon by a creditor, lienholder or lessor;

(d) if a final judgment against you in excess of $10,000 remains unsatisfied for 60 days unless a supersedes or other appeal bond has been filed;

(e) if a levy of execution has been made upon the license granted by this Agreement or any property used in your Business and is not discharged within five (5) days of the levy;

(f) if the Managing Owner fails to satisfactorily complete initial training as required by §5.1;

(g) if you fail to secure our approval of your site, complete construction or open your Center before the associated deadlines set forth in §3.1, §8.4 or §8.5, respectively;

(h) if you abandon or fail to operate your Center for five (5) consecutive business days unless due to Force Majeure (in which case §26.6 governs) or another reason we approve;

(i) if a Governmental Authority suspends or revokes a required License or permit required to lawfully operate the Center unless the suspension/revocation is overturned within 20 days thereafter;

(j) if you operate the Center in a manner that presents a health or safety hazard to your customers, dogs, employees or the public and fail to cure within 24 hours after notice from us;

(k) if you fail to submit required reports or information to us three (3) times in any 12-month period;

(l) if you underreport Gross Sales by at least 3% on two (2) or more occasions;

(m) if you fail to pay any amount owed to us, our affiliate or an approved or designated supplier within 10 days after demand for payment (subject to your right to dispute, in good faith, amounts owed to third-party suppliers in accordance with §12.9(d));

(n) if you accept the terms of a System Account Agreement as a "participating location" but fail to honor the terms we negotiated under the System Account Agreement, after having already committed a similar breach that had been cured;

(o) if you fail to promptly notify us of a Reportable Event in accordance with §17.6;

(p) if you (or an Owner) (i) are subject to a material administrative disciplinary action or (ii) plead no contest to, or are convicted of, a felony or other material crime;

(q) if you (or an Owner) fail to comply with a material Law applicable to your Center;

(r) if you (or an Owner) commit an act that can reasonably be expected to materially and adversely affect the reputation of the System or goodwill associated with the Marks;

(s) if you (or an Owner) make a material misrepresentation to us at any time;

(t) if you (or an Owner) make an unauthorized Transfer;

(u) if you (or an Owner) use the Intellectual Property in an unauthorized manner;

(v) if you (or an Owner) breach a brand protection covenant in §16 or representation in §25.3;

(w) if an Owner (or their spouse) breaches an Owner Agreement;

(x) if you fail to meet the minimum performance requirements described in §13;

(y) if the lease for your premises is terminated due to your default;

(z) if we send you (i) two (2) default notices in any 12-month period for the same or similar default (even if cured) or (ii) three (3) default notices in any 18-month period (even if cured);

(aa) if you fail to cure a breach under an agreement with a third party relating to the Business (including supplier agreements and customer agreements) before the cure period expires;

(bb) if we (or our affiliate) terminate any Definitive Agreement, other than an area development agreement, due to a default committed by you (or your affiliate or an Owner); or

(cc) if you (or an Owner) breach any other provision of this Agreement, including any mandatory provision in the Manual, and fail to cure within 30 days after receipt of a default notice.

If we send you a default notice we may cease to perform our obligations under this Agreement until you cure the breach, unless our failure to perform would materially impair your ability to cure.

22.3. <u>By Mutual Agreement</u>. If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

23. POST-TERM OBLIGATIONS.

23.1. <u>Obligations of You and the Owners</u>. After the termination, expiration or Transfer of this Agreement, you and the Owners agree to:

(a) immediately cease use of the Intellectual Property and all proprietary components of the Technology Systems;

(b) comply with all post-term covenants described in §16 or an Owner Agreement;

(c) cancel all fictitious or assumed name registrations relating to your use of the Marks;

(d) pay us all amounts you owe including, if applicable, liquidated damages pursuant to §23.2;

(e) pay us (or the transferee if you are completing a Transfer) an amount equal to your Center's total outstanding Prepaid Liabilities, measured as of the effective date of the termination, expiration or Transfer of this Agreement for unredeemed (or partially redeemed) gift cards, Packages, and other prepaid items purchased by customers from your Center (this clause does not apply to the extent we collect proceeds from these sales transactions at the time of sale);

(f) cease utilizing, and turn over to us, all email addresses that we loaned to you during the Term;

(g) cease utilizing any phone numbers that were associated with your Center during the Term;

(h) comply with our instructions to return, destroy or transfer all copies of the Manual (including any recording of any component of the Manual) and Copyrighted Materials and all signs, brochures, advertising and promotional materials, forms and other materials bearing the Marks or containing Confidential Information;

(i) provide us with all copies of Pet Parent & Dog Data, including a current pet parent and dog list and copy of all pet parent and dog contracts, supplier contracts, warranties and service plans;

(j) assign all customer contracts and supplier warranties and service plans to us or our designee;

(k) remove Dogtopia wraps and other branding from any vehicle used in the Business;

(l) alter the interior and exterior of the premises to the extent necessary, or to the extent we require, to prevent any further resemblance to or connection with a Center or our System, including repainting the exterior and interior with new colors and removing trade dress, fixtures, signage, window decals and décor items associated with a Center;

(m) notify all telephone, listing and domain name registration companies of the termination or expiration of your right to use: (i) any telephone numbers and/or domain names associated with your Center; and (ii) any regular, classified or other telephone directory listings associated with the Marks (you hereby authorize the foregoing companies to transfer such telephone numbers, domain names and listings to us and you authorize us, and appoint us and any officer we designate as your attorney-in-fact to direct these companies to transfer the telephone numbers, domain names and listings to us if you fail or refuse to do so); and

(n) send us satisfactory evidence of your compliance with the above obligations within 30 days after the effective date of the termination, expiration or Transfer of this Agreement.

Subsections (h), (i), (j), (k), (l) and (l) above do not apply if you Transfer your Center to an approved transferee or we exercise our right to purchase your Center (except subsection (k) will apply if the vehicle is not transferred to us or a transferee). If an Owner transfers his or her entire Equity Interest in the Business or Franchisee Entity but you continue to operate the Center pursuant to this Agreement, then this Section will not apply to you (or to any remaining Owner) and the former Owner is subject only to the obligations set forth in subsections (a) and (b).

23.2. Liquidated Damages. You must pay us liquidated damages if either: (a) we terminate this Agreement due to your default; or (b) you terminate this Agreement without cause or in any manner other than as permitted by §22.2 or §22.3. Liquidated damages shall be equal to the greatest of: (x) $10,000; (y) an amount equal to the sum of the royalty fees and brand fund fees imposed under this Agreement during the 180-day period preceding the termination date, regardless of whether such fees were actually paid by you; or (z) an amount equal to the sum of the average weekly royalty fees and brand fund fees imposed under this Agreement during the 52-week period preceding the termination date (or the entire period of operations if less than 52 weeks), regardless of whether such fees were actually paid by you, multiplied by the total number of full weeks remaining under the then-current Term of this Agreement. Liquidated damages are in addition to and not in lieu of: (a) any fees or other amounts incurred by you prior to the termination of this Agreement, all of which must be paid by you in accordance with the terms of this Agreement; or (b) any damages we or our affiliate incur as a result of your breach of this Agreement; *provided, however,* that we may not pursue a Claim against you for recovery of lost future profits if you pay us all liquidated damages owed when due. The parties agree the amount of liquidated damages set forth in this Section is in proportion to, and is necessary to protect, our legitimate interests, including: (a) encouraging our franchisees to commit to the 10-year franchise relationship in which both parties have already invested time and expense to develop; (b) the time and expense we will incur to ensure your timely and orderly departure from our franchise network and recruit a new franchisee to acquire franchise rights to the Territory; (c) protecting the reputation and goodwill associated with our Marks; and (d) partially compensating us for financial damages we expect to incur as a result of your breach or wrongful termination. You agree the amount of liquidated damages determined in accordance with this §23.2 reasonably estimates our monetary losses of royalty fees and brand fund fees resulting from the termination of this Agreement and does not represent or constitute a penalty. If this liquidated damages clause is unenforceable under applicable Law, then we are only entitled to recover actual damages we incur as a result of your default or improper termination.

23.3. Purchase Option.

(a) Generally. Upon termination or expiration of this Agreement we have the option to purchase your Center and/or its assets. If we choose to exercise our purchase option, we will notify you of the assets we wish to purchase (the "Acquired Assets") within 20 days after the termination or

expiration date. If we exercise our purchase option, or we assign our purchase option to a designee who exercises the option, we may require that: (i) you assign your lease to us (or our designee) at no additional charge (if you lease the premises); or (ii) you or your affiliate lease the premises to us in accordance with §8.3 (if you or your affiliate own the premises). If your lease prohibits you from assigning the lease and your landlord refuses to consent to the assignment despite your best efforts to obtain consent, then we may require you to sublease the premises to us or our designee upon the same terms and conditions applicable to you under your lease. The purchase price for the Acquired Assets will be: (i) the purchase price established by the parties (if mutually agreed upon); or (ii) the Appraised Value established in accordance with §23.3(b). We may assign our purchase option to a designee of our choosing.

(b) Appraisal Process. If the parties cannot agree on the purchase price, the purchase price shall be the Appraised Value established in accordance with this Section. "Appraised Value" means the fair market value of the Acquired Assets as of the date this Agreement terminates or expires, as applicable; *provided, however*, that fair market value shall not include any value for goodwill and/or the franchise rights granted by this Agreement. The parties shall attempt to mutually agree upon a single independent appraiser. If they fail to do so, either party may demand the appointment of three (3) appraisers in accordance with the following: (i) no later than 15 days after the demand, each party shall appoint one (1) appraiser and notify the other party of the appointed appraiser's name and contact information; and (ii) no later than 30 days after the demand, the two (2) appraisers appointed by the parties will jointly appoint a third (3rd) appraiser. If either party fails to appoint an appraiser within the 15-day period, then the appraiser appointed by the other party is deemed the single appraiser approved by the parties. You must promptly provide any documents or information requested by the appraisers. If a single appraiser is appointed, the purchase price is the Appraised Value established by the appraiser. If three (3) appraisers are appointed, the purchase price is: (i) the Appraised Value agreed upon by at least two (2) of the appraisers; or (ii) the average of the two (2) Appraised Values that are closest to each other if none of the appraisers agree upon the Appraised Value. Each party shall promptly pay 50% of the cost of the appraisal.

(c) Closing. To memorialize the acquisition, the parties will sign a form of Asset Purchase Agreement we reasonably prescribe that includes customary representations and warranties regarding title to and the condition of the Acquired Assets. At closing you must transfer good and clean title to the Acquired Assets, subject to any exceptions in the Asset Purchase Agreement, and we must pay you the purchase price. We may deduct from the purchase price: (i) amounts you owe us or our affiliates under Definitive Agreements including, if applicable, liquidated damages and other damages owed (other than lost profits); and (ii) the amount of any liabilities we assume on your behalf, including future rent and Prepaid Liabilities (e.g., gift cards or purchases of Packages). We have at least 60 days after the purchase price is established to close the transaction.

24. DISPUTE RESOLUTION.

24.1. Generally. The parties agree to submit any Dispute to an escalating process designed to minimize costs and expedite resolution of the Dispute. The parties will submit the Dispute: (a) first, to informal negotiation in accordance with §24.3; (b) if the Dispute is not resolved by informal negotiation within the 30-day period described in §24.3, then either party may submit the Dispute to mandatory mediation in accordance with §24.4; and (c) if the dispute is not resolved by mediation, then upon termination of the mediation either party may submit the Dispute to mandatory and binding arbitration in accordance with §24.5. All Claims of the parties (other than Excluded Claims which are expressly excluded from the informal negotiation and mediation process pursuant to §24.6) are tolled from the date of the commencement of the informal negotiation process until the expiration or earlier termination of the mediation process. If either party must enforce this Agreement in a judicial or arbitration proceeding, the substantially prevailing party is entitled to reimbursement of its costs and expenses, including reasonable accounting and legal fees and arbitration costs. In addition, if you or an Owner breach a Definitive Agreement, you must reimburse all reasonable legal fees and other expenses we incur relating to such breach, regardless of whether the breach is cured prior to commencement of formal

dispute resolution proceedings.

24.2. **Venue & Consent to Jurisdiction**. All mediation, arbitration and litigation will take place in the county in which we maintain our principal place of business at the time the Dispute arises (currently, Maricopa County, Arizona) unless you and we mutually agree to a different venue. The parties irrevocably waive any objection to such venue and, with respect to litigation proceedings, submit to the jurisdiction of such courts. However, we may seek to enforce this Agreement and any arbitration orders and awards in the courts of the state in which you are domiciled and/or in which your Center is located. Similarly, you may seek to enforce this Agreement and any arbitration orders and awards in the courts of the state in which we are domiciled.

24.3. **Informal Negotiation**. Each party agrees to notify the other party in writing of any Dispute at least 30 days before submitting the Dispute to mediation. Each party must designate one individual with authority to resolve the Dispute. These individuals shall work together in a good faith effort to informally resolve the Dispute before the expiration of the 30-day period.

24.4. **Mediation**. If the parties do not resolve the Dispute by informal negotiation within the 30-day period set forth in §24.3, then either party may submit the Dispute to mediation as follows:

(a) Mediation Procedure. The parties will ask the American Arbitration Association or such other independent dispute resolution organization that we approve, in the county in which we maintain our principal place of business at the time the Dispute arises, to supply a list of five (5) potential qualified attorney-mediators within 10 business days. Within five (5) business days after receipt of the list, the parties will rank the proposed mediators in numerical order of preference and exchange lists. The parties agree to appoint as mediator the individual receiving the highest combined ranking or, if this individual is not available, the individual receiving the second highest combined ranking.

(b) Exchange of Information; Summary of Views. The parties and the mediator will determine a convenient date for the mediation; *provided, however*, that if the parties are unable to agree, the mediator will set the date. The parties will attempt, in good faith, to agree on procedures for the expeditious exchange of information requested by the parties to prepare for mediation. Each party will deliver to the mediator a concise summary of its view on the Dispute at least seven (7) days before the first scheduled mediation session.

(c) Conduct of Mediation. The mediator will designate the mediation format and governing rules before the first scheduled session. Any information a party shares with the mediator in private caucus is confidential and may not be disclosed to the other party without the disclosing party's prior consent.

(d) Termination of Mediation. Both parties agree to participate in the mediation to its conclusion. The mediation is terminated upon the earliest of: (i) the parties sign a settlement agreement; (ii) the mediator declares the mediation is terminated; or (iii) the parties mutually declare the mediation is terminated after the conclusion of at least one full day's mediation session.

(e) Fees; Disqualification; Confidentiality. The parties will equally share the mediator's fees and expenses. The mediator will be disqualified as a witness, expert or counsel for any party with respect to the Dispute and any related matters. Mediation is a compromise negotiation for purposes of Federal and Arizona Rules of Evidence and constitutes privileged communication under Arizona Law. The entire mediation process is confidential, and any statements, offers, views and opinions will not be discoverable or admissible in any legal proceeding for any purpose; *provided, however*, that evidence which is otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the mediation.

24.5. **Arbitration**. If the parties do not resolve the Dispute by mediation conducted in accordance with §24.4, then either party may submit the Dispute to arbitration in accordance with this Section. Neither party may submit a Dispute to arbitration prior to completion of the mediation process described above.

(a) Arbitration Procedure. The Dispute will be submitted to binding arbitration conducted through an

organization we designate that: (i) has experience arbitrating disputes between franchisors and franchisees; and (ii) is independent of the franchisor. Arbitration will be conducted by one (1) arbitrator selected by agreement of the parties. If the parties cannot agree on an arbitrator, the arbitrator will be selected in accordance with the rules of the arbitration organization. Neither party shall be required to accept an arbitrator to which it objects, unless that party has refused to accept three (3) candidates that the other side has indicated it would accept. The arbitrator shall apply the Federal Rules of Evidence during the conduct of the sessions with respect to the admissibility of evidence. The arbitration will be governed by the Federal Arbitration Act, 9 U.S.C. §§1 et seq., as amended. The parties will equally share arbitration fees and costs.

(b) Powers of Arbitrator. Judgement upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof and will be final, binding and non-appealable, except as set forth below. The arbitrator will not have authority to declare any Mark generic or otherwise invalid or award exemplary or punitive damages. The arbitrator must state in writing the reasoning on which the award is based.

(c) Appeal of Award. Each party has 30 days from the date the arbitrator renders the final award to appeal the decision. Any appeal that is timely filed will be submitted to a different arbitrator appointed in the same manner set forth above. The issues on appeal will be limited to the proper application of the Law to the facts found at the arbitration and will not include any trial de novo or other fact-finding function. The party requesting the appeal must pay for: (i) a court reporter to make a written record of the arbitration hearing; (b) all fees and costs charged by the appeal panel; and (b) any bond deemed appropriate by the appeal panel. Any party that does not pay for or share in the payment for a transcript of the arbitration hearing cannot challenge any ruling by the arbitrator on appeal, even if the opposing party does appeal.

(d) Unenforceable Clauses. Any Claim relating to a Dispute that a court or arbitrator decides is not subject to arbitration under this Section for any reason shall be resolved in a judicial proceeding in accordance with this Agreement.

24.6. Injunctive Relief. The informal negotiation, mediation and arbitration provisions do not apply to any Claim: (a) alleging a breach of §16 (Brand Protection Covenants), §19 (Intellectual Property), §21.2 (Transfers By You) or §23 (Post-Term Obligations); (b) relating to a potential health or safety hazard to your employees, the public, pet parents and/or their dogs; or (c) relating to a breach of this Agreement (or an act or omission of you or your employees or other representatives) that may materially impair the goodwill associated with the Marks or cause irreparable loss or damage to us, our affiliates or our other franchisees (each, an "Excluded Claim"). The parties hereby express their clear and unequivocal intent that a court, rather than a mediator or arbitrator, will have exclusive jurisdiction to decide the threshold issue of whether a Dispute involves an alleged Excluded Claim. Either party may immediately file a lawsuit with any court in a venue permitted by §24.2 for purposes of seeking declarative, interim or injunctive relief for any Excluded Claim, which remedy shall be in addition to any other remedy available at equity or Law. The party filing the lawsuit must notify the other party if it intends to seek injunctive relief, but the party need not post a bond. If a court requires a bond despite our agreement to the contrary, the bond amount may not exceed $1,000. In any such proceeding, the court may also decide claims for damages related to the Dispute. No remedy available to a party under this Agreement is 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.

24.7. Waivers & Limitations Period. ***Unless prohibited by applicable Law, any Claim (other than for payment of monies owed or an Excluded Claim) must be brought by filing a written demand for arbitration (or if permitted, litigation) within two (2) years following the conduct, act, event or occurrence giving rise to the Claim (subject to any applicable tolling period as described above), or the right to a remedy will be deemed forever waived and barred. We and you irrevocably waive: (a) trial by jury; (b) the right to arbitrate or litigate a Dispute on a class action basis; (c) any rights you or we may have under the Arizona Consumer Fraud Act; and (d) the right to seek or recover punitive, exemplary, multiple or consequential damages (each party is limited to recovery of actual***

damages except as otherwise provided in §23.2 for liquidated damages).

25. REPRESENTATIONS.

25.1. Corporate. You and the Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, does not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the franchisee is an Entity, you and the Owners also jointly and severally represent and warrant to us that: (a) the Franchisee Entity is duly organized, validly existing and in good standing under the Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Franchisee Entity in accordance with its terms.

25.2. General. You and the Owners jointly and severally represent and warrant to us that you and the Owners are aware that: (a) other franchisees may operate under different forms of agreement and our obligations and rights with respect to franchisees differs materially in certain circumstances; and (b) we may negotiate terms or offer concessions to other franchisees and we have no obligation to offer you the same or similar negotiated terms or concessions.

25.3. Anti-Terrorism. You and the Owners jointly and severally represent and warrant to us that, to the best of your and their knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Business or Franchisee Entity) or related parties is, or has ever been: (i) a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance with, and shall continue to comply with, the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

26. GENERAL PROVISIONS

26.1. Governing Law. Except as governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051, et seq.) and Federal Arbitration Act (9 U.S.C. §§1 et seq.), this Agreement and the franchise relationship are governed by the Laws of Arizona without reference to its principles of conflicts of law, but any Arizona Law that regulates the offer or sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

26.2. Relationship of Parties. Nothing in this Agreement creates a fiduciary relationship between the parties or is intended to make either party an agent, legal representative, partner or employee of the other party. Throughout the Term you must, in all dealings with third parties, conspicuously identify yourself as a franchisee and the independent owner of your Center. We may require that you display a written notice of independent ownership, in the form we prescribe, at any location within your Center we specify. You must also include a written indication of independent ownership on all agreements, forms, letterhead, advertising materials, business cards and other materials that we specify. Neither party may: (a) make any express or implied agreement, warranty or representation, or incur any debt, in the name of or on behalf of the other; or (b) represent that our relationship is other than franchisor and franchisee. Neither party is obligated by any agreement or representation made by the other party

unless expressly authorized by this Agreement.

26.3. **Severability**. Each section of this Agreement (and portion thereof) is severable. If applicable Law imposes mandatory terms that conflict with this Agreement, the terms required by such Law shall govern to the extent of the inconsistency. If a court or arbitrator concludes any promise or covenant in this Agreement is unreasonable or unenforceable, we or the court or arbitrator may modify such promise or covenant to the minimum extent necessary to make it enforceable.

26.4. **Waivers.** Each party may waive any obligation imposed on the other party in writing. Neither party is deemed to have waived or impaired any of its rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement if the other party fails to comply with such terms, by virtue of: (a) any custom or practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with any term of this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other franchisees; or (d) our acceptance of payment from you after your breach.

26.5. **Approvals.** Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we shall be deemed to have disapproved your request.

26.6. **Force Majeure.** Neither party is liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; *provided, however*, that Force Majeure will not excuse or permit any failure to perform for more than 90 days. If the period of non-performance exceeds 90 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.

26.7. **Binding Effect.** This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor deemed, to confer any rights or remedies upon any Person not a party to this Agreement; *provided, however*, that the additional insureds listed in §17.1 and the Indemnified Parties are intended third-party beneficiaries under this Agreement with respect to §17.1 and §20, respectively

26.8. **Integration.** THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT, EXCEPT AS PERMITTED BY §12.1 AND §26.3, BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. In addition, our issuance of a Site Approval Notice and/or Site Selection Area Notice and/or Territory Notice (to the extent applicable) shall be deemed to amend this Agreement to designate the approved site for your Business, your Site Selection Area and your Territory, as applicable, regardless of whether you countersign and/or return the applicable Notice(s). No email or informal electronic communication will modify this Agreement unless it is signed by both parties and expressly states it is intended to modify this Agreement. The attachments are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date, constitute the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement. As referenced above, all mandatory provisions of the Manual are part of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

26.9. **Good Faith Covenant**. If applicable Law implies into this Agreement a covenant of good faith and

fair dealing, the covenant may not imply any right or obligation inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment to exercise this discretion based on our assessment of our own interests and balancing our interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

26.10. Rights are Cumulative. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by a party of any right or remedy under this Agreement precludes any other right or remedy available to such party under this Agreement or by Law.

26.11. Survival. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement or the Transfer of an Equity Interest in the Center or Franchisee Entity remain in effect subsequent to and notwithstanding its termination, expiration or Transfer until they are satisfied in full or by their nature expire, including §15, §16, §18, §20, §23, §24 and §26.

26.12. Construction. Headings are for convenience only and do not affect the meaning of the Section. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to "including" shall be construed as references to "including, but not limited to".

26.13. Time of Essence. Time is of the essence in this Agreement and every term thereof.

26.14. Counterparts. This Agreement may be signed in multiple counterparts, each of which is deemed an original and all of which together constitute but one and the same document.

26.15. Notices. All notices and notifications given under this Agreement must be in writing and must be delivered by: (a) hand delivery; (b) registered or certified air mail, postage prepaid, return receipt requested; (c) special delivery service (*e.g.*, Federal Express, DHL, UPS, *etc.*); or (d) email, in each case to the following addresses (which may be changed upon 10 business days' prior notice):

YOU: As set forth below in Part B of ATTACHMENT "A"

US: Contracts Administrator
Better Together, LLC
6245 North 24th Parkway, Suite 210
Phoenix, Arizona 85016

Notice is deemed given on the earliest to occur of: (i) the date delivered by hand; (ii) the third (3rd) business day after placed in the mail or provided to special delivery services in accordance with clause (b) or (c) above; or (iii) the first (1st) calendar day after sent by email.

[Signature Page Follows]

The parties below have executed this Agreement effective as of the Effective Date first above written.

FRANCHISOR:

Better Together, LLC, a Delaware limited liability company

By:_____
Name:_____
Title:_____

YOU (If you are an Entity):

_____,
a(n)_____

By:_____
Name:_____
Title:_____

YOU (If you are not an Entity):

_____
Name:_____

_____
Name: _____

_____
Name: _____

ATTACHMENT "A"

TO FRANCHISE AGREEMENT

DEAL TERMS

A. Effective Date

The "Effective Date" of the Franchise Agreement shall be _____, 202___.

B. Franchisee Details

Name of Franchisee: [_____]

Is the franchisee one or more natural Persons signing in their individual capacity? **Yes**: _____ **No**: _____

Type of Entity and State of Formation* (if applicable): [_____]

* *If the franchisee is a business Entity, each Person holding a direct or indirect Equity Interest in the Franchisee Entity, and spouse of each such Person who is a natural Person, must sign an Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect ownership interest in the Business (or the Franchisee Entity if applicable) along with a description of their ownership interest.

Owner's Name	% Ownership Interest	Direct or Indirect (if indirect, describe nature of interest)

Notice Address: [_____]

Phone Number: [_____]

Email Address: [_____]

Is franchisee a Conversion Franchisee* (check one)? **Yes**: _____ **No**: _____

* *If franchisee is a Conversion Franchisee, the parties must sign the Conversion Addendum concurrently with the execution of this Agreement.*

C. Territory Search Area

The Territory Search Area referenced in the Franchise Agreement shall consist of the following geographic area:

[_____]

* *The Territory Search Area is not your Territory and there is no exclusivity or other territorial protections associated with this area.*

D. Site Selection Area

The Site Selection Area referenced in the Franchise Agreement shall consist of the following geographic area:

[_____]

* *The Site Selection Area is not your Territory and there is no exclusivity or other territorial protections associated with this area other than the limited territorial protections set forth in §3.2 for the period of time described in such Section. If the Site Selection Area has not been designated by us at the time the Franchise Agreement is signed, then we will send you a Site Selection Area Notice in accordance with §3.2 designating the boundaries of your Site Selection Area.*

E. Approved Site

We hereby acknowledge our approval of the site listed below for your Dogtopia Center.

Approved Address: [_____]

* *If the site for your Dogtopia Center has not been approved by us at the time the Franchise Agreement is signed, then we will send you a Site Approval Notice in accordance with §3.1 listing the address of your approved site.*

F. Territory

The Territory referenced in the Franchise Agreement shall consist of the following geographic area (as may be further depicted on the map attached below or on the following page):

[_____]

Your Territory includes [_____] Core Profile Customers as of the date of determination.

If the boundaries that define the Territory change during the Term, the boundaries of your Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below or on the following page).

* *If the site for your Center has not been approved at the time this Agreement is signed, then we will send you a Territory Notice in accordance with §3.4 that will identify the geographic area that comprises your Territory and identify the total number of Core Profile Customers included within your Territory (as of the date that the Territory is determined).*

[Insert Territory Map Below – If Applicable]

G. <u>Initial Franchise Fee</u>

Your initial franchise fee will be the following (place check by applicable initial franchise fee):

_____ $49,500 (standard)

_____ $44,550 (1st franchise for qualified veteran or 2nd or subsequent franchise for non-veteran)

_____ $40,095 (2nd or subsequent franchise for qualified veteran)

ATTACHMENT "B"

TO FRANCHISE AGREEMENT

LEASE ADDENDUM

[See Attached]

Lease Addendum

This Lease Addendum (this "Agreement") is executed as of _____, 202__ by and among Better Together, LLC, a Delaware limited liability company, with principal offices at 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016 ("Franchisor"), [_____], a(n) [_____], with principal offices located at [_____] ("Landlord"), and [_____], a(n) [_____], with principal offices located at [_____] ("Tenant").

Background

A. On [_____], 202[__], Franchisor and Tenant executed a Dogtopia Franchise Agreement (the "Franchise Agreement"), pursuant to which Franchisor granted Tenant the right and obligation to develop, open and operate a Dogtopia franchised business at the premises described in Exhibit "A" (the "Premises").

B. Concurrently with the execution of this Agreement, Landlord and Tenant are executing a lease agreement (the "Lease"), pursuant to which Landlord will lease the Premises to Tenant.

C. To protect Franchisor's rights and interests under the Franchise Agreement, Landlord agrees to grant certain rights to Franchisor as set forth below.

Agreement

1. Default Notices. Landlord agrees to provide Franchisor with copies of all written default notices sent to Tenant at the same time such notices are sent to Tenant. Landlord agrees to send such copies to Franchisor by email and first-class mail, postage prepaid, as set forth below (Franchisor may change the notice email and address from time to time by sending written notice to Landlord):

   Mail: Better Together, LLC
   6245 North 24th Parkway, Suite 210
   Phoenix, Arizona 85016
   Attention: Legal Department
   Email:_____

2. Right to Cure. If Tenant defaults under the Lease, Franchisor has the right (but not the duty) to cure such default within 15 days following the expiration of any applicable cure period. In such event, Franchisor may immediately commence occupancy of the Premises as the tenant under the Lease without obtaining Landlord's or Tenant's consent. Franchisor may thereafter assign the Lease to another Dogtopia franchisee or to an entity owned and/or controlled by Franchisor. If it does, Franchisor must first obtain Landlord's written approval of the assignee. Landlord, however, must neither unreasonably withhold nor delay its approval thereof. Landlord will acknowledge any such assignment in writing. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

3. Right to Assign. At any time, including, without limitation, upon the expiration or termination of the Franchise Agreement, and without Landlord's prior consent, Tenant may assign the Lease to Franchisor. In such event, Franchisor may thereafter assign the Lease to another Dogtopia franchisee or to an entity owned and/or controlled by Franchisor. If it does, Franchisor must first obtain Landlord's written approval of the assignee. Landlord, however, must neither unreasonably withhold nor delay its approval thereof. Landlord will acknowledge any such assignment in writing. No assignment permitted under this Section is subject to any assignment or similar fee or will cause any rental acceleration.

4. Right of First Refusal. Landlord hereby grants Franchisor the first right of refusal to lease the Premises as the new tenant upon the expiration or termination of the Lease. Franchisor shall have a period of 30 days after the expiration or termination of the Lease to decide whether to exercise its right of first refusal.

5. Expiration or Termination of Franchise Agreement. Landlord agrees that the expiration or termination of the Franchise Agreement shall constitute a default under the Lease, giving Franchisor the right, but not the obligation, to cure such default by succeeding to Tenant's interests under the Lease in accordance with §2

above.

6. Acknowledgement of Rights. Landlord acknowledges Franchisor's rights under the Franchise Agreement to enter the Premises, without being guilty of trespass or any other tort or crime, to: (a) make any modifications or alterations to the Premises that Franchisor deems necessary to protect its franchise system or trademarks; and (b) remove any trade fixtures, interior or exterior signs and other items bearing Franchisor's trademarks or service marks upon the expiration or termination of the Franchise Agreement.

7. Modification of Lease. Without Franchisor's prior written consent, Landlord and Tenant may not amend, modify, supplement, terminate, renew or extend the Lease.

8. Miscellaneous.

   (a) In the event of any inconsistency between the terms of this Agreement and the terms of the Lease, the terms of this Agreement control.

   (b) All of the terms of this Agreement, whether so expressed or not, are binding upon, inure to the benefit of, and are enforceable by the parties and their respective personal and legal representatives, heirs, successors and permitted assigns.

   (c) This Agreement may be amended, supplemented, waived or changed only by a written document signed by all the parties to this Agreement and making specific reference to this Agreement.

   (d) This Agreement may be executed in one or more counterparts, each of which is an original, but all of which together constitute one and the same instrument.

In witness whereof, this Agreement has been executed the date and year first above written.

FRANCHISOR:

Better Together, LLC, a Delaware limited liability company

By:_____
Name:_____
Its:_____

LANDLORD:

_____, (a)n _____
_____

By:_____
Name:_____
Its:_____

TENANT:

_____, (a)n _____
_____

By:_____
Name:_____
Its:_____

EXHIBIT "A" TO LEASE ADDENDUM

DESCRIPTION OF PREMISES

_____

_____

_____

ATTACHMENT "C"

TO FRANCHISE AGREEMENT

OWNER AGREEMENT

[See Attached]

OWNER AGREEMENT

This Owner Agreement (this "Agreement") is entered into by: (a) each of the undersigned Owners of Franchisee (defined below); and (b) the spouse of each such Owner who is a natural Person, in favor of Better Together, LLC, a Delaware limited liability company, and its successors and assigns ("us"). Each signatory to this Agreement is referred to as "you".

1. DEFINITIONS. Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Franchise Agreement:

"*Development Agreement*" means, if applicable, the Area Development Agreement pursuant to which the Franchise Agreement was executed.

"*Franchise Agreement*" means the Dogtopia Franchise Agreement executed by Franchisee with an effective date of _____, 202__.

"*Franchisee*" means _____. For purposes of this Agreement, the term "Franchisee" includes both: (a) [_____], as Franchisee under the Franchise Agreement; and (b) the Person who signed the Development Agreement (if applicable) as Developer, if such Person is different than Franchisee.

"*Restricted Period*" means the two-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity; *provided however*, that if a court of competent jurisdiction determines the two-year period is too long to be enforceable then Restricted Period means the one-year period after the earliest to occur of: (a) the termination or expiration of the Franchise Agreement; (b) the date Franchisee assigns the Franchise Agreement to another Person with respect to whom neither you nor your spouse own an Equity Interest; or (c) the date neither you nor your spouse own an Equity Interest in the Business or Franchisee Entity.

2. BACKGROUND. In your capacity as an Owner (or the spouse of an Owner), you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and you could seriously jeopardize our franchise system if you were to unfairly compete with us or misuse our Intellectual Property. In addition, you understand that certain terms of the Franchise Agreement apply to "Owners" and not just Franchisee. You agree to comply with this Agreement to: (a) avoid damaging our System by engaging in unfair competition; and (b) bind yourself to the terms of the Franchise Agreement applicable to Owners.

3. BRAND PROTECTION COVENANTS.

(a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any capacity or for any purpose other than the operation of Franchisee's Center in compliance with the Franchise Agreement and Manual; (ii) maintain the confidentiality of the Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are (or your spouse is) no longer an Owner. You must assign to us or our designee, without charge, all rights to any Improvement you develop, including the right to grant sublicenses. If applicable Law precludes you from assigning ownership to us, you must grant us a fully-paid, royalty-free license to use and sublicense use of the Improvement anywhere in the world for a term of 100 years.

(b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are (or your spouse is) an Owner; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located within the Restricted Territory. If you engage in any Prohibited Activity during the Restricted Period (except as permitted by this Section) your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will

not constitute a waiver of your breach or impair any of our rights or remedies relating to your breach. For purposes of clarity, you remain bound by any non-competition covenants in other Definitive Agreements that remain in effect for a period of time that extends beyond the expiration of the Restricted Period under this Agreement, and the expiration of the Restricted Period under this Agreement does not in any way diminish your obligation to comply with such other covenants.

(c) Family Members. You could circumvent the purpose of §3 by disclosing Confidential Information to immediate family members (i.e., parent, sibling, child or grandchild) and it would be difficult for us to prove your breach. For that reason you are presumed to have breached this Agreement if an immediate family member: (i) engages in a Prohibited Activity at any time you are prohibited from doing so; or (ii) uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

(d) Covenants Reasonable. You agree that: (i) the covenants in §3 are reasonable in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with these covenants. Although you and we believe the covenants in §3 are reasonable we may, upon written notice to you, unilaterally modify the brand protection covenants in §3 of this Agreement by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing 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 §3 of this Agreement to ensure the covenants are enforceable under applicable Law.

(e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the bond amount may not exceed $1,000. No remedy available to us under this Agreement is 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.

4. TRANSFER RESTRICTIONS. We must approve all Persons who own an Equity Interest in the Business or Franchisee Entity. If you are an Owner, you agree that you will not Transfer an Equity Interest in the Business or Franchisee Entity except in accordance with §21 of the Franchise Agreement.

5. FINANCIAL SECURITY. In order to secure Franchisee's financial obligations under the Franchise Agreement and all other Definitive Agreements (the "Secured Agreements") you hereby personally and unconditionally: (a) guarantee to us and our successors and assigns, that Franchisee shall punctually fulfil all of its payment and other financial obligations under the Secured Agreements; and (b) agree to be personally bound by, and personally liable for, each and every monetary provision in the Secured Agreements. You waive: (i) acceptance and notice of acceptance by us of the foregoing undertakings; (ii) notice of demand for payment of any indebtedness guaranteed; (iii) protest and notice of default to any party with respect to the indebtedness guaranteed; (iv) any right you may have to require that an action be brought against Franchisee or any other Person as a condition of liability; and (v) the defense of the statute of limitations in any action hereunder or for the collection of any indebtedness hereby guaranteed. You agree that: (a) your direct and immediate liability under this guaranty is joint and several with Franchisee and all other signatories to this Agreement; (b) you will render any payment required under the Secured Agreements upon demand if Franchisee fails to promptly do so; (c) your liability is not contingent or conditioned upon our pursuit of any remedies against Franchisee or any other Person; and (d) your liability will not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence we grant to Franchisee or any other Person, including the acceptance of any partial payment or performance, or the compromise or release of any Claims, none of which shall in any way modify or amend this guarantee, which remains continuing and irrevocable during the term of each Secured Agreement and following the termination, expiration or transfer of each Secured Agreement to the extent any financial obligations under a Secured Agreement survive such termination, expiration or transfer. This guaranty will continue unchanged by the occurrence of any bankruptcy of Franchisee or any assignee or successor of Franchisee or by any abandonment of one or more of the Secured Agreements by a trustee of Franchisee. Neither your obligation to make payment in accordance

with the terms of this undertaking nor any remedy for enforcement will be impaired, modified, released or limited in any manner whatsoever by any impairment, modification, release or limitation of the liability of Franchisee or its estate in bankruptcy or of any remedy for enforcement, resulting from the operation of any present or future provision of the U.S. Bankruptcy Act or other statute, or from the decision of any court or agency.

6. **REPRESENTATION**. You represent to us that you received a copy of the executed Franchise Agreement.

7. **DISPUTE RESOLUTION**. Any Dispute between the parties relating to this Agreement shall be resolved in accordance with the dispute resolution provisions in the Franchise Agreement, which are incorporated into this Agreement by reference as if fully set forth herein. **You acknowledge and agree that your breach of this Agreement constitutes a material event of default under the Franchise Agreement, permitting us to terminate the Franchise Agreement in accordance with its terms.**

8. **MISCELLANEOUS**.

   (a) If either party hires an attorney or files suit against the other party for breach of this Agreement, the losing party must reimburse the prevailing party for its reasonable attorneys' fees and costs.

   (b) This Agreement is governed by Arizona Law.

   (c) Any Claim or defense 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.

   (d) Each section of this Agreement (and portion thereof) is severable. If any section (or portion thereof) is unenforceable, it shall not affect the enforceability of any other section (or portion thereof). A court may revise any provision of this Agreement to the extent necessary to make the provision enforceable.

   (e) We may deliver to you any notice contemplated by this Agreement in the same manner and to the same address listed in the notice provision of the Franchise Agreement and any such delivery shall be deemed effective for purposes of this Agreement. You may change the address to which notices must be sent by sending us a written notice requesting such change, which notice shall be delivered in the manner and to the address listed in the Franchise Agreement.

Each of the undersigned has executed this Agreement as of the date or dates set forth below.

OWNER / SPOUSE

By:_____

Name:_____

Date:_____

OWNER / SPOUSE

By: _____

Name: _____

Date: _____

OWNER / SPOUSE

By: _____

Name: _____

Date: _____

ATTACHMENT "D"

TO FRANCHISE AGREEMENT

ACH AUTHORIZATION FORM

[See Attached]

_____ (Entity Name) dba TBD - DOGTOPIA of _____ (DBA) authorizes Better Together, LLC to charge / debit the account specified below for amounts relating to paying fees, charges and any other amounts owed pursuant to the terms of the Franchise Agreement. These debits are related to the operation of the Franchised Business and the amount of each debit will vary from month to month, to a maximum amount (if any) as set forth in the Franchise Agreement.

BANKING INFORMATION *Please fill out all the information below accurately and completely.*	
Name on Account:	Contact Person:
Address on Account:	Title:
Phone Number:	This is authorization for: ☒ Royalty & Advertising Fees ☒ Digital Marketing Fee ☒ Technology Fee ☒ Initial Franchise Fee ☒ Real Estate RECAP Fee ☒ Dogtopia Marketplace Items
Bank Name:	
Bank Address:	
Account Number:	
Routing Number:	
This account is a: ☐ Personal Account (updated info provided later, once Entity is established) ☐ Entity Business Account	Account Type: ☐ Checking ☐ Savings
R = Recurring Charges (Monthly or Weekly according to the Franchise Agreement)	

I, _____ (Principal Operator), acknowledge I have the authority to execute this ACH Authorization Form and agree to notify Better Together, LLC in writing of any changes in account information or termination of this authorization fifteen (15) days prior to the next due date of the charges. In the case of an ACH Transaction being rejected for Non-Sufficient Funds (NSF), I understand that Better Together, LLC may at its discretion attempt to process the charge again within thirty (30) days, and agree to an additional One hundred and 00/100 Dollars ($100.00) charge for each attempt returned NSF which will be initiated as a separate transaction from the authorized recurring payment, as stated in the Franchise Agreement. I acknowledge that the origination of ACH transactions to my account must comply with the provisions of U.S. law. I understand that cancellations must be made in writing and I will not dispute merchant recurring billing with my bank so long as the amount corresponds to the terms indicated in the Franchise Agreement.

This authorization is given and shall begin on this day .

_____

By: _____(Principal Operator)

_____ (Title) of

ATTACHMENT "E"

TO FRANCHISE AGREEMENT

BRAND PROTECTION AGREEMENT

[See Attached]

BRAND PROTECTION AGREEMENT

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of Better Together, LLC, a Delaware limited liability company, and its successors and assigns ("us") upon the terms and conditions below.

1. **Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

"*Business Data*" means all data pertaining to Franchisee's Dogtopia Center, customers (and their pets), and business operations, including all Pet Parent & Dog Data, whether collected by you or any other person.

"*Competing Business*" means any business that meets at least one of the following criteria: (a) any business competitive with a Dogtopia Center that derives, or is reasonably expected to derive, at least 30% of its revenues from any combination of dog daycare services, dog boarding services and/or dog spa and wellness services; (b) any business that solicits, offers or sells franchises or licenses for a business that meets the criteria in clause (a) of this definition; and/or (c) any business that services, trains, supports, consults with, advises or otherwise assists any Person with respect to the development, management and/or operation of a business that meets the criteria in clause (a) of this definition. A Competing Business does not include any Dogtopia Center operated pursuant to a valid franchise agreement or license agreement with us or our affiliate.

"*Confidential Information*" means and includes: (a) the Know-How; (b) the Business Data; (c) the terms of the Franchise Agreement and all related agreements signed by Franchisee in connection with the Center, and all attachments thereto and amendments thereof; (d) the components of the System; (e) all information within or comprising the Manual; and (f) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that: (i) are designated as confidential; (ii) are known by you to be considered confidential by us; and/or (iii) are by their nature inherently or reasonably to be considered confidential. Confidential Information does not include information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you, Franchisee or Franchisee's owners, employees or other constituents); (b) you can demonstrate was rightfully in your possession, without obligation of nondisclosure, before we (or any person associated with us) or Franchisee (or any person associated with Franchisee) disclosed the information to you; (c) is independently developed by you without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose such information to you without breaching any obligation of confidentiality imposed on such person.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate secure common law or registered copyright protection and that we allow Dogtopia franchisees to use, sell or display in connection with the marketing and/or operation of a Dogtopia Center.

"*Dogtopia Center*" or "*Center*" means a dog daycare, boarding and spa facility authorized to operate under the Marks and use our System, including any Center operated by Franchisee or any other person.

"*Franchised Territory*" means the Territory granted to Franchisee pursuant to the Franchise Agreement and described in Attachment A to this Agreement.

"*Franchisee*" means the Dogtopia franchisee for whom you are an employee or independent contractor.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Dogtopia Center, (b) method of operation of a Dogtopia Center, (c) processes, systems or procedures utilized by a Dogtopia Center, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Dogtopia Center or (e) trademarks, service marks, logos or other intellectual property utilized by a Dogtopia Center, whether developed by you, Franchisee or any other person.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, development, construction, marketing or operation of a Dogtopia Center, including, but not limited to: architectural plans, drawings and specifications for a prototype Dogtopia Center; site selection

criteria; methods and techniques; standards and specifications; policies and procedures; marketing strategies and programs; merchandising strategies; supplier lists, relationships and information; and information comprising the System or included in the Manual.

"***Manual***" means our confidential operating standards manual for the operation of a Dogtopia Center.

"***Marks***" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Centers to use, including DOGTOPIA® and the associated logo. The Marks also include any distinctive trade dress used to identify a Center or the products it sells.

"***Pet Parent & Dog Data***" means all data pertaining to pet parents, dogs, potential pet parents and business operations, including pet parent and dog contracts, pet parent information and other information about pet parents and dogs, whether collected by you or any other person.

"***Prohibited Activities***" means and includes any of the following: (a) 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 any Competing Business, other than owning an interest of 5% or less in a publicly traded company that is a Competing Business; (b) disparaging or otherwise making negative comments about us, our affiliate, the System and/or any Center; (c) diverting or attempting to divert any business from us, our affiliate or another franchisee; (d) inducing any Person to transfer their business from a Center to a competitor; or (e) utilizing any supplier relationship established through your association with us for any purpose unrelated to the operation of Franchisee's Center.

"***Restricted Period***" means: the two (2) year period after you cease to be an employee or independent contractor of Franchisee; *provided, however*, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then Restricted Period means: the one (1) year period after you cease to be an employee or independent contractor of Franchisee.

"***Restricted Territory***" means the geographic area within: (a) the Franchised Territory (including the premises of Franchisee's Dogtopia Center); and (b) a 15-mile radius from all other Dogtopia Centers that are operating or under construction as of the date hereof and remain in operation or under construction during all or any part of the Restricted Period; *provided, however*, that if a court of competent jurisdiction determines the foregoing Restricted Territory is too broad to be enforceable, then Restricted Territory means: the geographic area within: (a) the Franchised Territory (including the premises of Franchisee's Dogtopia Center); and (b) a 10-mile radius from all other Dogtopia Centers that are operating or under construction as of the date hereof and remain in operation or under construction during all or any part of the Restricted Period; *provided, however*, that if a court of competent jurisdiction determines each of the foregoing Restricted Territory descriptions are too broad to be enforceable, then Restricted Territory means: the geographic area within: (a) the Franchised Territory (including the premises of Franchisee's Dogtopia Center); and (b) a five (5) mile radius from all other Dogtopia Centers that are operating or under construction as of the date hereof and remain in operation or under construction during all or any part of the Restricted Period; *provided, however*, that if a court of competent jurisdiction determines all of the foregoing Restricted Territory descriptions are too broad to be enforceable, then Restricted Territory means: the geographic area within the Franchised Territory (including the premises of Franchisee's Dogtopia Center).

"***System***" means our distinctive business format and set of specifications and operating procedures for the operation of a Dogtopia Center, the distinctive characteristics of which include: distinctive interior and exterior design, décor, signage, color scheme and other trade dress elements; the Marks; health and safety protocols; enrollment model; marketing strategies and programs; merchandising strategies; customer service standards; product and service offering; techniques and methods; standards and specifications; policies and procedures; training programs; technology solutions; and operating system.

2. Background. You are employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our franchise system if you were to unfairly compete with us or misuse our Intellectual Property. To avoid such damage, you agree to comply with the terms of this Agreement.

3. Brand Protection Covenants.

(a) Intellectual Property and Confidential Information. You agree to: (i) refrain from using the Intellectual Property or Confidential Information in any business or for any purpose other than the operation of Franchisee's Center; (ii) maintain the confidentiality of all Confidential Information at all times; (iii) refrain from making unauthorized copies of documents containing Confidential Information; (iv) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (v) immediately stop using the Intellectual Property and Confidential Information at such time that you are no longer an employee or independent contractor of Franchisee. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of an Improvement to us then you must perpetually license the Improvement to us free of charge, with full rights to use, commercialize and sublicense the same.

(b) Unfair Competition. You may not engage in any Prohibited Activities at any time: (i) that you are an employee or independent contractor of Franchisee; or (ii) during the Restricted Period. Notwithstanding the foregoing, you may have an interest in a Competing Business during the Restricted Period as long as the Competing Business is not located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period (other than having an interest in a Competing Business permitted by this Section), your Restricted Period will be extended by the period of time during which you engaged in the Prohibited Activity. Any such extension of time will not be construed as a waiver of your breach or otherwise impair any of our rights or remedies relating to your breach.

(c) Family Members. Because you could circumvent the purpose of this Agreement by disclosing Confidential Information to an immediate family member (i.e., parent, sibling, child, or grandchild) and it would be difficult for us to prove any such breach, you will be presumed to have breached this Agreement if a member of your immediate family engages in any Prohibited Activities at any time that you are prohibited from engaging in the Prohibited Activities or uses or discloses Confidential Information. However, you may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

(d) Covenants Reasonable. You agree that: (i) the covenants in this Agreement are reasonable both in duration and geographic scope; and (ii) you have sufficient resources, business experience and opportunities to earn an adequate living while complying with this Agreement. Although you and we both believe the covenants in this Agreement are reasonable, we may at any time unilaterally modify the terms of the brand protection covenants in §3 of this Agreement, upon written notice to you, by limiting the scope of the Prohibited Activities, narrowing the definition of a Competing 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 §3 of this Agreement to ensure that the covenants are enforceable under applicable law.

(e) Breach. You agree that: (i) any failure to comply with §3 is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (ii) we are entitled to injunctive relief if you breach §3 together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief, but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the required amount of the bond may 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.

4. Miscellaneous.

(a) If we hire an attorney or file suit against you for breach of this Agreement and we prevail, you must reimburse us for our reasonable attorneys' fees and costs.

(b) This Agreement will be governed by, construed and enforced under the laws of Arizona and the courts

in that state shall have exclusive 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. The parties agree 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) If you are a resident of Washington, D.C. as of the date you sign this Agreement, then the noncompetition covenant set forth in this Agreement shall not be applicable to you and the definition of "Prohibited Activities" shall be deemed amended by deleting clause (a) from such definition.

This Brand Protection Agreement is executed as of the date or dates set forth below.

By: _____

Name: _____

Date: _____

ATTACHMENT A

Restricted Territory

[_____]

ATTACHMENT "F"

TO FRANCHISE AGREEMENT

CONFIDENTIALITY AGREEMENT

[See Attached]

CONFIDENTIALITY AGREEMENT

This Agreement (this "Agreement") is entered into by the undersigned ("you") in favor of Better Together, LLC, a Delaware limited liability company, and its successors and assigns ("us") upon the terms and conditions below.

1. **Definitions**. For purposes of this Agreement, the following terms have the meanings given to them below:

"*Business Data*" means all data pertaining to Franchisee's Dogtopia Center, customers (and their pets), and business operations, including all Pet Parent & Dog Data, whether collected by you or any other person.

"*Confidential Information*" means and includes: (a) the Know-How; (b) the Business Data; (c) the terms of the Franchise Agreement and all related agreements signed by Franchisee in connection with the Dogtopia Center, and all attachments thereto and amendments thereof; (d) the components of the System; (e) all information within or comprising the Manual; and (f) all other concepts, ideas, trade secrets, financial information, marketing strategies, expansion strategies, studies, supplier information, customer information, franchisee information, investor information, flow charts, inventions, mask works, improvements, discoveries, standards, specifications, formulae, recipes, designs, sketches, drawings, policies, processes, procedures, methodologies and techniques, together with analyses, compilations, studies or other documents that: (i) are designated as confidential; (ii) are known by you to be considered confidential by us; and/or (iii) are by their nature inherently or reasonably to be considered confidential. Confidential Information does not include any information that: (a) is now, or subsequently becomes, generally available to the public (except as a result of a breach of confidentiality obligations by you, Franchisee or Franchisee's owners, employees or other constituents); (b) you can demonstrate was rightfully in your possession, without obligation of nondisclosure, before we, any person associated us, Franchisee, or any person associated with Franchisee, disclosed the information to you; (c) is independently developed by you without any use of, or reference to, any Confidential Information; or (d) is rightfully obtained from a third party who has the right to transfer or disclose such information to you without breaching any obligation of confidentiality imposed on such person.

"*Copyrighted Materials*" means all copyrightable materials for which we or our affiliate secure common law or registered copyright protection and that we allow Dogtopia franchisees to use, sell or display in connection with the marketing and/or operation of a Dogtopia Center.

"*Dogtopia Center*" means a dog daycare, boarding and spa facility authorized to operate under the Marks and use our System, including any Dogtopia Center operated by us, our affiliate, Franchisee or any other person.

"*Franchisee*" means the Dogtopia franchisee for whom you are an employee or independent contractor.

"*Improvement*" means any idea, addition, modification or improvement to the (a) goods or services offered or sold at a Dogtopia Center, (b) method of operation of a Dogtopia Center, (c) processes, systems or procedures utilized by a Dogtopia Center, (d) marketing, advertising or promotional materials, programs or strategies utilized by a Dogtopia Center or (e) trademarks, service marks, logos or other intellectual property utilized by a Dogtopia Center, whether developed by you, Franchisee or any other person.

"*Intellectual Property*" means, collectively or individually, the Business Data, Copyrighted Materials, Improvements, Know-how, Marks and System.

"*Know-how*" means and includes our (and our affiliates') trade secrets and other proprietary information relating to the design, development, construction, marketing or operation of a Dogtopia Center, including, but not limited to: architectural plans, drawings and specifications for a prototype Dogtopia Center; site selection criteria; methods and techniques; standards and specifications; policies and procedures; marketing strategies and programs; merchandising strategies; supplier lists, relationships and information; and information comprising the System or included in the Manual.

"*Manual*" means our confidential operating standards manual for the operation of a Dogtopia Center.

"*Marks*" means and includes all service marks, trademarks, trade names and logos that we designate from time to time and authorize Centers to use, including DOGTOPIA® and the associated logo. The Marks also include any distinctive trade dress used to identify a Center or the products it sells.

"*Pet Parent & Dog Data*" means all data pertaining to pet parents, dogs, potential pet parents and business operations, including pet parent and dog contracts, pet parent information and other information about pet parents and dogs, whether collected by you or any other person.

"*System*" means our distinctive business format and set of specifications and operating procedures for the operation of a Dogtopia Center, the distinctive characteristics of which include: distinctive interior and exterior design, décor, signage, color scheme and other trade dress elements; the Marks; health and safety protocols; enrollment model; marketing strategies and programs; merchandising strategies; customer service standards; product and service offering; techniques and methods; standards and specifications; policies and procedures; training programs; technology solutions; and operating system.

2. **Background**. You are an employee or independent contractor of Franchisee. As a result of this association, you may gain knowledge of our System and Know-how. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees and that you could seriously jeopardize our franchise 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. **Intellectual Property and Confidential Information**. You agree to: (a) refrain from using the Intellectual Property or Confidential Information in any business or for any purpose other than the operation of Franchisee's Center; (b) maintain the confidentiality of all Confidential Information at all times; (c) refrain from making unauthorized copies of documents containing any Confidential Information; (d) take all steps we reasonably require to prevent unauthorized use or disclosure of Confidential Information; and (e) immediately stop using the Intellectual Property and Confidential Information at such time that you are no longer an employee or independent contractor of Franchisee. You agree to assign to us or our designee, without charge, all rights to any Improvement developed by you, including the right to grant sublicenses. If applicable law precludes you from assigning ownership of an Improvement to us then you must perpetually license the Improvement to us free of charge, with full rights to use, commercialize and sublicense the same.

4. **Family Members**. Because you could circumvent the purpose of this Agreement by disclosing Confidential Information to an immediate family member (i.e., parent, sibling, child, or grandchild) and it would be difficult for us to prove any such breach, you will be presumed to have breached this Agreement if a member of your immediate family uses or discloses Confidential Information. You may rebut this presumption with evidence conclusively showing you did not disclose Confidential Information to the family member.

5. **Breach** You agree that: (a) any failure to comply with this Agreement is likely to cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law; and (b) we are entitled to injunctive relief if you breach this Agreement together with any other relief available at equity or law. We will notify you if we intend to seek injunctive relief, but we need not post a bond. If a court requires that we post a bond despite our mutual agreement to the contrary, the required amount of the bond may 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.

6. **Miscellaneous**.

   (a) If we hire an attorney or file suit against you for breach of this Agreement and we prevail, you must reimburse us for our reasonable attorneys' fees and costs.

   (b) This Agreement will be governed by, construed and enforced under the laws of Arizona and the courts in that state 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. The parties agree 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.

This Confidentiality Agreement is executed as of the date set forth below.

By: _____
Name: _____
Date: _____

EXHIBIT "D"

TO DISCLOSURE DOCUMENT

Area Development Agreement

[See Attached]



AREA DEVELOPMENT AGREEMENT

AREA DEVELOPER: _____
DATE: _____

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ATTACHMENTS

ATTACHMENT "A"	Deal Terms
ATTACHMENT "B"	Development Schedule Extension Amendment

AREA DEVELOPMENT AGREEMENT

This Area Development Agreement (this "Agreement") is entered into as of the "Effective Date" listed in Part A of ATTACHMENT "A" (the "Effective Date") between Better Together, LLC, a Delaware limited liability company ("we" or "us") and the "Area Developer" listed in Part B of ATTACHMENT "A" ("you").

1. DEFINITIONS. Capitalized terms not defined above have the meanings given to them below, or if not defined below, the meanings given to them in the Initial Franchise Agreement.

"*Affiliate Operator*" means an affiliate you establish in accordance with §6 to own and operate a Center.

"*Developer Entity*" means the Entity that: (a) signs this Agreement as the area developer (if this Agreement is signed by an Entity); or (b) assumes this Agreement subsequent to its execution by the original Owners.

"*Development Business*" means the business you conduct pursuant to this Agreement consisting of developing and opening Centers within the Development Territory.

"*Development Schedule*" means the schedule described in §4.1 and Part D of ATTACHMENT "A" for the development of the Centers within the Development Territory.

"*Development Territory*" means the geographic area described in §3.1.

"*Development Territory Amendment Date*" means the date that you or we, as applicable, select the franchise territories you will retain and develop after we issue a Notice of Development Territory Subdivision to you, as described in §3.4.

"*Development Territory Notice*" means our then-current form of Development Territory Notice that we issue to you in accordance with §3.2 to identify the boundaries of your Development Territory.

"*Development Territory Search Area*" means the geographic area within which you must identify your Development Territory (if your Development is unknown as of the Effective Date), as described in §3.2.

"*Development Territory Search Area Protection Period*" means the period of time that begins on the Effective Date and ends on the earlier to occur of (a) 60 days after the Effective Date or (b) the date we designate the boundaries of your Development Territory in accordance with §3.1.

"*Dispute*" means any Claim or dispute between the parties that involves or relates to a Definitive Agreement, the offer or sale of area development rights or the relationship between the parties.

"*Franchise Agreement*" means a Dogtopia Franchise Agreement executed by us and you (or an Affiliate Operator) for the development and operation of a Center pursuant to this Agreement.

"*Initial Franchise Agreement*" means the Franchise Agreement you execute for the first Center to be developed pursuant to this Agreement.

"*Notice of Development Territory Subdivision*" means the notice we provide to you if we elect to subdivide your Development Territory under the circumstances described in §3.4.

"*Owner*" means a Person who: (a) directly signs this Agreement as the area developer or a Franchise Agreement as the franchisee, either alone or in conjunction with one or more other Persons; and/or (b) directly or indirectly through one or more intermediaries owns an Equity Interest in the Development Business, Developer Entity or an Affiliate Operator.

"*Option Acceptance Notice*" means the notice you provide to us if you elect to exercise your option to purchase franchise development rights to an Option Territory in accordance with §3.5.

"*Option Period*" means the period of time described in §3.4 during which you must decide whether to exercise your option to purchase franchise development rights to an Option Territory.

"*Option Territory*" means any territory resulting from a subdivision of the Development Territory for which you are granted an option to acquire in accordance with §3.4.

"*Term*" means the period of time that begins on the Effective Date and ends on the earliest to occur of: (a) the required opening date listed in the Development Schedule for the last Center you are required to open;

(b) the actual opening date of the last Center you are required to open; or (c) the date this Agreement is effectively terminated.

"***Transfer***" means any direct or indirect, voluntary or involuntary, assignment, sale, sublicense or other transfer or disposition of: (a) this Agreement; (b) the area development rights granted by this Agreement; (c) the Development Business; (d) an Equity Interest in the Development Business or Developer Entity; including by: merger or consolidation; judicial award, order or decree; issuance of additional Equity Interests (including public and private offerings); foreclosure of a security interest by a lender; or operation of Law, will or a trust upon an Owner's death (including via the Laws of intestate succession).

2. GRANT OF DEVELOPMENT RIGHTS. Subject to the terms of this Agreement, we hereby grant you the right and obligation to develop, open and operate each of the Centers listed in the Development Schedule. Each Center must be owned, developed and operated by you or an Affiliate Operator. This Agreement does not grant you (or any Affiliate Operator) any right or license to use our Intellectual Property.

3. DEVELOPMENT TERRITORY.

3.1. Development Territory. Each Center you develop pursuant to this Agreement must be located within the geographic area we designate (your "Development Territory"). The geographic area that comprises your Development Territory will be identified in: (a) Part E of ATTACHMENT "A" if we designate your Development Territory before signing this Agreement; or (b) the Development Territory Notice issued to you in accordance with §3.2 if we do not designate your Development Territory before signing this Agreement. Your Development Territory will include a certain number of Core Profile Individuals that reside and/or work within the Development Territory. The minimum number of Core Profile Individuals in your Development Territory will be equal to or greater than 25,000 multiplied by the total number of Centers you commit to develop pursuant to this Agreement. For example, if you commit to develop 10 Centers your Development Territory will include a minimum of 250,000 Core Profile Individuals (25,000 X 10).

3.2. Development Territory Search Area. If we do not designate your Development Territory before signing this Agreement, then Part F of ATTACHMENT "A" will describe your "Development Territory Search Area". We will promptly notify you of all available Development Territories within the Development Territory Search Area. You must select one of these Development Territories and notify us of your selection within 60 days after the Effective Date. If you fail to notify us of your selection within the 60-day period, we may either: (a) grant you a reasonable extension (but only if no other franchisees are searching for territories or development territories within the same Development Territory Search Area); or (b) designate your Development Territory, which you must accept. We will send you a Development Territory Notice identifying the boundaries of your Development Territory within five (5) business days after you (or we, if applicable) select it (our designation of the Development Territory is immediately effective and binding the date we issue the Development Territory Notice). During the Development Territory Search Area Protection Period, your Development Territory Search Area has the same territorial protections, and is subject to the same limitations on territorial protections pertaining to Captive Venues and Acquisitions, that are described in §3.3 with respect to your Development Territory. All territorial rights and protections associated with your Development Territory Search Area automatically terminate when the Development Territory Search Area Protection Period expires. Following our issuance of the Development Territory Notice, you will be granted the territorial rights and protections set forth in §3.3 with respect to the Development Territory, but you will have no territorial rights or protections to any other area within the Development Territory Search Area.

3.3. Territorial Rights and Limitations. During the Term we will not develop or operate, or license any Person other than you (or your Affiliate Operator) to develop or operate, a Dogtopia Center that is located in your Development Territory other than: (a) any Dogtopia Center that is operating, under development or for which a franchise agreement has been executed, in each case as of the Effective Date, and that is (or will be) located in your Development Territory; (b) any Dogtopia Center otherwise permitted by this Section; and (c) as otherwise provided in §3.4 (Subdivision of Development Territory). At any time during the Term we reserve the right to: (a) develop and operate, and license

third parties to develop and operate, Dogtopia Centers in Captive Venues that are located in your Development Territory; and (b) engage in Acquisitions that involve, or subsequently result in, conversion of: (i) the acquired or acquiring company's outlets to DOGTOPIA® outlets, even if those outlets are located in your Development Territory or (ii) your Centers to outlets of the acquiring company, even if your Centers and one or more outlets of the acquiring company are located in your Development Territory. We reserve the right to sell, and license third parties to sell, competitive or identical goods and services (including under the Marks) within the Development Territory through Alternative Channels of Distribution.

3.4. **Subdivision of Development Territory**. At any time during the Term we have the option to subdivide your Development Territory into multiple franchise territories if: (a) the total number of Core Profile Individuals in your Development Territory increases by at least 15,000; and (b) we determine, in our sole discretion, that your original Development Territory can support more Dogtopia Centers than you are required to develop under this Agreement. In order to exercise our option, we must: (a) provide you with a notice of our election to subdivide your Development Territory (the "Notice of Development Territory Subdivision") at least 30 days before we subdivide your Development Territory; and (b) include within the Notice of Development Territory Subdivision a description of the boundaries of each franchise territory (each of which shall include at least 25,000 Core Profile Individuals). Within 30 days after the date of the Notice of Development Territory Subdivision, you must select a franchise territory for each Center that remains to be developed under this Agreement. If you fail to notify us of your selections before the end of this 30-day period, we will select your franchise territories in our sole discretion and notify you of the franchise territories we selected for you. Each franchise territory that you or we, as applicable, do not select for you to retain for purposes of developing the remaining Centers under this Agreement is referred to as an "Option Territory". Each Option Territory may either: (a) consist of a geographic area that was entirely within your original Development Territory; or (b) consist of a geographic area that was partially within your original Development Territory and partially outside your original Development Territory. At the time that you or we, as applicable, select the franchise territories you will retain and develop (the "Development Territory Amendment Date"), this Agreement shall be automatically amended, without the need for further action by either party, to delete the original Development Territory description in Part E of ATTACHMENT "A" or in the Development Territory Notice, as applicable, and replace it with the geographic area that is comprised by your original Development Territory but excluding each Option Territory. During the period of time that begins the date we issue the Notice of Development Territory Subdivision and ends on the Development Territory Amendment Date (the "Option Period"), you shall have an option to acquire franchise development rights to each Option Territory (either directly or through an Affiliate Operator) in accordance with §3.5. Following the Development Territory Amendment Date, you shall have no territorial rights or protections relating to any Option Territory for which you (or an Affiliate Operator) and we have not executed a Franchise Agreement.

3.5. **Option to Acquire Option Territory**. During the Option Period, you have an exclusive option, but not the obligation, to purchase franchise rights to develop and operate a Center within each Option Territory (either directly or through an Affiliate Operator). In order to exercise your option, you must: (a) send us a notice of your election to purchase the franchise rights (an "Option Acceptance Notice") at least two (2) business days prior to the Development Territory Amendment Date; and (b) complete the purchase of franchise rights within 30 days after we receive your Option Acceptance Notice (or such longer period of time we designate in our discretion) by signing (either directly or through an Affiliate Operator) our then-current form of Franchise Agreement and paying the then-current initial franchise fee (discounted by 10%) in full. If your Development Territory is divided into multiple Option Territories, you may exercise your option to either purchase all of the Option Territories or only some of them. You (or an Affiliate Operator) must sign a separate Franchise Agreement and pay a separate initial franchise fee for each Option Territory purchased. We have the unrestricted right to develop and operate, or grant rights to any other Person to develop and operate, a Dogtopia Center anywhere within a given Option Territory if any of the following are true: (a) you notify us that you will not exercise your option; (b) you fail to send us the Option Acceptance Notice at least two (2) business days before the Development Territory Amendment Date; (c) you send us the Option Acceptance Notice in a timely manner but fail to sign the Franchise Agreement

and/or pay us the initial franchise fee within the required period of time; or (d) you are, or your affiliate is, in default under any Definitive Agreement at any time between the date we send you the Notice of Development Territory Subdivision and the date you (or the Affiliate Operator, if applicable) intend to sign a Franchise Agreement for the Option Territory. Any Center you (or an Affiliate Operator) develop within an Option Territory shall not be counted for purposes of determining your compliance with the Development Schedule.

4. DEVELOPMENT OBLIGATIONS.

4.1. Development Schedule.

(a) Generally. You must develop, open and operate all Centers listed in the Development Schedule. You must develop and open each Center in strict compliance with the opening dates set forth in the Development Schedule. The opening date listed in the Development Schedule for a given Center may be earlier than the opening date required under the terms of the associated Franchise Agreement. In order to comply with the Development Schedule you must open each Center by the opening date listed in the Development Schedule even if such date is earlier than the opening date required by the associated Franchise Agreement.

(b) Progress Reports. On the 10th day of each month, you must send us a written report of your activities and progress in developing your Centers pursuant to the Development Schedule during the immediately preceding month, including all information we reasonably request.

(c) Extension Option. If you are unable to meet an opening deadline under your Development Schedule, you have a one-time option to extend all of your remaining opening deadlines by 12 months. In order to do so, you must complete all of the following prior to the opening deadline you are unable to meet: (i) send us a notice confirming you are exercising the extension option; (ii) sign the Development Schedule Extension Amendment attached hereto as ATTACHMENT "B"; and (iii) pay us a nonrefundable $10,000 extension fee.

4.2. Reasonableness of Development Schedule. You represent that you: (a) have conducted your own independent investigation and analysis of the prospects for development of the Centers in the Development Territory; (b) approve the Development Schedule as being reasonable and viable; and (c) recognize that any breach of the Development Schedule is a material breach of this Agreement.

4.3. Site Selection. All Centers you develop pursuant to this Agreement must be located in the Development Territory. You must select the specific site for each Center in compliance with our then-current site selection criteria. We must approve the site for each Center in accordance with the applicable Franchise Agreement. Upon our approval of a site, you may begin preparing architectural drawings and final site plans in accordance with our then-current form of Franchise Agreement.

4.4. Franchise Agreements. You or an Affiliate Operator must sign a separate Franchise Agreement for each Center. You or an Affiliate Operator must sign the Initial Franchise Agreement for your first (1st) Center at the time you sign this Agreement. You or an Affiliate Operator must sign a Franchise Agreement for additional Center at the time you or the Affiliate Operator, as applicable, sign an approved lease or purchase contract for that Center. Each Franchise Agreement shall be our then-current form of Dogtopia Franchise Agreement (except you are deemed to have paid the initial franchise fee in full), the terms of which may vary materially and substantially from the terms of the Initial Franchise Agreement. You may not begin construction or operate a Center before you (or an Affiliate Operator) and we sign a Franchise Agreement for that Center. You must develop, open and operate each Center in compliance with the Franchise Agreement and the Manual. For each Center, we will provide your Managing Owner and other management personnel with our then-current initial training program, which must be successfully completed at least 30 days before the Center's scheduled opening date. We need not provide initial training to any Person we previously trained in connection with another Franchise Agreement. In order to be eligible to sign a Franchise Agreement, you or the Affiliate Operator, as applicable, must satisfy each of the following minimum development criteria as of the date you notify us of your intent to sign a Franchise Agreement and the date you actually sign the Franchise Agreement:

(a) Minimum Working Capital. You or the Affiliate Operator that will sign the Franchise Agreement, as applicable, must have a minimum of $200,000 in working capital.

(b) Net Worth. Your aggregate net worth, which shall collectively include and take into account the assets and financial condition of you, all Affiliate Operators and the Owners, must be at least 80% of your net worth disclosed to us on your initial application to acquire Dogtopia franchise development rights.

(c) Financing. If you intend to finance any portion of the development of the applicable Center, you shall have obtained and submitted to us a financing pre-approval letter from an established commercial lender with a commitment to fund the entire portion of your estimated initial investment that you intend to finance.

(d) Financial Statements. At the time you request we sign a Franchise Agreement, you and each Affiliate Operator must be current and in full compliance with all financial reporting obligations, including submission of monthly profit and loss statements.

(e) Quality Standards. You and all Affiliate Operators, if applicable, must satisfy each of the following quality control standards and criteria in connection with all Centers operated by you and such Affiliate Operators:

(i) each Center achieved, and at such time maintains, "TOP DOG" certification by us;

(ii) each Center achieved an average Action Card score of at least 90% in connection with the facility inspections conducted during the 12-month period preceding the date you notify us of your intent to sign a Franchise Agreement; and

(iii) each Center achieved an average NPS score of at least 85% in connection with the facility evaluations conducted during the 12-month period preceding the date you notify us of your intent to sign a Franchise Agreement.

If you fail to satisfy any criteria set forth in clauses (a) through (e) above, we may refuse to enter into a Franchise Agreement with you until such time that you satisfy all such criteria.

4.5. **Additional Centers**. Except as otherwise permitted by §3.5, neither you nor any Affiliate Operator has any right or option to develop any Center other than the Centers listed in the Development Schedule unless we, in our sole discretion, enter into an additional Development Agreement or Franchise Agreement with you or an Affiliate Operator.

5. **DEVELOPMENT FEE.** At the time you sign this Agreement you must pay us the development fee set forth in Part C of ATTACHMENT "A". The development fee is calculated as the sum of: (a) $49,500 (the standard initial franchise fee for the first Center you commit to develop under this Agreement); and (b) a $44,550 discounted initial franchise fee for each additional Center you commit to develop under this Agreement. The development fee is deemed to satisfy the initial franchise fee owed under the Initial Franchise Agreement and each Franchise Agreement subsequently executed for the development of the remaining Centers listed in the Development Schedule. The development fee is fully earned and nonrefundable upon execution of this Agreement.

6. **DEVELOPER ENTITY.** You represent that Part B of ATTACHMENT "A" includes a complete and accurate list of your Owners. Upon request, you must send us a resolution of the Developer Entity authorizing the execution of this Agreement, a copy of its organizational documents and a current Certificate of Good Standing. You may form a separate Entity (an "Affiliate Operator") to enter into each Franchise Agreement provided that: (a) you own at least 51% of the Equity Interests in the Affiliate Operator through the term (and any renewal term) of the Franchise Agreement executed by the Affiliate Operator; (b) we approve all Owners of the Affiliate Operator; (c) you and your Owners guaranty all obligations of the Affiliate Operator under the applicable Franchise Agreement; and (d) the Affiliate Operator guarantees the performance of you under this Agreement and guarantees the performance of all other Affiliate Operators under all other Franchise Agreements executed pursuant to this Agreement. Each Owner, and the spouse of each Owner who is a natural Person, must sign an Owner Agreement.

7. MANAGING OWNER. The Person you appoint as the Managing Owner pursuant to the Initial Franchise Agreement shall also serve as the Managing Owner for purposes of this Agreement. The Managing Owner must oversee, and remain actively involved with, the development of each Center developed pursuant to this Agreement. The Managing Owner must have authority over all business decisions relating to the development of the Centers pursuant to this Agreement and have the power to bind you (or the Affiliate Operator, if applicable) in all dealings with us and third parties.

8. TRANSFERS.

8.1. **By Us**. We have the unrestricted right to assign this Agreement to any Person without prior notice to you; *provided, however*, that we will remain liable for obligations we incur prior to the assignment date. We may also delegate any of our obligations under this Agreement.

8.2. **By You**. The rights and duties created by this Agreement are personal to you and the Owners. We are granting you area development rights in reliance upon the character, skill, attitude, business ability and financial resources of you and your Owners. You may not transfer your development rights for undeveloped locations. Therefore, neither you nor any Owner may engage in a Transfer except as provided in §8.3. Any other Transfer is void and constitutes a breach of this Agreement. You may not engage in a Transfer relating to an executed Franchise Agreement except in compliance with the transfer provision set forth in such Franchise Agreement.

8.3. **Owner Death or Disability**. Within 180 days after an Owner's death or permanent disability, the Owner's Equity Interest in the Development Business or Developer Entity must be Transferred to another Owner or to a third party we approve in accordance with the transfer provisions set forth in the most recent Franchise Agreement executed pursuant to this Agreement. An Owner is deemed to have a "permanent disability" if he/she has a medical or mental problem that prevents him/her from substantially complying with his/her obligations under this Agreement for a continuous period of at least three (3) months.

9. TERMINATION.

9.1. **By Us**. We may terminate this Agreement, effective upon delivery of a notice of termination to you, for any of the following reasons, all of which constitute material events of default and "good cause" for termination, and without opportunity to cure except for any cure period expressly set forth below:

(a) if we terminate any Definitive Agreement due to a default committed by you or one of your Owners or Affiliate Operators; or

(b) if you (or an Owner) breach any provision of this Agreement and fail to cure within 30 days after receipt of a default notice.

9.2. **By Mutual Agreement**. If you and we mutually agree in writing to terminate this Agreement, any notice or cure period that might otherwise apply shall be deemed waived.

10. EFFECT OF TERMINATION. Termination of this Agreement ends all your rights and development obligations under this Agreement, including your interests in the Development Territory and right to sign new Franchise Agreements or open new Centers. We will not refund any portion of the development fee.

11. DISPUTE RESOLUTION. Any Dispute between the parties relating to this Agreement shall be resolved pursuant to the dispute resolution provisions in the Initial Franchise Agreement. All such dispute resolution provisions are incorporated herein by reference as if fully set forth in this Agreement.

12. REPRESENTATIONS.

12.1. **Corporate.** You and your Owners jointly and severally represent and warrant to us that the execution and delivery of this Agreement, and the performance of your obligations hereunder, does not: (a) conflict with, breach or constitute a default under any agreement to which you are (or any affiliate of yours is) a party or by which your (or your affiliate's) assets are bound; (b) violate any order, injunction, decree, judgment or ruling of a Governmental Authority; or (c) violate any applicable Law. If the developer is an Entity, then you and your Owners also jointly and severally represent and warrant to us that: (a) the Developer Entity is duly organized, validly existing and in good standing under the

Laws of the state of its formation and has the requisite power and authority to enter into this Agreement and perform its obligations hereunder; and (b) the execution and delivery of this Agreement have been duly authorized by all requisite corporate action and this Agreement constitutes the legal, valid and binding obligation of, and is enforceable against, the Developer Entity in accordance with its terms.

12.2. General. You and your Owners jointly and severally represent and warrant to us that you are aware: (a) other area developers may operate under different forms of agreement and our obligations and rights with respect to area developers differs materially in certain circumstances; and (b) we may negotiate terms or offer concessions to other area developers and we have no obligation to offer you the same or similar negotiated terms or concessions.

12.3. Anti-Terrorism. You and your Owners jointly and severally represent and warrant to us that, to the best of your knowledge: (a) no property or interest owned by you or any Owner is subject to being "blocked" under any Anti-Terrorism Law; (b) neither you nor any Owner, nor any of their respective funding sources (including any legal or beneficial owner of an Equity Interest in the Development Business or Developer Entity) or related parties is, or has ever been: (i) a terrorist or suspected terrorist within the meaning of the Anti-Terrorism Law; or (ii) identified by name, alias, pseudonym, nickname or address on any Terrorist List, including the list of "Specially Designated Nationals" or "Blocked Persons" maintained by the U.S. Treasury Department's Office of Foreign Assets Control (texts currently available at www.home.treasury.gov); and (c) you and the Owners are in compliance, and will continue to comply, with the Anti-Terrorism Law and all other U.S. Laws currently in effect, or enacted in the future, that prohibit corrupt business practices, money laundering or the aid or support of Persons who conspire to commit acts of terror against any Person or government. The foregoing representations and warranties are 'continuing' representations and warranties for the duration of the franchise relationship. Accordingly, you must immediately notify us of the occurrence of an event or development of a circumstance that might render any of the foregoing representations and warranties false, inaccurate or misleading.

13. GENERAL PROVISIONS.

13.1. Governing Law. This Agreement and the franchise relationship are governed by the Laws of Arizona without reference to its principles of conflicts of law, but any Arizona Law that regulates the offer and sale of franchises or business opportunities or governs the relationship of a franchisor and its franchisee will not apply unless its jurisdictional requirements are met independently without reference to this Section.

13.2. Severability. Each section of this Agreement (and portion thereof) is severable.

13.3. Waivers. Each party may waive any obligation imposed on the other party in writing. Neither party is deemed to have waived or impaired any of its contractual rights under this Agreement, including the right to require strict compliance with all terms of this Agreement or terminate this Agreement due to the other party's failure to comply with such terms, by virtue of: (a) any custom or practice of the parties at variance with the terms of this Agreement; (b) any failure, refusal or neglect by a party to exercise any right under this Agreement or require the other party to strictly comply with its obligations under this Agreement; (c) our waiver, failure or refusal to exercise any of our rights with respect to other developers; or (d) our acceptance of payment from you after your breach.

13.4. Approvals. Whenever this Agreement requires our approval, you must make a timely written request for approval. Our approval must be in writing in order to bind us. Except as otherwise expressly provided in this Agreement, if we fail to approve any request for approval within the required period of time, we are deemed to have disapproved your request.

13.5. Force Majeure. Neither party is liable for loss or damage or deemed in breach of this Agreement if such party's failure to perform its obligations results from an event of Force Majeure; *provided, however*, that Force Majeure does not excuse or permit any failure to perform for more than 90 days. If the period of non-performance exceeds 90 days from receipt of notice of the Force Majeure event, the party whose ability to perform has not been affected may immediately terminate this Agreement by giving notice of termination to the other party.

13.6. **Binding Effect**. This Agreement is binding on the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any Person not a party to this Agreement.

13.7. **Integration**. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY A WRITTEN DOCUMENT SIGNED BY BOTH PARTIES. In addition, our issuance of a Development Territory Notice (if applicable) shall be deemed to amend this Agreement to designate your Development Territory. No email or informal electronic communication will modify this Agreement unless it is signed by both parties and expressly states it is intended to modify this Agreement. The attachments are part of this Agreement, which together with any Amendments or Addenda executed on or after the Effective Date, constitute the entire understanding and agreement of the parties. There are no other oral or written understandings or agreements between the parties about the subject matter of this Agreement. Any representations not specifically contained in this Agreement made before entering into this Agreement do not survive after the signing of this Agreement. Nothing in this Agreement is intended to disclaim any of the representations we made in the Franchise Disclosure Document. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

13.8. **Good Faith Covenant**. If applicable Law implies into this Agreement a covenant of good faith and fair dealing, the covenant shall not imply any rights or obligations inconsistent with the express terms hereof. This Agreement, and the relationship of the parties inherent in this Agreement, grants us discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with our explicit rights and obligations under this Agreement that may favorably or adversely affect your interests. We will use our judgment in exercising the discretion based on our assessment of our own interests and balancing those interests against the interests of our franchisees, but without considering the individual interests of you or any other franchisee.

13.9. **Rights are Cumulative**. The rights of the parties under this Agreement are cumulative and no exercise or enforcement by either party of any right or remedy under this Agreement will preclude any other right or remedy available under this Agreement or by Law.

13.10. **Survival**. All provisions that expressly or by their nature survive the termination, expiration or Transfer of this Agreement or the Transfer of an Equity Interest in the Development Business or Developer Entity remain in effect subsequent to and notwithstanding its termination, expiration or Transfer until they are satisfied in full or by their nature expire.

13.11. **Construction**. Headings are for convenience only and do not affect the meaning of the Section. All references to Sections refer to the Sections contained in this Agreement unless otherwise specified. All references to days in this Agreement refer to calendar days unless otherwise specified. All references to "including" shall be construed as references to "including, but not limited to".

13.12. **Time of Essence**. Time is of the essence in this Agreement and every term thereof.

13.13. **Notices**. All notices and notifications given under this Agreement must be in writing and must be provided in accordance with the Notice Provision of the Initial Franchise Agreement.

13.14. **Counterparts**. This Agreement may be signed in multiple counterparts, each of which is deemed an original and all of which together constitute but one and the same document.

The parties to this agreement have executed this Agreement effective as of the Effective Date first above written.

FRANCHISOR:

Better Together, LLC, a Delaware limited liability company

By:_____
Name:_____
Its:_____

YOU (If you are an Entity):

_____,
a(n)_____

By:_____
Name:_____
Its:_____

YOU (If you are not an Entity):

_____
Name:_____

_____
Name: _____

_____
Name: _____

_____
Name: _____

ATTACHMENT "A"

TO AREA DEVELOPMENT AGREEMENT

DEAL TERMS

A. Effective Date

The "Effective Date" of the Area Development Agreement shall be _____, 202___.

B. Area Developer Details

Name of Area Developer: [_____]

Is the developer one or more natural Persons signing in their individual capacity? **Yes**: _____ **No**: _____

Type of Entity and State of Formation* (if applicable): [_____]

* *If the area developer is a business Entity, each Person holding a direct or indirect Equity Interest in the Developer Entity, and spouse of each such Person who is a natural Person, must sign an Owner Agreement concurrently with the execution of this Agreement.*

The following table includes the full name of each Person holding a direct or indirect Equity Interest in the Development Business or Developer Entity, as applicable, along with a description of their Equity Interest.

Owner's Name	% Equity Interest	Direct or Indirect (if indirect, describe nature of interest)

Notice Address: [_____]

Phone Number: [_____]

Email Address: [_____]

C. Development Fee

The Development Fee payable imposed pursuant to §5 is $[_____].

D. Development Schedule

You must comply with the following minimum development obligations as specified in §4.1 of the Agreement:

DEVELOPMENT PERIOD ENDING*	NUMBER OF CENTERS OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF CENTERS OPENED AND IN OPERATION
1 year after Effective Date		
2 years after Effective Date		
3 years after Effective Date		
4 years after Effective Date		
5 years after Effective Date		
6 years after Effective Date		
7 years after Effective Date		
8 years after Effective Date		
9 years after Effective Date		
10 years after Effective Date		
Total Number of Centers to be Developed: [_____]		

* The required opening date for a given Center is the last day of the Development Period in which the Center must open.

E. Development Territory

The Development Territory consists of, and shall be limited to, the following geographic area (as may be further depicted on a map attached on the following page, if applicable):

[_____]

Your Development Territory includes [_____] Core Profile Customers as of the date of determination.

If the boundaries that define the Development Territory change during the Term, the boundaries of your Development Territory will remain unaffected and will continue to be defined by the boundaries that were in effect as of the Effective Date (as may be depicted on a map attached below or on the following page).

* *If the Development Territory has not been designated by us at the time this Agreement is signed, then we will send you a Development Territory Notice in accordance with §3.2 that will identify the geographic area that comprises your Development Territory and identify the total number of Core Profile Customers included within your Development Territory (as of the date that the Development Territory is determined).*

[Insert Development Territory Map Below – If Applicable]

F. <u>Development Territory Search Area</u>

The Development Territory Search Area referenced in the Area Development Agreement shall consist of the following geographic area:

[_____]

* *The Development Territory Search Area is not your Development Territory and there is no exclusivity or other territorial protections associated with this area.*

ATTACHMENT "B"

TO AREA DEVELOPMENT AGREEMENT

DEVELOPMENT SCHEDULE EXTENSION AMENDMENT

[See Attached]

AMENDMENT TO AREA DEVELOPMENT AGREEMENT

This Amendment to Area Development Agreement (this "Amendment") is entered into as of _____ (the "Effective Date") between Better Together, LLC, a Delaware limited liability company ("us" or "we"), _____, a(n) _____ ("you"), and each person directly or indirectly holding an ownership interest in you (your "Owners" and, together with you and us, the "Parties").

Background

A. You and we entered into a Dogtopia Area Development Agreement dated _____ (the "ADA"), pursuant to which we granted you the right and obligation to develop, open and operate multiple Dogtopia centers (each, a "Center") from approved sites located within the Development Territory defined therein;

B. The ADA requires that you open each Center in accordance with the opening deadlines listed in the development schedule attached to the ADA (the "Development Schedule");

C. You have notified us that you are unable to open one or more of your required Centers by the opening deadline(s) set forth in the Development Schedule.

D. You desire to obtain a one-time extension of all of your remaining opening deadlines pursuant to the terms set forth in this Amendment and we desire to grant you such extension.

E. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to amend the ADA in accordance with the following terms and conditions.

Agreement

1. Development Schedule. The Parties agree that the Development Schedule under the ADA is hereby deleted in its entirety and replaced with the Development Schedule set forth in Exhibit "A" to this Amendment. The new Development Schedule has been modified to extend the opening deadline for each Center remaining to be developed by 12 months. You acknowledge we have no obligation to grant you any additional extensions beyond those granted pursuant to this Amendment, and we reserve the right to terminate the ADA if you fail to meet the new opening deadlines set forth in the Development Schedule attached hereto as Exhibit "A".

2. Extension Fee. In consideration of our extension of your opening deadlines, you agree to pay us a nonrefundable $10,000 development schedule extension fee upon execution of this Amendment.

3. Release of Claims. As partial consideration for our agreement to modify your Development Schedule by extending your opening deadlines, you, the Owners, each of your affiliated companies, and each individual holding a direct or indirect ownership interest in you or your affiliated companies (collectively, the "Franchisee Parties") hereby release, acquit and forever discharge Franchisor, Franchisor's owners and officers, each of Franchisor's affiliated companies, and the owners and officers of each of Franchisor's affiliated companies (collectively, the "Franchisor Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which any of the Franchisee Parties may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the execution and performance (or lack thereof) of the ADA, any Franchise Agreement executed pursuant to the ADA, or the offer, sale or acceptance of the franchise rights related thereto (including, but not limited to any disclosures and representations made in connection therewith).

4. Miscellaneous.

   (a) Modification. This Amendment and the ADA when executed constitute the entire agreement and understanding between the Parties with respect to the subject matter contained herein and therein. Any and all prior agreements and understandings between the Parties and relating to the subject

matter contained in this Amendment and the ADA, whether written or verbal, other than as contained within the executed Amendment and ADA, are void and have no force and effect. In order to be binding between the Parties, any subsequent modifications must be in writing signed by the Parties.

(b) Effect on Agreement. Except as specifically modified or supplemented by this Amendment, all terms, conditions, covenants and agreements set forth in the ADA shall remain in full force and effect.

(c) Inconsistency. In the event of any inconsistency between the executed ADA and this Amendment, this Amendment shall prevail.

(d) Defined Terms. Any capitalized term that is not defined herein shall have the meaning ascribed to such term in the ADA. Any reference to "Section" or "Sections" shall refer to the Section or Sections of the ADA.

(e) Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same document.

In witness whereof, the Parties have executed this Amendment on the date first set forth above.

FRANCHISOR:

Better Together, LLC, a Delaware limited liability company

By:_____
Name:_____
Its:_____

YOU (If you are an entity):

_____,
a(n)_____

By:_____
Name:_____
Its:_____

OWNERS

_____
Name:_____

_____
Name:_____

_____
Name:_____

_____
Name:_____

Exhibit "A"

Development Schedule

DEVELOPMENT PERIOD ENDING	NUMBER OF CENTERS OPENED DURING DEVELOPMENT PERIOD	CUMULATIVE NUMBER OF CENTERS OPENED AND IN OPERATION
Total Number of franchised Dogtopia Centers to be developed: [_____]		

EXHIBIT "E"

TO DISCLOSURE DOCUMENT

OTHER AGREEMENTS

EXHIBIT E-1

Conversion Addendum

[See Attached]

DOGTOPIA CONVERSION ADDENDUM

This Dogtopia Conversion Addendum (this "Addendum") is entered into as of _____, 202___ (the "Effective Date"), between Better Together, LLC, a Delaware limited liability company ("we" or "us") and _____, a(n) _____ ("you" and, together with us, the "Parties").

Background

A. You currently own and operate a business (the "Current Business") from the premises located at the address listed in Part A of Attachment A to this Addendum (the "Premises");

B. The Current Business offers services that are similar to the services offered by a Dogtopia Center;

C. You desire to acquire a Dogtopia franchise for purposes of converting your Current Business to a Dogtopia Center and we are willing to grant you the right and obligation to do so;

D. Concurrently with the execution of this Addendum, the Parties are entering into a Dogtopia Franchise Agreement (the "Franchise Agreement"), pursuant to which we will grant you the right and obligation to convert the Current Business to a Dogtopia Center that will provide certain services for dogs (including boarding, daycare, training and spa services) and sell dog-related products in accordance with our standards, specifications, policies and procedures (your "Dogtopia Center");

E. In order to effectuate the conversion of your Current Business to a Dogtopia Center, the Parties desire to modify the Franchise Agreement according to the terms and conditions set forth herein.

F. In consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, and intending to be legally bound, the Parties hereby agree to the terms and conditions set forth below.

Agreement

1. **Defined Terms and Section References**. Any capitalized term that is not defined in this Addendum shall have the meaning given to such term in the Franchise Agreement. Any reference to "Section" or "Sections" shall refer to the Section or Sections of the Franchise Agreement.

2. **Conversion Date**. You may not utilize any of our Marks, including, without limitation, by advertising or promoting the upcoming conversion of your Current Business to a Dogtopia Center at any time prior to our issuance of a written "Certificate of Conversion Completion" confirming: (a) you have complied with all conversion requirements set forth in this Addendum and all other pre-opening obligations set forth in the Franchise Agreement; and (b) your Premises is ready to commence operations as a Dogtopia Center (your "Conversion Date"). You must complete the construction and conversion of your Premises to a Dogtopia Center no later than the conversion completion deadline set forth in Attachment B to this Addendum.

3. **Lease**. If you lease the Premises, you must negotiate with your landlord, if necessary, to modify your lease in order to provide you with a term of at least 10 years from the Conversion Date. You must also cause your landlord to execute our required Lease Addendum. We may require that you complete these steps prior to execution of the Franchise Agreement and this Addendum. At a minimum, we may require execution of the Lease Addendum as a condition to us issuing our Certificate of Conversion Completion pursuant to §5 of this Addendum.

4. **Construction and Conversion of Premises**. You must, at your sole expense, re-image, remodel, renovate, refurbish, and modernize the Premises to comply with all standards and specifications in the Manual, including, without limitation, our required design and layout, construction materials, furniture, fixtures and equipment, interior and exterior signage and trade dress. You must utilize our designated Architect Company to prepare your construction plans to convert your Premises to a Dogtopia Center. At a minimum, your construction plans must incorporate the modifications and improvements set forth in Attachment C to this

Addendum. You must obtain our approval of the construction plans within 90 days after the Effective Date of this Addendum. Once we approve your construction plans, you must utilize our designated Project Manager to oversee the development, construction and conversion of your Dogtopia Center and coordinate with the various contractors and other professionals involved with the process. You must purchase all required inventory items, operating supplies, uniforms, and other goods and services we specify. You must purchase and install all of our required Technology Systems.

5. **Certificate of Conversion Completion**. We will not issue a Certificate of Conversion Completion until all of the following requirements have been satisfied:

   (i) your Premises meets all of our required standards and specifications;

   (ii) we review and approve the construction, build-out and layout of your facility;

   (iii) you purchase and install all required equipment, furniture, fixtures, decorations and signage;

   (iv) you obtain all required insurance and provide us with proof of coverage;

   (v) you obtain, and certify to us you obtained, all required licenses, permits and governmental approvals;

   (vi) your Managing Owner and Designated Manager successfully complete our initial training program;

   (vii) you pay all amounts owed to us, our affiliates and suppliers that are due as of the opening date; and

   (viii) you comply with all of your other obligations under this Addendum.

   Upon our issuance of the Certificate of Conversion Completion, you shall immediately cease operating the Current Business at the Premises and commence operation of your Dogtopia Center utilizing our Intellectual Property. At all times prior to issuance of the Certificate of Conversion Completion, including throughout the conversion process, you may, but need not, continue to operate the Current Business at the Premises.

6. **Project Management**. You shall not be required to utilize us, or the Real Estate Company designated by us, to provide any of the real estate related services set forth in the Franchise Agreement. You shall pay us a $15,500 REAFC Fee for the services provided by us (including as Project Manager) relating to the design and conversion of your Premises to a Dogtopia Center.

7. **Grand Opening**. Section 11.3(a) of the Franchise Agreement is deleted in its entirety. Within the 30-day period following our issuance of the Certificate of Conversion Completion, you must spend a total of at least $5,000 on advertising and other marketing activities to promote the conversion of your Current Business and reopening as a Dogtopia Center, including digital advertising, guerilla marketing and public relations. We must approve all such advertising in accordance with §11.3(e) of the Franchise Agreement. We may specify a grand opening marketing program that you must follow.

8. **Fees**. All fees imposed under the Franchise Agreement shall apply during the period of time between the execution of the Franchise Agreement and our issuance of the Certificate of Conversion Completion, including, without limitation, the royalty fee that shall commence immediately upon execution of the Franchise Agreement. Notwithstanding the foregoing, your obligation to begin making contributions to the brand and system development fund shall commence on the date that we issue you a Certificate of Conversion Completion. You must include in Gross Sales the total amount of gross revenues received by you or the prior business owner from the sale of goods or services that were purchased prior to your Conversion Date but that are redeemed at your Dogtopia Center (either in whole or in part) after your Conversion Date. The specific way these revenues must be calculated and included within Gross Sales may be further described in the Manuals (including allocation of these revenues in situations where a portion of the goods or services received by the customer in exchange for the payment is redeemed prior to the Conversion Date and any remaining portion is redeemed after the Conversion Date). You must include the full amount of these revenues within Gross Sales for the month in which your Conversion Date takes place.

9. Miscellaneous.

(a) Modification. This Addendum and the Franchise Agreement when executed constitute the entire agreement and understanding between the Parties with respect to the subject matter contained herein and therein. Any and all prior agreements and understandings between the Parties and relating to the subject matter contained in this Addendum and the Franchise Agreement, whether written or verbal, other than as contained within the executed Addendum and Franchise Agreement, are void and have no force and effect. In order to be binding between the Parties, any subsequent modifications must be in writing signed by the Parties.

(b) Effect on Agreement. Except as specifically modified or supplemented by this Addendum, all terms, conditions, covenants and agreements set forth in the Franchise Agreement shall remain in full force and effect.

(c) Inconsistency. In the event of any inconsistency between the executed Franchise Agreement and this Addendum, this Addendum shall prevail.

(d) Counterparts. This Addendum may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same document.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum on the day and year first written above.

FRANCHISOR:

Better Together, LLC, a Delaware limited liability company

By:_____
Name:_____
Its:_____

YOU (If you are an entity):

_____,
a(n)_____

YOU (If you are not an entity):

_____
Name:_____

_____
Name: _____

_____
Name: _____

_____
Name: _____

ATTACHMENT A

To Conversion Addendum

Description of the Premises

ATTACHMENT B

To Conversion Addendum

Conversion Completion Deadline

ATTACHMENT C

To Conversion Addendum

Remodeling, Renovations and Improvements

EXHIBIT E-2

Franchisee Disclosure Questionnaire

[See Attached]

MAY NOT BE SIGNED OR USED IF FRANCHISEE RESIDES WITHIN, OR THE FRANCHISED BUSINESS WILL BE LOCATED WITHIN, A FRANCHISE REGISTRATION STATE[1]

FRANCHISEE DISCLOSURE QUESTIONNAIRE

As you know Better Together, LLC ("we" or "us), and you are preparing to enter into a Franchise Agreement for the operation of a Dogtopia franchise. We require that you complete this Questionnaire (a) so that we can determine whether our franchise sales team followed proper sales procedures and (b) to provide us with reasonable assurance that, prior to signing the Franchise Agreement, you have had an adequate opportunity to review the Franchise Disclosure Document and its attachments, consult with legal and/or business advisors of your choosing, and ask us questions about any disclosures or terms that you do not understand. **You cannot sign or date this Questionnaire the same day as the Receipt for the Franchise Disclosure Document but you must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses to each question.

Yes__	No__	l.	Have you received from us and personally reviewed the Franchise Agreement and, if applicable, Area Development Agreement ("ADA"), together with all attachments to those agreements? *[If you answer "no," please explain in Explanation Section]*
Yes__	No__	2.	Have you received from us and personally reviewed a Franchise Disclosure Document ("FDD")? *[If you answer "no," please explain in Explanation Section]*
Yes__	No__	3.	Did you sign a receipt for the FDD indicating the date you received it?
Yes__	No__	4.	Do you understand all the information contained in the FDD, Franchise Agreement and ADA (if applicable)? *[If you answer "no," please identify any information you don't understand in Explanation Section]*
Yes__	No__	5.	Did you receive the FDD at least 14 calendar days before signing any agreement relating to the franchise (other than an NDA) or paying any money?
Yes__	No__	6.	Did you receive a complete execution copy of the Franchise Agreement at least seven (7) calendar days before you signed it?
Yes__	No__	7.	Have you reviewed the FDD, Franchise Agreement and ADA (if applicable) with a lawyer, accountant or other professional advisor?
Yes__	No__	8.	Have you discussed the benefits and risks of developing and operating a Dogtopia franchise with an existing Dogtopia franchisee?
Yes__	No__	9.	Do you understand the risks of developing and operating a Dogtopia franchise?
Yes__	No__	10.	Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, interest rates, the economy, inflation, labor and supply costs and other relevant factors?
Yes__	No__	11.	Do you understand all disputes or claims you may have arising out of or relating to the Franchise Agreement or ADA (if applicable) must be arbitrated in Arizona if not resolved informally or by mediation?

[1] Registration states include California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

Yes__ No__ 12. Do you understand that the Franchise Agreement, ADA (if applicable) and the attachments to those agreements contain the entire agreement between us and you concerning the franchise for the Dogtopia franchise, meaning any prior oral or written statements not set out in the Franchise Agreement, ADA or the attachments will not be binding?

Yes__ No__ 13. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the costs involved in operating a Dogtopia franchise that is not contained in the FDD or that is contrary to, or different from, the information contained in the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

Yes__ No__ 14. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the training, assistance or support that will be provided to you that is not contained in the FDD or that is contrary to, or different from, the information in the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

Yes__ No__ 15. Did any of our employees or representatives, or any person speaking on our behalf, make any statement or promise regarding the actual, average, projected or hypothetical profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue a Dogtopia business may generate, other than any information included in Item 19 of the FDD?

[If you answer "yes," please describe the statement or promise in Explanation Section]

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS QUESTIONNAIRE, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS.

_____	_____
Signature of Franchise Applicant	Signature of Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated _____	Dated _____
_____	_____
Signature of Franchise Applicant	Signature of Franchise Applicant
_____	_____
Name (please print)	Name (please print)
Dated _____	Dated _____

EXPLANATION SECTION

Please include any explanations below and refer to the applicable question number.

_____

_____

_____

_____

_____

EXHIBIT E-3

General Release

[See Attached]

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims (this "Agreement") is made as of _____, 202__ (the "Effective Date") by _____, a(n) _____ ("you") and each individual holding a direct or indirect ownership interest in you (collectively "Owner") in favor of Better Together, LLC, a Delaware limited liability company ("us," and together with you and Owner, the "Parties").

Recitals

A. We signed a Franchise Agreement with you, dated _____, 202____ (the "Franchise Agreement") pursuant to which we granted you the right to own and operate a Dogtopia Center;

B. You have notified us of your desire to [transfer the Franchise Agreement and all rights related thereto, or an ownership interest in the franchisee entity, to a transferee,] OR [enter into a successor franchise agreement] and we have [consented to such transfer] OR [agreed to enter into a successor franchise agreement]; and

C. As a condition to [our consent to the transfer] OR [your ability to enter into a successor franchise agreement], you and Owner have agreed to execute this Agreement upon the terms and conditions stated below.

D. In consideration of our [consent to the transfer] OR **[**entering into a successor franchise agreement**]**, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, you and Owner hereby agree as follows:

Agreement

1. **Release**. Owner, you, and each of your officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them (the "Franchisee Parties"), hereby release, acquit and forever discharge us, any and all of our past and present affiliates, parents, subsidiaries and related companies, divisions and partnerships, consultants, advisors and franchise sellers and its and their respective past and present officers, directors, shareholders, members, owners, employees, agents, representatives, affiliates, parents, divisions, successors and assigns, and the spouses of such individuals (collectively, the "Franchisor Parties"), from any and all claims, liabilities, damages, expenses, actions or causes of action which any of the Franchisee Parties may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, directly or indirectly arising out of or relating to the execution and performance (or lack thereof) of the Franchise Agreement or the offer, sale or acceptance of the franchise related thereto (including, but not limited to any disclosures and representations made in connection therewith). The foregoing release shall not be construed to apply with respect to any obligations contained within this Agreement.

2. **California Law**. You and Owner hereby express your intention to release all existing claims, whether known or unknown, against the Franchisor Parties. Accordingly, you and Owner hereby waive §1542 of the California Civil Code, which provides the following:

> "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

[Section 2 only applies for California franchisees; otherwise it is omitted]

3. **Washington Franchise Law**. The General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

[Section 3 only applies for Washington franchisees; otherwise it is omitted]

4. **Nondisparagement**. Each of the Franchisee Parties expressly covenant and agree not to make any false representation of facts, or to defame, disparage, discredit or deprecate any of the Franchisor Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Franchisor

Parties, the business conducted by any of the Franchisor Parties or the reputation of any of the Franchisor Parties. For purposes of clarity, the obligations in this Section apply to all methods of communications, including the making of statements or representations through direct verbal or written communication as well as the making of statements or representations on the Internet, through social media sites or through any other verbal, digital or electronic method of communication. The obligations in this Section also prohibit the Franchisee Parties from indirectly violating this Section by influencing or encouraging third parties to engage in activities that would constitute a violation of this Section if conducted directly by a Franchisee Party.

5. **Representations and Warranties**. You and Owner each represent and warrant that: (a) [Insert franchisee entity name] is duly authorized to execute this Agreement and perform its obligations hereunder; (b) neither you nor Owner has assigned, transferred or conveyed, either voluntarily or by operation of law, any of their rights or claims against any of the Franchisor Parties or any of the rights, claims or obligations being terminated or released hereunder; (c) you and Owner have not and shall not (i) institute or cause to be instituted against any of the Franchisor Parties any legal proceeding of any kind, including the filing of any claim or complaint with any state or federal court or regulatory agency, alleging any violation of common law, statute, regulation or public policy premised upon any legal theory or claim whatsoever relating to the matters released in this Agreement or (ii) make any verbal, written or other communication that could reasonably be expected to damage or adversely impact any Franchisor Party's reputation or goodwill; and (d) the individuals identified as Owners on the signature pages hereto together hold 100% of the legal and beneficial ownership interests in [Insert franchisee entity name].

6. **Communications with Governmental Authorities**. Nothing in this Agreement shall restrict or be deemed to preclude you from disclosing truthful information to governmental authorities in response to any request for information you receive from them.

7. **Miscellaneous**.

   (a) The Parties agree that each has read and fully understands this Agreement and that the opportunity has been afforded to each Party to discuss the terms and contents of said Agreement with legal counsel and/or that such a discussion with legal counsel has occurred.

   (b) This Agreement shall be construed and governed by the laws of the State of Arizona.

   (c) 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 Agreement, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

   (d) All of the provisions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective current and future directors, officers, partners, attorneys, agents, employees, shareholders and the spouses of such individuals, successors, affiliates, and assigns.

   (e) This Agreement contains the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes and is in lieu of all prior and contemporaneous agreements, understandings, inducements and conditions, expressed or implied, oral or written, of any nature whatsoever with respect to the subject matter hereof. This Agreement may not be modified except in a writing signed by each of the Parties.

   (f) If one or more of the provisions of this Agreement 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 Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

   (g) The Parties agree to do such further acts and things and to execute and deliver such additional agreements and instruments as any Party may reasonably require to consummate, evidence, or confirm the transactions contemplated hereby.

   (h) This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute but one document.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

FRANCHISEE:

_____

By: _____
Name: _____
Its: _____

FRANCHISE OWNERS:

_____
Name: _____

_____
Name: _____

_____
Name: _____

EXHIBIT E-4

Site Approval Notice

[See Attached]

SITE APPROVAL NOTICE

Better Together, LLC ("us") is issuing this Site Approval Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the Dogtopia Franchise Agreement that we executed with you on _____, 202____ (the "Franchise Agreement") for the establishment and operation of a Dogtopia Center (your "Center"). The purpose of this Notice is to confirm our approval of the site you have proposed for your Center.

Approved Address:

Pursuant to §3.1 of the Franchise Agreement, we hereby approve the site listed below for your Center:

_____
_____
_____

* * *

The address identified in this Notice is deemed the approved site for your Center established and operated pursuant to the Franchise Agreement. Our acceptance of the site you proposed is in no way a representation by us that your site will be successful. Rather, our acceptance of the site you propose merely indicates the site meets our minimum brand standards and requirements.

Our designation of your approved site, as set forth in this Notice, is binding upon you effective as of the effective date listed in the first paragraph of this Notice. The Franchise Agreement is hereby amended to incorporate the address listed above in this Notice as the approved site for your Center.

Franchisor

Better Together, LLC

By:_____

Name:_____

Its:_____

Date: _____

EXHIBIT E-5

Site Selection Area Notice

[See Attached]

SITE SELECTION AREA NOTICE

Better Together, LLC ("us") is issuing this Site Selection Area Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the Dogtopia Franchise Agreement that we executed with you on _____, 202____ (the "Franchise Agreement") for the establishment and operation of a Dogtopia Center. The purpose of this Notice is to confirm our designation of your Site Selection Area.

Site Selection Area:

Pursuant to §3.2 of the Franchise Agreement, we hereby designate the following geographic area as your Site Selection Area for purposes of the Franchise Agreement:

[_____]

** The Site Selection Area is not your Territory and there is no exclusivity or other territorial protections associated with this area other than the limited territorial protections set forth in §3.2 for the limited period of time described in such Section.*

* * *

The geographic area identified in this Notice is deemed the Site Selection Area for purposes of the Franchise Agreement.

Our designation of your Site Selection Area, as set forth in this Notice, is binding upon you effective as of the effective date listed in the first paragraph of this Notice. The Franchise Agreement is hereby amended to incorporate the described in this Notice described in this Notice as the Site Selection Area under the Franchise Agreement.

Franchisor

Better Together, LLC

By:_____

Name:_____

Its:_____

Date: _____

EXHIBIT E-6

Territory Notice

[See Attached]

TERRITORY NOTICE

Better Together, LLC ("us") is issuing this Territory Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the Dogtopia Franchise Agreement that we executed with you on _____, 202____ (the "Franchise Agreement") for the establishment and operation of a Dogtopia Center. The purpose of this Notice is to confirm our designation of your Territory.

Territory:

Pursuant to §3.4 of the Franchise Agreement, we hereby designate the following geographic area (as may be further depicted on the map attached on the following page) as your Territory for purposes of the Franchise Agreement:

[_____]

Your Territory includes [_____] Core Profile Customers as of the date of determination.

If there are any changes to the zip codes or other boundaries that define your Territory during the term of the Franchise Agreement or any renewal term, then, unless otherwise agreed to by you and us in writing, the boundaries of your Territory shall remain defined by the zip codes or other boundaries in effect as of the effective date of this Notice and depicted on the map on the following page (if applicable).

* * *

The geographic area identified in this Notice is deemed your Territory for purposes of the Franchise Agreement.

Our designation of your Territory, as set forth in this Notice, is binding upon you effective as of the effective date listed in the first paragraph of this Notice. The Franchise Agreement is hereby amended to incorporate the geographic area described in this Notice as your Territory under the Franchise Agreement.

Franchisor

Better Together, LLC

By:_____

Name:_____

Its:_____

Date: _____

[Insert Territory Map]

EXHIBIT E-7

Development Territory Notice

[See Attached]

DEVELOPMENT TERRITORY NOTICE

Better Together, LLC ("us") is issuing this Development Territory Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the Dogtopia Area Development Agreement that we executed with you on _____, 202____ (the "ADA") for the establishment and operation of multiple Dogtopia Centers in accordance with a prescribed development schedule. The purpose of this Notice is to confirm our designation of your Development Territory.

Development Territory:

Pursuant to §3.2 of the ADA, we hereby designate the following geographic area (as may be further depicted on the map attached on the following page) as your Development Territory for purposes of the ADA:

[_____]

Your Development Territory includes [_____] Core Profile Customers as of the date of determination.

If there are any changes to the zip codes or other boundaries that define your Development Territory during the term of the ADA, then, unless otherwise agreed to by you and us in writing, the boundaries of your Development Territory shall remain defined by the zip codes or other boundaries in effect as of the effective date of this Notice and depicted on the map on the following page (if applicable).

* * *

The geographic area identified in this Notice is deemed your Development Territory for purposes of the ADA.

Our designation of your Development Territory, as set forth in this Notice, is binding upon you effective as of the effective date listed in the first paragraph of this Notice. The ADA is hereby amended to incorporate the geographic area described in this Notice as your Development Territory under the ADA.

Franchisor

Better Together, LLC

By:_____

Name:_____

Its:_____

Date: _____

[Insert Development Territory Map]

EXHIBIT E-8

Tradename Approval Notice

[See Attached]

TRADENAME APPROVAL NOTICE

Better Together, LLC, a Delaware limited liability company ("we" or "us") is issuing this Tradename Approval Notice (this "Notice") to _____ ("you"), effective _____, 202___, in connection with the Dogtopia Franchise Agreement (the "Franchise Agreement") we executed with you on _____, 202___. The purpose of this Notice is to confirm our approval of the tradename you have proposed.

Approved Tradename:

Pursuant to §19.4 of the Franchise Agreement, we hereby approve the following tradename for your use in connection with the Dogtopia Center you operate pursuant to the Franchise Agreement:

[_____]

By signing below, you agree that the tradename identified in this Notice will be your approved tradename and you will not use any other tradename without our prior written approval. You are responsible for submitting any fictitious name filing that may be required by the laws of your state. Upon the termination, expiration or transfer of this Agreement, you must surrender, cancel or abandon the tradename and cancel any associated fictitious name filing.

You understand and acknowledge that: (a) our tradename review and approval process will be performed in accordance with our then-current tradename selection procedures and criteria; (b) we may approve tradenames for other franchisees that have similarities in terms of geographic or other descriptors; and (c) you are not granted any exclusivity or protections with respect to tradenames. Accordingly, you waive any claims you may have against us or against any other franchisee based upon any tradename proposed to and approved by us.

You must sign below and send us an executed copy of this Notice to acknowledge your receipt. You shall have no right to use the tradename listed above until you have sent us a full executed copy of this Notice.

Franchisor	**Franchisee**
Better Together, LLC	_____
By:_____	By:_____
Name:_____	Name:_____
Its:_____	Its:_____
Date: _____	Date: _____

EXHIBIT "F"

TO DISCLOSURE DOCUMENT

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EXHIBIT "G"

TO DISCLOSURE DOCUMENT

List of Franchisees

Table 1: Current Franchisees Open as of December 31, 2025

The following table lists our franchisees that were open as of December 31, 2025.

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Alabama [1]	Birmingham	1200 2nd Ave S Birmingham, Alabama 35233	205-607-8989	Henson & Carlton Millsap
Alabama [1]	Homewood	1722 27th Court South Homewood, Alabama 35209	205-440-3888	Henson & Carlton Millsap
Alabama [1]	Madison	181 Hughes Rd #15 Madison, Alabama 35758	256-289-7811	Jeffrey J. Teschke
Arizona	Chandler	4901 South Arizona Ave. Chandler, Arizona 85248	480-447-0655	Michael & Susan Perlman
Arizona	Gilbert	207 E Williams Field Road Gilbert, Arizona 85295	480-424-5224	Bret and Tina Edenfield
Arizona [1]	Gilbert	876 N McQueen Rd. Gilbert, Arizona 85233	480-360-2300	Michael & Susan Perlman
Arizona [1]	Oro Valley	7621 N Oracle Rd Ste 120 Oro Valley, Arizona 85704	520-385-7382	Zachary Leichtman-Levine
Arizona	Paradise Valley	13001 N Tatum Blvd C01 Paradise Valley, Arizona 85032	480-605-3044	Steve & Elaine Weberman
Arizona [1]	Phoenix	4747 E Elliot Rd. Phoenix, Arizona 85044	480-741-1532	Michael & Susan Perlman
Arizona [1]	Phoenix	3031 East Indian School Road Phoenix, Arizona 85016	480-405-3646	Zachary Leichtman-Levine
Arizona [1]	Phoenix	520 W McDowell Rd Phoenix, Arizona 85003	602-607-1500	Zachary Leichtman-Levine
Arizona [1]	Phoenix	6148 N 7th St Phoenix, Arizona 85014	602-607-2777	Zachary Leichtman-Levine
Arizona [1]	Tempe	1721 E Broadway Rd Tempe, Arizona 85282	480-680-7018	Zachary Leichtman-Levine
Arizona [1]	Tucson	7285 E Tanque Verde Road Tucson, Arizona 85715	520-834-8717	Zachary Leichtman-Levine
California	Anaheim	450 East Eisenhower Circle Anaheim, California 92807	714-706-3838	James Perkins
California	Bakersfield	4060 Rosedale Hwy Bakersfield, California 93308	661-558-1200	Gabriel Giesick
California [1]	Danville	3630 Blackhawk Plaza Circle Danville, California, 94506	925-412-3200	Joe Castorena
California	Davis	417 Mace Blvd Suite S Davis, California 95618	530-316-4775	Cindy Hespe
California [1]	Dublin	8000 Amador Valley Blvd Dublin, California 94568	925-587-4048	Joe Castorena

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
California	Pasadena	3410 E Foothill Blvd. Pasadena, California 91107	626-778-0008	Jen & Matt Moore
California	Rancho Cordova	12401 Folsom Blvd Rancho Cordova, California 95742	916-764-3647	Michael Wilson
California	Rocklin	6671 Stanford Ranch Rd Suite A Rocklin, California 95677	916-346-5142	Mike & Diane Foos
California [1]	San Diego	5260 Eastgate Mall San Diego, California 92121	858-225-7072	Jeffrey J. Teschke
California	San Jose	1191 Branham Lane San Jose, California 95118	408-659-3065	Peter DuFall
California [1]	San Marcos	925 W San Marcos Blvd # B San Marcos, California 92078	760-659-3298	Jeffrey J. Teschke
California [1]	Temecula	27629 Commerce Center Dr, Temecula, California 92590	951-587-2882	Jeffrey J. Teschke
California	Torrance	2360 W 205th Street Torrance, California 90504	310-953-9321	Kathleen & William Miller
California	Upland	1071 E 16th Street, Suite A Upland, California 35209	909-310-8900	Matthew & Jennifer Moore
Colorado	Colorado Springs	5780 E Woodmen Rd Suite 170, Colorado Springs, Colorado 80920	719-370-4010	Ryan, Lonna & David Fitzgerald
Colorado	Fort Collins	2101 S College Ave. Fort Collins, Colorado 80525	970-305-5715	Todd Minnis
Colorado [1]	Greenwood Village	8755 E Orchard Rd Greenwood Village, Colorado 80111	303-886-2184	Larry & Brandon Greene
Colorado	Highlands Ranch	6448 East County Line Road Highlands Ranch, Colorado 80126	303-835-4549	Peter Thomas
Colorado	Lafayette	303 West South Boulder Road Lafayette, Colorado 80026	720-263-4583	Todd Minnis
Colorado [1]	Lakewood	12057 W Alameda Pkwy, Lakewood, Colorado 80228	303-993-1669	Deven Bhakta
Colorado [1]	Parker	10140 Parkglenn Way Suite 115, Parker, Colorado 80134	303-276-7636	Larry & Brandon Greene
Colorado [1]	Westminster	7719 W 92nd Ave Westminster, Colorado 80021	720-706-1090	Deven Bhakta
Colorado [1]	Wheatridge	2625 Kipling St, Suites 10021&10013 Wheat Ridge, Colorado 80215	303-481-3259	Deven Bhakta
Connecticut	Milford	40 Quirk Rd Milford, Connecticut 06460	203-560-6660	Owen Botting
Florida[1]	Boca Raton	201 SW 1st Ave Boca Raton, Florida 33432	561-392-2275	Max Feidelson & Tyler Deane-Krantz
Florida[1]	Fort Lauderdale	808 W Broward Blvd., Fort Lauderdale, Florida 33312	954-763-4111	Max Feidelson & Tyler Deane-Krantz
Florida [1]	Fort Lauderdale	5435 N Federal Hwy Fort Lauderdale, Florida 33308	954-289-4330	Max Feidelson & Tyler Deane-Krantz
Florida	Fort Myers	4429 Cleveland Avenue, Unit 150, Fort Myers, Florida 33901	239-214-9400	Stacie Stillnovic
Florida	Jacksonville	1075 Hendricks Avenue Jacksonville, Florida 32207	904-600-3810	Addie & Ali Kasraeian

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Florida	Jacksonville	9365 Philips HWY Jacksonville, Florida 32256	302-388-1448	Rick Simpson
Florida	Jacksonville	11300 Beach Boulevard, Jacksonville, Florida 32246	904-493-4933	Aaron & Gabriel Lynch
Florida[1]	Margate	3197 FL-7 Margate, Florida 33063	954-971-0007	Max Feidelson & Tyler Deane-Krantz
Florida[1]	North Palm Beach	524 Northlake Blvd North Palm Beach, Florida 33408	561-880-9446	Max Feidelson & Tyler Deane-Krantz
Florida	Orlando	1452 Alden Rd Orlando, Florida, 32803	407-801-6008	Mark & Craig Seiden
Florida[1]	Palm Harbor	30860 US Hwy 19 N Palm Harbor, Florida 34684	727-286-6294	Max Feidelson & Tyler Deane-Krantz
Florida	Rockledge	5410 W Murrell Rd Ste 117 Rockledge, Florida 32955	321-294-4102	Amy & Lorin Hattrup
Florida	St. Augustine	5600 US Hwy 1 St. Augustine, Florida 32095	904-594-7477	Shane Bradley
Florida	Tampa	11238 W. Hillsborough Avenue, Tampa, Florida 33635	813-814-0302	Joshua McLane
Florida	Winter Park	5477 Lake Howell Rd. Winter Park, Florida 32792	407-956-1557	Katie Bielecki & Angela Hubbard
Georgia [1]	Alpharetta	6275 Cortland Walk Alpharetta, Georgia 30005	770-676-2283	Max Feidelson & Tyler Deane-Krantz
Georgia [1]	Atlanta	1201 West Lane NW Atlanta, Georgia 30318	404-267-4589	Max Feidelson & Tyler Deane-Krantz
Georgia [1]	Atlanta	6010-A Sandy Springs Circle Atlanta, Georgia 30328	678-973-0521	Max Feidelson & Tyler Deane-Krantz
Georgia [1]	Brookhaven	2152 Johnson Ferry Rd, NE Atlanta, Georgia 30319	404-885-8655	Max Feidelson & Tyler Deane-Krantz
Georgia [1]	Decatur	2098 N Decatur Rd Decatur, Georgia 30033	470-487-8005	Max Feidelson & Tyler Deane-Krantz
Georgia	Peachtree	120 St. Stephens Court Tyrone, Georgia 30290	770-370-8869	Lynn Ortman
Georgia [1]	Roswell	1570 Holcomb Bridge Rd #325 Roswell, Georgia 30076	770-679-8373	Max Feidelson & Tyler Deane-Krantz
Georgia	Savannah	2391 Downing St Savannah, Georgia 31404	912-217-4229	Kelly Wolfsheimer
Idaho	Boise	3203 W. Chinden Blvd Garden City, Idaho 83714	208-563-5116	Dale Goff
Illinois	Arlington	676 E Rand Rd Arlington Heights Illinois 60004	847-350-1115	Catherine & Christopher Barnes
Illinois	Deer Park	21540 W. Field Parkway Deer Park, Illinois 60010	847-607-1245	Kara Ferguson & Robert Gillman
Illinois [1]	Downers Grove	900 Ogden Ave Downers Grove, Illinois 60515	630-795-0099	Brandon & Morgan Bissell
Illinois	Evanston	900 Clark St, Suite 900 Evanston, Illinois, 60201	847-604-0064	Sarah Lewis
Illinois	Geneva	2423 Fargo Blvd. Geneva, Illinois 60134	630-283-1700	Santanu Das

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Illinois	La Grange	1416 West 55th St La Grange, Illinois 60525	757-544-7041	Theresa Napolitano
Illinois	Oakbrook Terrace	17W711 E Roosevelt Road Oakbrook Terrace, Illinois 60181	630-835-0108	Theresa Napolitano
Illinois	Orland Park	18030 Wolf Rd Orland Park, Illinois 60467	708-778-3880	Grant and Cindy Boost
Illinois	South Elgin	580 Randall Road South Elgin, Illinois 60177	630-538-3155	David & Susan George
Indiana [1]	Fishers	8628 E 96th St Fishers, Indiana 46038	463-207-9755	Jeffrey J. Teschke
Indiana	Greenwood	1709 S State Road 135 Greenwood, Indiana, 46143	317-886-3100	Ken Weadick
Indiana [1]	Indianapolis	9445 N Meridian St Indianapolis, Indiana 46260	317-280-3877	Morgan, Adam and Brandon Bissell
Indiana [1]	Indianapolis	2121 Broad Ripple Ave Indianapolis, Indiana 46220	463-777-9588	Jeffrey J. Teschke
Iowa	Waukee	1500 NW Gettysburg Ln, 101 & 102 Waukee, Iowa 50263	515-220-8181	Jon and Shelly Renaud
Kansas	North Overland Park	10556 Metcalf Ln Overland Park, Kansas 66212	913-346-2822	Sunil and Madhavi Kumar
Kansas	Olathe	15270 W 119th St. Olathe, Kansas 66062	913-318-6458	Girish Rao & Radhika Dontaraju
Kansas	Overland Park	6905 W 135th Street Overland Park, Kansas 66223	913-274-9033	Jeff & Hilary Contino
Kentucky [1]	Lexington	3801 Nicholasville Centre Drive Lexington, Kentucky 40503	859-755-4777	Mike Browning & Ben Carter
Kentucky [1]	Louisville	221 South Hurstbourne Pkwy, Ste 101 Louisville, Kentucky 40222	502-554-9661	Mike Browning & Ben Carter
Louisiana	Baton Rouge	7150 Jefferson Highway Baton Rouge, Louisiana 70806	225-532-2515	Sue, Mac & Jessica McCumsey & Mia Wightkin
Louisiana	Lafayette	5530 Johnston St., Suite 100 Lafayette, Louisiana, 70503	337-279-7994	Idena and Douglas Davidson
Louisiana [1]	New Orleans	9501 Airline Highway New Orleans, Louisiana 70118	504-291-2777	Max Feidelson & Tyler Deane-Krantz
Maryland	Bel Air	1427 Rock Spring Rd Bel Air, Maryland 21014	410-202-2021	Patti & Joe Miller
Maryland	Clarksville	12212 Clarksville Pike Clarksville, Maryland 21029	410-670-8427	Matt Moss
Maryland [1]	Frederick	4959 Westview Dr. Frederick, Maryland 21703	301-732-7372	Art Prediger & Jennifer Taylor James
Maryland	Owings Mills	10989 Red Run Boulevard Owings Mills, Maryland 21117	443-438-1518	Heather Davis
Maryland [1]	Towson	1270 E Joppa Rd Ste 200 Towson, Maryland 21286	410-541-5222	Heather & Alex Davis
Massachusetts	Worcester	71 Pullman St, Suite B Worcester, Massachusetts 01606	508-964-3636	Stephen & Greta Hager
Michigan	Birmingham	2300 Cole Street Birmingham, Michigan 48009	616-822-6623	Brandon Bissell

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Michigan	Bloomfield Hills	1685 South Telegraph Road Bloomfield Hills, Michigan 48124	248-897-0299	Brandon Bissell
Michigan [1]	Commerce Township	3010 Union Lake Road, Suite 7A Commerce Township, Michigan 48382	248-897-0300	Tim & Jill Parker
Michigan [1]	Grand Rapids	2321 E Beltline Ave NE, Suite H Grand Rapids, Michigan 49525	616-222-1630	Tim & Jill Parker
Michigan [1]	Northville	20510 N. Haggerty Road Northville, Michigan 48167	248-289-3507	Brandon & Morgan Bissell
Michigan	Plymouth	236 N Main St. Plymouth, Michigan 48170	734-516-4539	Wayne & Aimee Seiler and Kelli & Brian Sternberg
Michigan [1]	Rockford	9343 Courtland Dr. NE Rockford, Michigan 49341	616-222-1630	Tim & Jill Parker
Michigan [1]	Ypsilanti	3825 Carpenter Rd, Suite 101 Ypsilanti, Michigan, 48197	734-477-6881	Morgan, Adam and Brandon Bissell
Minnesota [1]	Bloomington	5208 W 84th St Bloomington, Minnesota 55437	952-253-5400	Ryan Muhlbauer
Minnesota [1]	Golden Valley	9010 Olson Memorial Hwy Golden Valley, Minnesota 55427	952-800-1300	Ryan Muhlbauer
Minnesota [1]	Maplewood	2017 Woodlynn Ave Maplewood, Minnesota 55109	651-505-1848	Cindy Lang & Alissa Bert
Minnesota	Roseville	2216 County Rd D West Suite R, Roseville, Minnesota, 55112	651-273-0880	Eric & Karen Nancekivell
Minnesota	St. Paul	2418 University Avenue W St. Paul, Minnesota 55114	651-432-4040	Ian & Sophie Nancekivell
Minnesota	Woodbury	783 Radio Dr, Suite 106 Woodbury, Minnesota 55125	952-209-9600	Eric & Annette Caporusso
Missouri [1]	Ballwin	13933 Manchester Road Ballwin, Missouri, 63011	314-230-0550	Mark Weikel
Missouri [1]	Chesterfield	140 Four Seasons Shopping Center St. Louis, Missouri 63017	314-464-2828	Jason Sniff
Missouri [1]	Ellisville	15400 Manchester Road Ellisville, Missouri 63011	636-283-2444	Nick Losciuto
Missouri	Lake St. Louis	901 Civic Center Drive Lake St. Louis Missouri 63367	636-443-7337	Stephanie McFadden
Missouri [1]	Peters	6120 Mild Rivers Mall Dr. Street Peters, Missouri 63304	309-502-4797	Mark Weikel
Missouri [1]	St. Louis	9745 Manchester Rd, St. Louis, Missouri 63119	314-230-8181	Nick Losciuto
Nebraska [1]	Omaha	13239 Portal Drive, Suite 103 Omaha, Nebraska 68138	402-817-2942	Derrick & Kaitlyn Reinhardt
Nebraska [1]	Omaha	14485 West Center Road Omaha, Nebraska 68144	402-204-3556	Derrick & Kaitlyn Reinhardt
Nebraska [1]	Omaha	15504 Spaulding Plaza Omaha, Nebraska 68116	402-204-3556	Derrick & Kaitlyn Reinhardt
Nebraska [1]	Omaha	18920 Edna St. Omaha, Nebraska 68136	402-204-3556	Derrick & Kaitlyn Reinhardt
Nebraska	Papillion – Shadow Lake	7775 Olson Rd Suite L107, Papillion, Nebraska 68046	402-915-4944	Rich & Ana Jungman

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Nevada	Las Vegas	6415 S Fort Apache Rd Suite 130 Las Vegas, Nevada 89148	702-659-5169	Hiram & Glenda Toro, Daniel Toro
Nevada [1]	Las Vegas	9436 W Lake Mead Blvd, Ste 7-10 Las Vegas, Nevada 89134	702-505-9478	Jeffrey J. Teschke
New Jersey	Belle Meade	2311 US Hwy 206, Suite 111 Belle Mead, New Jersey 08502	908-751-1007	Joe & Carly Cugine
New Jersey	Berkeley Heights	410 D Springfield Ave Berkeley Heights, New Jersey	908-663-9449	Joe & Carly Cugine
New Jersey [1]	Cherry Hill	2095 Marlton Pike East Cherry Hill, New Jersey 08003	856-254-3555	Jigisha Patel, Devang Patel & Kristina Taylor
New Jersey	Hazlet	3170 Route 35 South Hazlet, New Jersey 07730	732-705-1988	Joe & Tom Gallo
New Mexico	Albuquerque	3301 Coors Blvd Albuquerque, New Mexico 87120	505-365-1512	Ben Delay, Karen Delay & Hiral Bhakta
New York [1]	Brooklyn	504 Myrtle Ave, Space B Brooklyn, New York 11205	347-343-5330	Nancy Guo, Kelsey Muller and Mark Dirzulaitus
New York	Clifton Park	1208 Route 146 Clifton Park, New York 12065	518-519-4030	Jason Sellie
New York	Fishkill	18 Westage Drive, Suite 9a Fishkill, New York, 12524	845-351-8191	Mark Lyle
New York	Latham	195 Troy Schenectady Rd Latham, New York 12189	518-380-2400	Jason Sellie & Jim Horvath
New York [1]	Long Island City	549 49th Ave Long Island City, New York 11011	917-277-4020	Nancy Guo, Kelsey Muller and Mark Dirzulaitus
North Carolina	Cary	243 Grande Heights Dr Cary, North Carolina 27513	919-297-2342	Dan Endres & Inma Munoz
North Carolina	Raleigh	5849 Lease Lane Raleigh, North Carolina 27617	919-867-4422	Leigh Anne Frahm & Eric Lehman
Ohio	Canton	4413 Whipple Ave NW Canton, Ohio 44718	330-970-2200	Dan & Danielle Higgins
Ohio [1]	Cleveland	784 Euclid Ave Cleveland, Ohio 44115	216-400-8444	Alex & Whitney Mazzenga
Ohio	Columbus	2768 Festival Lane Columbus, Ohio 43017	614-639-6555	Jeff Swaddling
Ohio	Columbus	406 E Main Street Columbus, Ohio 43215	614-254-6722	Justin Smith
Ohio [1]	Solon	6025 Kruse Dr. Solon, Ohio 44139	440-472-0072	Alex & Whitney Mazzenga
Oklahoma	Edmond	3409 S Broadway, Suite 950 Edmond, Oklahoma 73013	405-345-7268	Mike & Diann Young
Oklahoma	Tulsa	8172 S Lewis Ave, suite 8172 A-C Tulsa, Oklahoma 74137	918-891-3110	Daryl Bray
Oregon	Hillsboro	7478 Main Street Hillsboro, Oregon 97123	971-332-8787	David Nicoli Jeremy & Becky Shidner
Oregon [1]	Lake Oswego	16130 Boones Ferry Rd Lake Oswego, Oregon 97035	503-342-2919	Jeffrey J. Teschke
Oregon	Portland	4636 N Albina Ave Portland, Oregon 97217	971-415-6488	Ashley Carron

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Oregon [1]	Portland	7219 SW Garden Home Rd., Portland, Oregon 97223	503-765-5324	Jeffrey J. Teschke
Oregon [1]	Portland	925 NW Davis Street Portland, Oregon 97209	503-334-3705	Jeffrey J. Teschke
Oregon [1]	Portland	3706 S River Pkwy Portland, Oregon 97239	503-446-4388	Jeffrey J. Teschke
Oregon [1]	Portland	11780 NW Cedar Falls Dr Portland, Oregon, 97229	503-288-7185	Jeffrey J. Teschke
Pennsylvania	Coraopolis	935 Beaver Grade Rd Coraopolis, Pennsylvania 15108	724-747-9054	Marshal & Shannon Martindale
Pennsylvania	Cranberry Township	802 Thomson Park Dr Cranberry Township, Pennsylvania 16066	724-461-5855	Luke Doyle
Pennsylvania	Eagleville	2550 Blvd. of the Generals, Ste 100 Eagleville, Pennsylvania 19403	610-492-6328	Julie Tilley
Pennsylvania	Easton	669 S 25th St Easton, Pennsylvania 18045	610-839-0550	James Montoya
Pennsylvania	Greensburg	131 Donohoe Rd Greensburg, Pennsylvania 15601	724-461-5839	Cherrie Cindric
Pennsylvania [1]	Limerick	33 W Ridge Pike, Suite 387 Limerick, Pennsylvania 19468	610-200-6441	Devang & Jigisha Patel & Kristin Taylor
Pennsylvania	Sinking Spring	3564 Penn Ave Sinking Spring, Pennsylvania 19608	484-772-8900	Julie Tilley
Rhode Island [1]	Warwick	30 Jefferson Blvd Warwick, Rhode Island 02888	401-903-4900	David & Jennifer Giardino
South Carolina	Fort Mills	829 Stockbridge Dr Fort Mills, South Carolina 29708	803-620-4990	Eric Gozur & Amanda Donovan
South Carolina [1]	Greenville	547 Haywood Rd Greenville, South Carolina 29607	864-326-3390	Dan & Inma Endres
South Carolina	Summerville	619 Myers Rd Summerville, South Carolina 29486	843-949-4333	Marc & Jackie Catone
Tennessee	Collierville	10327 E. Shelby Drive Collierville, Tennessee 38017	901-443-1880	Kip Meierhofer
Tennessee	Farragut	12925 Kingston Pike Farragut, Tennessee 37934	865-564-9288	Jeremiah & Amanda Webb
Tennessee	Knoxville	5213 Homberg Dr Knoxville, Tennessee 37919	865-622-2599	Jeremiah & Amanda Webb
Tennessee [1]	Nashville	4004 Hillsboro Pike Green Hills, Tennessee 37215	615-393-6658	Patricia & Ramin Behmand, Tyler Deane-Krantz & Max Feidelson
Tennessee [1]	Nashville	5728 Hickory Plaza Drive Nashville, Tennessee 37211	615-257-0222	Joni Elder
Tennessee [1]	Nashville	1802 8th Avenue S. Nashville, Tennessee 37203	615-486-2626	Joni Elder
Texas [1]	Arlington	4217 S. Cooper St Arlington, Texas 76015	682-282-0919	Sherman & Jamie Hatch
Texas [1]	Austin	2105 RR 620 S, Building 1, # 101 Austin, Texas 78734	512-369-3647	Stefani & Steve Ballard

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Texas	Austin	13945 N. Highway 183, #C-89 Austin, Texas 78717	512-333-111	Matt & Jolene Urbancic
Texas [1]	Austin	7301 Burnet Rd, Suite 110 Austin, Texas 78757	512-580-4880	Zachary Leichtman-Levine
Texas [1]	Austin	6705 Hwy 290 West, Suite 302 Austin, Texas 78735	512-692-4747	Stefani & Steve Ballard, Craig Dunlavey
Texas [1]	Conroe	463 FM 1488 Conroe, Texas 77384	832-308-3664	John & Sandy Ledbetter, Chelsea Ledbetter
Texas [1]	Coppell	150 S Denton Tap Road Coppell, Texas 75019	469-998-3888	Zachary Leichtman-Levine
Texas [1]	Carrollton	2460 Lacy Ln #120 Carrollton, Texas 75006	469-691-0213	Zachary Leichtman-Levine
Texas	Cypress	8931 Fry Rd, Suite 800 Cypress, Texas 77433	281-213-5780	David & So Bellman
Texas	Dallas	8060 Park Lane, Suite 126 Dallas, Texas 75231	214-281-8282	Mark Joseph
Texas	Farmers Branch	13520 Inwood Road Farmers Branch, Texas 75244	214-328-3206	John & Kristin Dyer
Texas [1]	Fort Worth	1109 Lamar St Fort Worth, Texas 76102	817-989-9680	Sherman & Jamie Hatch
Texas	Frisco	7227 Preston Rd Frisco, Texas, 75034	469-778-7300	Shawn Patel
Texas	Fulshear	6434 FM 1463 Rd Fulshear, Texas 77441	281-606-3113	Justin & Ann Burnett
Texas	Highland Village	1830 Justin Road Highland Village, Texas 75077	972-264-1178	Zachary Leichtman-Levine
Texas [1]	Houston	2311 Washington Avenue Houston, Texas 77007	281-869-8330	Amber Woods
Texas [1]	Houston	6258 Westheimer Road Houston, Texas 77057	346-209-2720	Chris & Kaila King
Texas	Houston	10405 Katy Freeway, Suite D Houston, Texas 77024	713-364-9900	Cody & Veronica Lovins
Texas [1]	Houston	1315 Waugh Drive Houston, Texas 77019	713-522-8144	Amber Woods
Texas [1]	Houston	1839 W Alabama St. Houston, Texas 77098	281-417-4622	Amber Woods
Texas [1]	Houston	10130 Louetta Road, Suite J, Houston, Texas 77070	281-869-8338	Cody & Veronica Lovins
Texas [1]	Houston	3814 Bissonnet Street unit 11, Houston, Texas 77005	346-808-3030	Amber Woods
Texas	Humble	7140 Farm to Market 1960 Rd E, Humble, Texas 77396	281-417-4622	Cody & Veronica Lovins
Texas [1]	Katy	1817 South Mason Rd Katy, Texas 77450	281-417-6010	Shiraj Patel
Texas [1]	Magnolia	6622 Durango Creek Dr Magnolia, Texas 77354	832-862-6882	John & Sandy Ledbetter, Chelsea Ledbetter
Texas [1]	McKinney	8416 Stacy Rd McKinney, Texas 75070	972-954-2322	Jeff Helgeson & Brad Scales

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Texas	Pasadena	6015 Fairmont Pkwy Pasadena, Texas 77505	281-417-4660	Justin & Laura Rosenhagen
Texas	Plano	1501 Preston Road, Suite 600 Plano, Texas 75093	972-752-8204	Jeffrey Helgeson
Texas	Richardson	2121 Infocom Dr Richardson, Texas 75082	469-202-0787	Ron & Sandy Blake
Texas [1]	Roanoke	216 TX-114 Roanoke, Texas 76262	817-837-9915	Sherman & Jamie Hatch
Texas	Round Rock	1500 S. A.W. Grimes Blvd, # 150 Round Rock, Texas 78664	512-333-1145	Danielle & Benjamin Hauck
Texas [1]	San Antonio	3814 Broadway San Antonio, Texas 78209	210-920-9090	Deven Bhakta
Texas [1]	San Antonio	5563 De Zavala, Suite 100 San Antonio, Texas 78249	210-964-0555	Deven Bhakta
Texas [1]	San Antonio	2106 E. Sonterra Blvd San Antonio, Texas 78259	210-866-8030	Deven Bhakta
Texas [1]	San Antonio	11726 Alamo Ranch Pkwy San Antonio, Texas 78253	210-858-6968	Deven Bhakta
Texas	Southlake	2225 W. Southlake Blvd., Ste 459 Southlake, Texas 76092	817-252-4086	Sherman & Jamie Hatch
Texas	Waco	5310 Bosque Boulevard, Suite 300 Waco, Texas 76710	703-901-9053	Zachary Leichtman-Levine
Texas [1]	Webster	310 Genesis Blvd Webster, Texas 77598	832-403-2993	Chris & Kaila King
Texas [1]	West Frisco	303 Main St. Suite 214 Frisco, Texas 75034	214-807-0230	Tiffany & Jason Porter
Utah [1]	Midvale	23 W 7200 S Midvale, Utah 84047	801-923-5117	Kyle Hill
Utah [1]	Salt Lake City	1977 E Murray Holladay Rd Salt Lake City, Utah 84117	801-998-2826	Kyle Hill
Utah [1]	South Jordan	11685 South Trail Crossing Drive South Jordan, Utah 84009	801-609-3528	Kyle Hill
Virginia [1]	Alexandria	3121 Colvin Street Alexandria, Virginia 22314	703-278-2110	Jeff Lutton
Virginia [1]	Arlington	2606 South Oxford ST Arlington, Virginia 22206	703-845-3647	Jeff Lutton
Virginia [1]	Ashburn	43800 Metro Center Drive, Ste E110 Ashburn, Virginia 20147	703-731-8191	Taylor James & Art Prediger
Virginia	Chantilly	3850-D Dulles South Court Chantilly, Virginia 20151	703-278-2021	Taylor James & Art Prediger
Virginia [1]	Charlottesville	315 Rivanna Plaza Drive, #120 Charlottesville, Virginia 22901	434-922-1500	John Houston
Virginia [1]	Fairfax	11039 Lee Hwy Fairfax, Virginia 22030	703-349-0300	Jim Hannesschlager, Alexandra Hannesschlager and Lisa Pandelidis
Virginia [1]	Falls Church	108-110 W Jefferson St. Falls Church, Virginia 20132	574-210-2751	Jim Hannesschlager, Alexandra Hannesschlager and Lisa Pandelidis
Virginia	Fredericksburg	4272 Plank Road Fredericksburg, Virginia 22407	540-212-7306	Jeff Lutton

TABLE 1 FRANCHISED OUTLETS (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Virginia	Norfolk	118 W 21st St. Norfolk, Virginia 23517	757-632-3400	Rachael & Chip Sutelan
Virginia [1]	Midlothian	13617 Hull Street Road Midlothian, Virginia 23112	804-482-8099	John Houston
Virginia [1]	Purcellville	201 N Maple Ave Purcellville, Virginia 20132	703-297-5377	Tom Payne
Virginia [1]	Richmond	11004 Midlothian Turnpike Richmond, Virginia 23235	804-313-9492	John Houston
Virginia [1]	Richmond	3610D Cox Rd. Richmond, Virginia 23233	804-625-4444	John Houston
Virginia	Springfield	7401 Fullerton Road, Suite A Springfield, Virginia 22153	703-982-0099	Amber Sutton
Virginia [1]	Virginia Beach	4546 Columbus St Virginia Beach, Virginia 23462	757-517-8010	Rachael & Chip Sutelan
Washington [1]	Bellevue	1188 106th Ave NE Bellevue, Washington 98004	425-516-7676	Michel and Allison Rau
Washington [1]	Redmond	2690 152nd Ave NE, Suite 110 Redmond, Washington 98052	425-201-7373	Michel and Allison Rau
Washington	Seattle	1300 Post Alley Seattle, Washington 98101	206-455-6337	Yarden Zilber, Peter Thomas, Eric Conwell, Riaz Mamdani, Matt Bowling
Washington	Seattle	6407, 12th Ave NE , Suite #15 Seattle, Washington 98115	425-526-3232	Toshin & Nidhi Makarh
Wisconsin [1]	Eau Claire	2706 Golf Road Eau Claire, Wisconsin 54703	715-894-7336	Eric & Annette Caporusso
Wisconsin	Middleton	3231 Laura Lane Middleton, Wisconsin 53562	608-466-3338	Trevor Conti & Shauna Marlowe
Wisconsin	Milwaukee	2219 N Farwell Ave. Milwaukee, Wisconsin 53202	414-485-0600	Julie Barnes
Wisconsin	Pewaukee	W238N 1700 Rockwood Drive Pewaukee, Wisconsin 53188	262-244-5366	Trevor Conti

Notes to Table 1:

1. These franchisees are area developers that signed area development agreements.

Table 2: Current Affiliated Stores and Company Stores Open as of December 31, 2025

The following table lists our Company Stores and Affiliated Stores that were open as of December 31, 2025.

TABLE 2 COMPANY AND AFFILIATED STORES (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Arizona	Scottsdale	14651 N. Northsight Blvd, # 101 Scottsdale, Arizona 85260	480-494-8833	DT of Scottsdale, LLC
Connecticut [1]	Norwalk	30 Belden Ave #2 Norwalk, Connecticut 06850	203-993-6822	Chris Kempner
Connecticut [1]	Stamford	421 Atlantic St, Suite 101 Stamford, Connecticut 06901	203-716-6013	Chris Kempner
Connecticut [1]	Fairfield	1401 Kings Hwy Fairfield, Connecticut 06824	203-993-3757	Chris Kempner
Connecticut [1]	Shelton	850 Bridgeport Ave Shelton, Connecticut 06484	203-973-7233	Chris Kempner
Delaware [1]	Elsmere	319 New Road Elsmere, Delaware 19805	302-414-0566	Chris Kempner
Delaware [1]	Wilmington	2101-A Concord Pike Wilmington, Delaware 19803	203-561-2359	Chris Kempner
District of Columbia [1]	Washington	1232 9th St NW Washington, DC 20001	401-566-4626	Chris Kempner
District of Columbia [1]	Washington	900 M St SE Washington, DC 20003	401-566-4626	Chris Kempner
Florida	Apopka	2444 E. Semoran Boulevard Apopka, Florida 32703	407-995-6337	DT of Apopka, LLC
Florida	Longwood	1823 W State Rd 434 Longwood, Florida 32750	407-982-5111	DT of Longwood, LLC
Florida	Orlando	3016 N Alafaya Trl Orlando, Florida 32826	407-801-6008	DT of Orlando, LLC
Florida	Sanford	100 N Entrance Rd Sanford, Florida 32771	407-289-1110	DT of Sanford, LLC
Maryland	Baltimore	2706 O'Donnell Street Baltimore, Maryland 21224	240-223-5523	DT of Canton, LLC
Maryland [1]	Bethesda	4936 Fairmont Avenue Bethesda, Maryland 20814	240-283-7131	Chris Kempner
Maryland [1]	Rockville	4920 Wyaconda Rd Rockville, Maryland 20852	240-389-5124	Chris Kempner
Massachusetts [1]	Dedham	630 Washington Street, Space 33A Dedham, Massachusetts 02026	781-455-1001	Chris Kempner
Massachusetts [1]	Franklin	475 Franklin Village Drive Franklin, Massachusetts 02038	508-964-3695	Chris Kempner
Massachusetts [1]	Norwell	10 Washington St. Space 3B Norwell, Massachusetts 02061	781-328-0031	Chris Kempner
Massachusetts [1]	North Attleboro	21 East Street, Building B, North Attleborough, Massachusetts 02760	508-659-9988	Chris Kempner
New Hampshire [1]	North Hampton	35 Lafayette Rd, Suite 3, North Hampton, New Hampshire 03862	603-600-8911	Chris Kempner
New Jersey [1]	Brick	1930 Route 88 Brick, New Jersey 08724	732-479-5700	Chris Kempner
New Jersey [1]	Old Bridge	7 Jocama Blvd Old Bridge, New Jersey 08857	732-339-3444	Chris Kempner

TABLE 2 COMPANY AND AFFILIATED STORES (Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
New Jersey [1]	Union	1235 W. Chestnut Street Union, New Jersey 07083	908-774-1400	Chris Kempner
New Jersey [1]	Shrewsbury	980 Shrewsbury Ave Tinton Falls, New Jersey 07724	732-440-9080	Chris Kempner
New Jersey [1]	West Orange	235 Prospect Ave West Orange, New Jersey 07052	973-306-0011	Chris Kempner
New Jersey [1]	Wood-Ridge	40 Rosie Square Wood-Ridge, New Jersey 07075	973-298-0700	Chris Kempner
New York [1]	Bethpage	4076 Hempstead Turnpike Bethpage, New York 11714	516-862-4514	Chris Kempner
New York [1]	Cortlandt Manor	3655 Crompond Rd Cortlandt Manor, New York 10567	914-930-8131	Chris Kempner
New York [1]	Mount Kisco	333 North Bedford Road Mount Kisco, New York 10549	914-218-8258	Chris Kempner
New York [1]	Port Chester	142 Midland Ave Port Chester, New York 10573	914-908-4710	Chris Kempner
New York [1]	New Rochelle	505 5th Avenue New Rochelle, New York 10801	914-908-4707	Chris Kempner
New York [1]	Garden City Park	2489 Jericho Turnpike Garden City Park, New York 11040	516-703-1200	Chris Kempner
North Carolina [1]	Raleigh	4708 Hargrove Road Raleigh, North Carolina 27616	919-706-0525	Chris Kempner
Pennsylvania [1]	Chester Springs	50 Senn Drive Chester Springs, Pennsylvania 19425	484-212-7387	Chris Kempner
Pennsylvania [1]	Mechanicsburg	4900 Carlisle Pike, Suite 102, Mechanicsburg, Pennsylvania 17050	717-660-0560	Chris Kempner
Virginia [1]	Gainesville	5615 Wellington Road Gainesville, Virginia 20155	703-483-9444	Chris Kempner
Virginia [1]	Herndon	720 Jackson Street Herndon, Virginia 20170	703-436-9162	Chris Kempner
Virginia [1]	Manassas	10352 Balls Ford Road Manassas, Virginia 20109	703-278-2101	Chris Kempner
Virginia [1]	McLean	1524 Spring Hill Road Suite EE, McLean, Virginia 22102	703-278-2135	Chris Kempner
Virginia [1]	Woodbridge	14885 Persistence Drive Woodbridge, Virginia 22191	703-497-4981	Chris Kempner

Notes to Table 2:

1. These are Affiliated Stores owned by Red Barn (Chris Kempner), who was a franchisee and area developer prior to acquiring a controlling interest in the franchisor in 2020. Because Mr. Kempner is now listed in Item 2 of this Disclosure Document, we have reclassified his franchised outlets as Affiliated Stores. Mr. Kempner is also an area developer who signed an area development agreement.

Table 3: Franchisees with Unopened Outlets as of December 31, 2025

The following table lists our franchisees with signed Franchise Agreements for outlets that were not open as of December 31, 2025.

TABLE 3 FRANCHISED OUTLETS (Not Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Alabama	To Be Determined	To Be Determined	561-251-5851	Jeffrey J. Teschke
Alabama [1]	Birmingham	To Be Determined	334-320-5671	Henson & Carleton Millsap
Alaska	Anchorage	To Be Determined	832-360-4976	John and Katie Lloyd
Arizona [1]	Phoenix	To Be Determined	972-890-0700	Zachary Leichtman-Levine
Arizona [1]	Phoenix	To Be Determined	917-586-8923	Marin Ursu
Arkansas [1]	To Be Determined	To Be Determined	972-890-0700	Zachary Leichtman-Levine
Arkansas [1]	Little Rock	To Be Determined	561-251-5851	Jeffrey J. Teschke
California	Los Angeles	To Be Determined	323-872-3256	Jayrun Rabizadeh
California	Orange County	To Be Determined	949-306-7901	Jon Leonhardt
California [1]	Sacramento	To Be Determined	314-368-5539	Eric & Jodi Foltz
California	San Luis Obispo	To Be Determined	805-331-1648	Brian McNeal
California	To Be Determined	To Be Determined	408-839-3730	Roy & Tina Patrick
California	San Diego	1509 E Street San Diego, California 92101	619-535-0388	Jess, Gary & Carol Porter
California [1]	Sacramento	To Be Determined	916-807-4076	Omair Nasim
California [1]	To Be Determined	To Be Determined	561-251-5851	Jeffrey J. Teschke
Colorado	To Be Determined	To Be Determined	214-597-5088	Todd Minnis
Colorado	To Be Determined	To Be Determined	303-552-1434	Ryan, Lonna and David Fitzgerald
Colorado	Denver	To Be Determined	720-550-9615	JP Kneen
Colorado	Denver	To Be Determined	916-337-5748	Todd Jacks & Sarah Bergstein
Colorado [1]	Denver	To Be Determined	361-442-3005	Deven Bhakta
Connecticut [1, 2]	To Be Determined	To Be Determined	401-556-4626	Chris Kempner
Florida	Melbourne	To Be Determined	321-294-4102	Amy & Lorin Hattrup
Florida	Miami	To Be Determined	786-370-9630	Daniel Asorey
Florida [1]	Miami	To Be Determined	970-390-7780	Dylan Alvarez
Florida	Miami	To Be Determined	201-218-0022	Craig Seiden
Florida	Palm Coast	To Be Determined	478-957-3279	Danny Rosales
Florida [1]	Tampa	To Be Determined	561-251-5851	Jeffrey J. Teschke
Georgia	Augusta	To Be Determined	561-251-5851	Jeffrey J. Teschke
Georgia	To Be Determined	To Be Determined	512-745-3079	Lynn Ortman
Georgia [1]	Atlanta	To Be Determined	917-769-2295	Max Feidelson & Tyler Krantz
Idaho [1]	Boise	To Be Determined	425-281-6180	Dale and Kelly Goff
Illinois	Chicagoland	To Be Determined	414-394-1068	Jinal & Gautam Patel
Illinois	Naperville	To Be Determined	630-205-3963	Gayle Rueter
Illinois	Park Ridge	To Be Determined	773-818-2509	Luis Sanchez
Illinois	Vernon Hills	To Be Determined	630-605-5344	Santanu Das
Indiana	Indianapolis	To Be Determined	561-251-5851	Jeffrey J. Teschke
Iowa [1]	Ankeny	To Be Determined	515-571-9261	Kenneth, Carson & Jordan Adams
Kentucky	Louisville	To Be Determined	859-893-1116	Benjamin Cater & Michael Browning
Louisiana	Prairieville	To Be Determined	225-803-8682	Idena & Doug Davidson

TABLE 3 FRANCHISED OUTLETS (Not Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Maryland	Silver Spring	To Be Determined	571-594-7660	Jeffery and Sandra Lutton
Massachusetts [1, 2]	Boston	To Be Determined	401-556-4626	Chris Kempner
Michigan [1]	Grand Rapids	To Be Determined	616-822-6623	Brandon Bissell
Michigan [1]	Grand Rapids	To Be Determined	616-843-5250	Tim Parker
Michigan [1]	Northville	To Be Determined	734-516-4539	Aimee and Wayne Seiler & Brian & Kelli Sternberg
Minnesota	St. Paul	To Be Determined	608-738-8364	Ian & Sophie Nancekivell
Minnesota	To Be Determined	To Be Determined	715-894-7336	Annette Caporusso
Minnesota [1]	Maplewood	To Be Determined	651-587-9537	Alissa & Andy Bert
Missouri [1]	St. Louis	To Be Determined	636-283-2444	Nick Losciuto
Nevada	Las Vegas	To Be Determined	561-251-5851	Jeffrey J. Teschke
Nevada	Las Vegas	To Be Determined	310-612-2945	Jainie Jaffer
New Hampshire [1, 2]	To Be Determined	To Be Determined	401-556-4626	Chris Kempner
New Jersey	Jersey City	To Be Determined	617-651-7773	Nancy Guo and Kelsey Sun
New Jersey	Morris County	To Be Determined	617-417-8697	Jeffrey E Snyder
New Jersey [1]	Berkley Heights	To Be Determined	203-241-2159	Joe & Carly Cugine
New Jersey [1]	Hudson	To Be Determined	917-299-5048	Robert Aiello
New Jersey	Tappan	To Be Determined	908-666-3020	Eric & Tara Hudson; Kristy & Peter Meringolo
New Jersey	Allentown	To Be Determined	732-682-4902	Daria & Brayan Scheff
New Jersey	To Be Determined	To Be Determined	414-394-1068	Jinal & Gautam Patel
New Jersey [1]	Somerset	To Be Determined	609-216-5054	Vishal Anand and Kate Foss
New Jersey [1]	To Be Determined	To Be Determined	908-770-7505	Joe & Tom Gallo
New Jersey [1, 2]	To Be Determined	To Be Determined	401-556-4626	Chris Kempner
New York	Albany Clifton Park	To Be Determined	518-365-4815	Jay Sellie & Jim Horvath
New York [1, 2]	To Be Determined	To Be Determined	401-556-4626	Chris Kempner
New York	Queens	To Be Determined	304-206-5287	Bridge Wang
North Carolina	Charlotte	To Be Determined	803-487-7711	Eric Gozur & Amanda Donovan
North Carolina	Raleigh	To Be Determined	919-395-5934	Dan Endres & Inma Munoz
North Carolina	Raleigh	To Be Determined	919-703-5169	Leigh Anne Frahm & Eric Lehman
North Carolina	Wilmington	To Be Determined	323-533-7975	Tyler & Christine Carmody
North Carolina	Holly Springs	To Be Determined	323-533-7975	Tom & Melissa Hughes
North Carolina	Charlotte	To Be Determined	804-549-8887	Kinjal & Ruchier Patel
Ohio	Cincinnati	To Be Determined	561-251-5851	Jeffrey J. Teschke
Ohio	Cleveland	To Be Determined	248-709-0167	Alex & Whitney Mazzenga
Oklahoma	To Be Determined	To Be Determined	972-890-0700	Zachary Leichtman-Levine
Oregon	Portland	To Be Determined	503-209-6970	David Nicoli & Jeremy Shidner
Oregon	Troutdale	To Be Determined	619-246-0382	Ashley Carron
Pennsylvania	Pittsburgh	To Be Determined	412-443-7011	Alden Rodriguez & Alden Rodriguez II
Pennsylvania	Jenkintown	To Be Determined	215-938-6665	Phil & Devra Pulley
Rhode Island	Warwick	To Be Determined	401-487-4827	David & Jenn Giardino
Rhode Island	East Providence	To Be Determined	401-413-2301	Siobhain Sullivan
South Carolina [1]	Charleston	To Be Determined	914-708-7396	Mark Lyle
South Carolina [1]	Columbia	To Be Determined	561-251-5851	Jeffrey J. Teschke

TABLE 3 FRANCHISED OUTLETS (Not Open As of December 31, 2025)				
State	**City**	**Address**	**Phone**	**Owner Name(s)**
Tennessee	Chattanooga	To Be Determined	561-251-5851	Jeffrey J. Teschke
Tennessee	Chattanooga	1607 Central Ave, Suite 109 Chattanooga, Tennessee 37404	423-874-8767	Cameron Estey
Tennessee	Knoxville	To Be Determined	937-232-3313	Jeremiah and Amanda Webb
Tennessee	Nashville	To Be Determined	917-769-2295	Tyler-Dean-Krantz and Max Feildeson
Texas	Denton	To Be Determined	580-254-1479	Ronnie Howell
Texas	Dallas	To Be Determined	214-728-8639	Jason & Tiffany Porter
Texas	To Be Determined	To Be Determined	972-890-0700	Zachary Leichtman-Levine
Texas	To Be Determined	To Be Determined	615-554-0123	Jennifer & Maurice Byrdsong
Texas [1]	Allen	To Be Determined	972-954-2322	Jeff Helgeson
Texas [1]	Frisco	To Be Determined	913-634-6221	Prashantbhai Patel, Atish Patel, Jeffy Thomas, Vikas Goyal, Dipa Patel – (Shawn Patel)
Texas [1]	Houston	To Be Determined	512-297-6822	Amber Woods
Texas [1]	Houston	To Be Determined	281-844-5026	Cody Lovins
Texas [1]	Houston	To Be Determined	832-308-3664	John Ledbetter
Texas [1]	Houston	To Be Determined	832-403-2993	Chris & Kaila King
Texas [1]	Pasadena	To Be Determined	713-205-0676	Justin and Laura Rosenhagen
Texas [1]	San Antonio	To Be Determined	210-964-0555	Devin Bhakta
Texas [1]	Sugarland	To Be Determined	620-655-4817	Shiraj Patel, Ronit Patel, Monica Shah, Ranjan Patel & Sejal Chokshi
Texas [1]	To Be Determined	To Be Determined	832-274-6616	Phil & Jennifer Gregor
Utah [1]	Salt Lake City	To Be Determined	805-679-1433	Kyle & Jessica Hill
Virginia	Richmond	3610D Cox Rd Richmond, Virginia 23233	301-332-7751	John Houston
Virginia	To Be Determined	To Be Determined	757-478-6320	Charles & Barbara Sutelan
Virginia [1]	Fairfax	To Be Determined	574-210-2751	Jim & Alexandra Hannesschlager, Casey & Kathryn Blackburn
Virginia [1]	Leesburg	To Be Determined	703-297-5377	Tom Payne
Washington	Kirkland	To Be Determined	571-317-8217	Allison Christian Rau & Michel Rau
Washington	Mill Plain	To Be Determined	619-246-0382	Ashley Carron
Washington [1]	Vancouver	To Be Determined	561-251-5851	Jeffrey J. Teschke
Washington [1]	Vancouver	To Be Determined	561-251-585	Jeffrey J. Teschke
Wisconsin	Verona	135 Enterprise Dr Verona, Wisconsin 53593	608-616-4003	Trevor Conti

Notes to Table 3:

1. These franchisees are area developers that signed area development agreements.
2. These are Affiliated Stores owned by Chris Kempner, who was a franchisee and area developer prior to acquiring a controlling interest in the franchisor. Because he is now listed in Item 2 of this Disclosure Document, we have reclassified his franchised outlets as Affiliated Stores. Mr. Kempner is also an area developer who signed an area development agreement.

Table 4: Former Franchisees Who Left the System in 2025

The following table lists our franchisees who left the system in 2025.

TABLE 4 FRANCHISEES WHO LEFT SYSTEM IN 2025			
State	**City**	**Current Business Phone or Last Known Home Phone**	**Owner Name(s)**
Arizona	Oro Valley	520-385-7382	Robert & Henry Jennings
Arizona	Phoenix	480-405-3646	Robert & Henry Jennings
Arizona	Phoenix	602-607-1500	Robert & Henry Jennings
Arizona	Phoenix	602-607-2777	Robert & Henry Jennings
Arizona	Tempe	520-834-8717	Robert & Henry Jennings
Arizona	Tucson	480-680-7018	Robert & Henry Jennings
California	Anaheim	714-706-3838	Larry Hartjoy
Colorado	Lafayette	720-263-4583	Ana Salazar
Illinois	Geneva	630-283-1700	Dana Champion
New Jersey	Belle Meade	908-751-1007	Vishal Anand & Kate Foss
New Jersey	Berkeley Heights	908-663-9449	Lillian Rodriguez and Mark Besser
Ohio	Columbus	614-254-6722	Ron and Sarah Minto
Texas	Pasadena	281-417-4660	Justin & Laura Rosenhagen
Texas	Fort Worth	817-886-4333	Jason & Tejal Wible
Virginia	Fredericksburg	540-212-7306	Lynn & Matt Konetschni

Notes to Table 4:

1. This franchise agreement was terminated prior to opening.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

EXHIBIT "H"

TO DISCLOSURE DOCUMENT

Financial Statements

[See Attached]

BETTER TOGETHER, LLC

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 27, 2025 AND DECEMBER 28, 2024



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BETTER TOGETHER, LLC
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YEARS ENDED DECEMBER 27, 2025 AND DECEMBER 28, 2024

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CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Member
Better Together, LLC
Phoenix, Arizona

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Better Together, LLC, which comprise the balance sheets as of December 27, 2025 and December 28, 2024, and the related statements of operations, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Better Together, LLC as of December 27, 2025 and December 28, 2024, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Better Together, LLC 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 Better Together, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Member
Better Together, LLC

Auditors' 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 auditors' 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 GAAS 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 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 GAAS, 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 Better Together, LLC'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 Better Together, LLC'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tempe, Arizona
March 9, 2026

BETTER TOGETHER, LLC
BALANCE SHEETS
DECEMBER 27, 2025 AND DECEMBER 28, 2024

	December 27, 2025	December 28, 2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 174,378	$ 630,228
Restricted Cash - Marketing Fund	10,649	4,803
Due from Parent - Funds Held in Trust	15,741,864	9,305,153
Accounts Receivable, Net	1,224,316	838,824
Deferred Commissions, Current Portion	691,471	585,262
Prepaid Expenses	331,808	415,833
Total Current Assets	18,174,486	11,780,103
CAPITALIZED SOFTWARE DEVELOPMENT COSTS, NET	1,616,254	3,020,912
NOTE RECEIVABLE FROM PARENT	52,594,900	42,653,724
OTHER ASSETS		
Other Assets, Net	270,751	273,083
Deferred Commissions, Net of Current Portion	1,994,420	2,498,825
Total Other Assets	2,265,171	2,771,908
Total Assets	$ 74,650,811	$ 60,226,647
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	$ 51,590	$ 158,567
Restricted Funds Payable - Marketing Fund	10,649	4,803
Total Current Liabilities	62,239	163,370
DEFERRED DEVELOPMENT FEES	1,869,000	1,557,500
DEFERRED FRANCHISE FEES	12,270,383	12,619,701
Total Liabilities	14,201,622	14,340,571
MEMBER'S EQUITY	60,449,189	45,886,076
Total Liabilities and Member's Equity	$ 74,650,811	$ 60,226,647

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 27, 2025 AND DECEMBER 28, 2024

	December 27, 2025	December 28, 2024
REVENUE		
Royalty Fees	$ 14,783,373	$ 14,238,077
Franchise Fees	1,953,811	797,123
Development Fees	538,000	593,250
Marketing Fund Fees	4,366,722	4,419,712
Other Operating Income	1,723,212	1,423,092
Total Revenue	23,365,118	21,471,254
OPERATING EXPENSES	11,792,883	11,487,427
INCOME FROM OPERATIONS	11,572,235	9,983,827
INTEREST INCOME	2,988,415	1,908,029
NET INCOME	$ 14,560,650	$ 11,891,856

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF MEMBER'S EQUITY
YEARS ENDED DECEMBER 27, 2025 AND DECEMBER 28, 2024

BALANCE - DECEMBER 30, 2023	$ 37,288,971
Distributions to Member	(3,323,000)
Contribution from Member	28,249
Net Income	11,891,856
BALANCE - DECEMBER 28, 2024	45,886,076
Distributions to Member	(15,597)
Contribution from Member	18,060
Net Income	14,560,650
BALANCE - DECEMBER 27, 2025	$ 60,449,189

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 27, 2025 AND DECEMBER 28, 2024

	December 27, 2025	December 28, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 14,560,650	$ 11,891,856
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization Expense	1,372,544	1,207,459
Accrued Interest on Note Receivable	421,107	-
Provision for Doubtful Accounts	(12,614)	(204,474)
Changes in Assets and Liabilities:		
Accounts Receivable, Net	(372,878)	1,425,014
Deferred Commissions	398,196	388,160
Prepaid Expenses	84,025	(372,267)
Accounts Payable and Accrued Expenses	(106,977)	(21,837)
Due to Affiliates	-	(41,847)
Restricted Funds Payable - Brand Fund	5,846	(11,846)
Deferred Other Fees	-	(52,375)
Deferred Development Fees	311,500	(841,300)
Deferred Franchise Fees	(349,318)	552,996
Net Cash Provided by Operating Activities	16,312,081	13,919,539
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Capitalized Software in Development	(118,692)	(542,895)
Advances to Parent	(10,362,283)	(8,849,068)
Due from Parent - Funds Held in Trust	(6,436,711)	(661,889)
Net Cash Used by Investing Activities	(16,917,686)	(10,053,852)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to Member	(15,597)	(3,323,000)
Contributions from Members	18,060	28,249
Net Cash Provided (Used) by Financing Activities	2,463	(3,294,751)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(603,142)	570,936
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	635,031	64,095
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	$ 31,889	$ 635,031
Cash and Cash Equivalents	$ 174,378	$ 630,228
Restricted Cash - Marketing Fund	10,649	4,803
Total Cash, Cash Equivalents, and Restricted Cash - End of Year	$ 185,027	$ 635,031

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
NOTES TO FINANCIAL STATEMENTS
DECEMBER 27, 2025 AND DECEMBER 28, 2024

NOTE 1 DESCRIPTION OF BUSINESS

Better Together, LLC (the Company) was organized on September 10, 2012 under the name Happy To Be Here, LLC. In December 2015, the Company changed its name to Better Together, LLC. The Company's administrative offices are located in Phoenix, Arizona. The Company is wholly owned by its parent company, Dogtopia Enterprises, LLC (the Parent). The Company's fiscal year coincides with a retail calendar and ends on the last Saturday closest to December 31.

The Company was established to offer franchises to third parties to operate under its trade name, Dogtopia, which provides day care, overnight and vacation stays, spa, and grooming services.

Certain operating expenses reflected in the financial statements include charges for certain services provided by the Parent. These charges have been determined using methodologies that reasonably reflect the Company's direct benefit derived from such expenditures (see Note 3).

Franchisee activity for the years ended December 27, 2025 and December 28, 2024 was as follows:

	December 27, 2025	December 28, 2024
Store Count - Beginning of Year	263	244
Store Opening During the Year	9	19
Store Closings During the Year	(5)	-
Store Count - End of Year	267	263

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the guidelines for presentation of financial statements prescribed by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 952, *Franchisors*.

Use of Estimates

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash includes cash and, at times, cash equivalents which consist of highly liquid financial investments with original maturities of three months or less. The Company maintains cash deposits with major banks and financial institutions. Deposits at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per institution.

Restricted Cash

Restricted cash includes funds held for the benefit of the Ad Fund (see Note 3).

Allowances for Credit Losses and Accounts Receivable

Accounts receivable include amounts due from franchisees related to royalty fees, national advertising fund fees, franchise fees and development fees. Accounts receivable for franchise fees and development fees are generally due upon receipt of the invoice. Accounts receivable for royalty fees and national advertising fund fees are generally due within five days of invoicing. Accounts receivables are stated at their face amounts less an allowance for credit losses. The allowance represents an estimate of expected credit losses based upon a specific review of all significant outstanding invoices. For those invoices not specifically reviewed, provisions are provided at differing rates, based upon the age of the receivable, historical experience and current and expected future economic conditions. The Company writes-off a receivable and charges it against its recorded allowance when management have exhausted collection efforts without success. The allowance for doubtful accounts was $73,989 and $86,603 at December 27, 2025 and December 28, 2024, respectively.

Capitalized Software Development Costs

The Company capitalizes certain costs to internally develop software consisting primarily of the vendor costs associated with creating the software. Capitalized costs are amortized beginning when the project is placed in service using the straight-line method over the estimated lives of the software (generally less than five years). Software development projects generally include three stages: the preliminary project stage (all costs expensed as incurred), the application development stage (certain costs capitalized, certain costs expensed as incurred), and the post-implementation/operation stage (all costs expensed as incurred). The costs the Company capitalizes in the application development stage primarily include the costs of designing the application, coding, installation of hardware, and testing.

Deferred Commissions

Certain franchise agreements are associated with a commission paid upon the signing of the agreement, equal to 23% or 25% of the franchise fee which are considered costs to obtain a contract. As the costs are associated with the licensing of intellectual property as described above, the Company amortizes the costs over the franchise term of 10 years on a straight-line basis. During the years ended December 27, 2025 and December 28, 2024, the Company recognized amortization expense of $718,834 and $691,471, respectively, which is included in operating expenses in the accompanying statement of operations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including capitalized software development costs and franchise agreements, 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 future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded by the Company for the years ended December 27, 2025 and December 28, 2024.

Franchise Agreements

During 2021, the Company reacquired certain franchise rights for undeveloped territories totaling $242,825, which is included in other assets on the accompanying balance sheets. The Company intends on remarketing the territory and selling the franchise rights. The franchise rights are not amortized and are evaluated for impairment by the Company whenever events or changes in circumstances indicate that the carrying amount of the franchise rights may not be recoverable. No impairment charges were recorded by the Company for the years ended December 27, 2025 and December 28, 2024.

Revenue Recognition

The Company generates revenue primarily through royalties, franchise fees, development fees, and advertising fund fees. The Company recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Company satisfies a performance obligation.

Franchise Fees

The Company generally requires the entire nonrefundable initial franchise fee to be paid upon execution of a franchise agreement, which has an initial term of 10 years. The Company's services under the franchise agreement include: training of franchisees and staff and ongoing operations support. These preopening services provide by the Company are a single performance obligation and the franchise fee is recognized upon satisfaction and completion of the pre-opening services by the Company. Generally, the preopening services are completed upon the opening of the franchisee's location. If the preopening services are not completed or are in process, the cash received is initially recorded as a contract liability (deferred franchise fee).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Development Fees

Development fees relate to construction management fees, which are elective at the option of the franchisee. The Company's services include site selection and construction/vendor management services, and the transaction price is determined as a function of costs incurred. Development fee revenue is recognized at the time a lease agreement is signed by the franchisee as this represents the point in time that the Company's obligations have been completed. Depending on the timing of cash receipt for these fees, the recognition of revenue results in either accounts receivable or, if received prior to the satisfaction of the performance obligations, a contract liability on the balance sheet (deferred development fee).

Royalties and Marketing Fund Fees

The Company collects royalties, as stipulated in the franchise agreement, equal to 7% of gross sales, and a marketing fund fee currently equal to 2% of gross sales. Royalties, including franchisee contributions to marketing funds, are calculated as a percentage of franchisee sales over the term of the franchise agreement. The franchise agreement royalties, inclusive of marketing fund contributions, represent sales-based royalties that are related entirely to the Company's performance obligation under the franchise agreement and are recognized as franchisee level sales occur. Royalties and marketing fees are calculated and billed each Saturday and are collected the following Wednesday after each sales period has ended. Based on the timing within a fiscal period, the recognition of revenue results in accounts receivable on the balance sheet.

Other Revenues

The Company also charges fees for the management of franchisee microsites, call center activity, and technology fees. Fees are collected on a weekly basis and recognized as revenue in the period the services were provided.

Conference Revenue

The Company holds an annual conference in which attendees pay an entrance fee as an individual or provide sponsorship. Revenue is recognized upon the event occurring and is included in other operating income in the accompanying statements of operations.

The beginning and ending accounts receivable and contract liability balances were as follows:

`	December 27, 2025	December 28, 2024	December 31, 2023
Accounts Receivable	$ 1,224,316	$ 838,824	$ 2,059,364
Contract Liabilities:			
Deferred Franchise Fees	12,270,383	12,619,701	12,066,705
Deferred Development Fees	1,869,000	1,557,500	2,398,800
Deferred Other Fees	-	-	52,375
Restricted Funds Payable - Marketing Fund	10,649	4,803	16,649

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Company is a single member LLC and is treated as a disregarded entity for federal and state income tax purposes. As such, income and losses of the Company pass through to the Parent. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Company evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. At December 27, 2025 and December 28, 2024, management of the Company does not believe it has any uncertain tax positions.

Subsequent Events

In preparing these financial statements, the Company has evaluated subsequent events and transactions for potential recognition or disclosure through March 9, 2026, the date the financial statements were available to be issued.

NOTE 3 RESTRICTED CASH

The Company is responsible for the direction and administration of the Marketing Fund program on behalf of the Franchisees, as provided for in its franchise agreements. Accordingly, each franchisee is required to contribute to this program. The Company assesses Brand Fund contributions due from franchisees at a flat rate based on franchise type, as defined in its franchise disclosure document. The amounts received in the Marketing Fund are restricted for designated use. Amounts not used for current year expenditures are retained for future programs. The Marketing Fund account had a balance of $10,649 and $4,803 at December 27, 2025 and December 28, 2024, respectively.

NOTE 4 SOFTWARE DEVELOPMENT

Capitalized software development costs consisted of the following at December 27, 2025 and December 28, 2024:

	December 27, 2025	December 28, 2024
Internally Developed Software	$ 4,797,945	$ 4,836,029
Less: Accumulated Amortization	(3,181,691)	(1,815,117)
Total	$ 1,616,254	$ 3,020,912

Amortization expense was $1,417,220 and $1,205,137 for the years ended December 27, 2025 and December 28, 2024, respectively.

NOTE 4 SOFTWARE DEVELOPMENT (CONTINUED)

Estimated amortization expense for assets currently in-service for each of the next three years is as follows:

Year Ending December,	Amount
2026	$ 1,326,222
2027	360,440
2028	31,116
2029	1,719
2030	1,566
Thereafter	1,321
Total	$ 1,722,384

NOTE 5 RELATED PARTY TRANSACTIONS

During the years ended December 27, 2025 and 2024, the Company transferred approximately $6,220,000 and $591,000 of cash, respectively, to the Parent to use to purchase treasury bills on behalf of the Company. The funds are held in a financial institution account in the name of the Parent. The treasury bills are redeemable by the Parent at will with no penalty. The value of the treasury bill investments was $16,483,609 and $9,305,153 as of December 27, 2025 and December 28, 2024, respectively, which is reflected in Due from Parent – Funds Held in Trust on the accompanying balance sheet.

As of December 27, 2025 and December 28, 2024, the Company had no significant payables to affiliates .

The Company has a note receivable due from the Parent. The note receivable bears interest at 6% and calls for interest only payments of $213,268 per month with any unpaid principal and interest due upon maturity. The note receivable matures on December 30, 2034. The balance of the note receivable for the years ending December 27, 2025 and December 28, 2024 was $52,594,900 and $42,653,724, respectively. For the years ending December 27, 2025 and December 28, 2024, the Company accrued interest income totaling $2,426,481 and $1,521,207, respectively.

BETTER TOGETHER, LLC

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 28, 2024 AND DECEMBER 30, 2023



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BETTER TOGETHER, LLC
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YEARS ENDED DECEMBER 28, 2024 AND DECEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

Member
Better Together, LLC
Phoenix, Arizona

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Better Together, LLC (the Company), which comprise the balance sheets as of December 28, 2024 and December 30, 2023, and the related statements of operations, member's equity, 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 Better Together, LLC as of December 28, 2024 and December 30, 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Better Together, LLC, 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 these 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 Better Together, LLC's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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Member
Better Together, LLC

Auditors' 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 auditors' 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 GAAS 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 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 GAAS, 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 Better Together, LLC'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 Better Together, LLC'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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Phoenix, Arizona
March 20, 2025

BETTER TOGETHER, LLC
BALANCE SHEETS
DECEMBER 28, 2024 AND DECEMBER 30, 2023

	December 28, 2024	December 30, 2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 630,228	$ 47,446
Restricted Cash - Marketing Fund	4,803	16,649
Due from Parent - Funds Held in Trust	9,305,153	8,643,264
Accounts Receivable, Net	838,824	2,059,364
Deferred Commissions, Current Portion	585,262	570,784
Prepaid Expenses	415,833	43,566
Total Current Assets	11,780,103	11,381,073
CAPITALIZED SOFTWARE DEVELOPMENT COSTS, NET	3,020,912	3,683,154
NOTE RECEIVABLE FROM PARENT	42,653,724	33,804,656
OTHER ASSETS		
Other Assets, Net	273,083	275,405
Deferred Commissions, Net of Current Portion	2,498,825	2,901,463
Total Other Assets	2,771,908	3,176,868
Total Assets	$ 60,226,647	$ 52,045,751
LIABILITIES AND MEMBER'S EQUITY		
CURRENT LIABILITIES		
Accounts Payable and Accrued Expenses	$ 158,567	$ 180,404
Due to Affiliates	-	41,847
Deferred Other Fees	-	52,375
Restricted Funds Payable - Marketing Fund	4,803	16,649
Total Current Liabilities	163,370	291,275
DEFERRED DEVELOPMENT FEES	1,557,500	2,398,800
DEFERRED FRANCHISE FEES	12,619,701	12,066,705
Total Liabilities	14,340,571	14,756,780
MEMBER'S EQUITY	45,886,076	37,288,971
Total Liabilities and Member's Equity	$ 60,226,647	$ 52,045,751

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF OPERATIONS
YEARS ENDED DECEMBER 28, 2024 AND DECEMBER 30, 2023

	December 28, 2024	December 30, 2023
REVENUE		
Royalty Fees	$ 14,238,077	$ 12,812,531
Franchise Fees	797,123	2,268,402
Development Fees	593,250	567,850
Marketing Fund Fees	4,419,712	3,565,429
Other Operating Income	1,423,092	1,704,584
Total Revenue	21,471,254	20,918,796
OPERATING EXPENSES	11,487,427	9,464,199
INCOME FROM OPERATIONS	9,983,827	11,454,597
INTEREST INCOME	1,908,029	405,076
NET INCOME	$ 11,891,856	$ 11,859,673

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF MEMBER'S EQUITY
YEARS ENDED DECEMBER 28, 2024 AND DECEMBER 30, 2023

BALANCE - DECEMBER 31, 2022	$ 26,775,900
Distributions to Member	(1,346,602)
Net Income	11,859,673
BALANCE - DECEMBER 30, 2023	37,288,971
Distributions to Member	(3,323,000)
Contribution from Member	28,249
Net Income	11,891,856
BALANCE - DECEMBER 28, 2024	$ 45,886,076

See accompanying Notes to Financial Statements.

BETTER TOGETHER, LLC
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 28, 2024 AND DECEMBER 30, 2023

	December 28, 2024	December 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	$ 11,891,856	$ 11,859,673
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization Expense	1,207,459	179,050
Provision for Doubtful Accounts	(204,474)	261,077
Changes in Assets and Liabilities:		
Accounts Receivable, Net	1,425,014	531,554
Deferred Commissions	388,160	(121,720)
Prepaid Expenses	(372,267)	32,509
Accounts Payable and Accrued Expenses	(21,837)	(5,391)
Due to Affiliates	(41,847)	41,847
Restricted Funds Payable - Brand Fund	(11,846)	(909,938)
Deferred Other Fees	(52,375)	52,375
Deferred Development Fees	(841,300)	65,400
Deferred Franchise Fees	552,996	471,145
Net Cash Provided by Operating Activities	13,919,539	12,457,581
CASH FLOWS FROM INVESTING ACTIVITIES		
Costs Incurred and Capitalized to Trademarks	-	(723)
Purchase of Capitalized Software in Development	(542,895)	(2,421,643)
Advances to Parent	(8,849,068)	(9,587,942)
Due from Parent Company and Related Entities	-	1,120,393
Due from Parent - Funds Held in Trust	(661,889)	(8,643,264)
Net Cash Used by Investing Activities	(10,053,852)	(19,533,179)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions to Member	(3,323,000)	(1,346,602)
Contributions from Members	28,249	-
Net Cash Used by Financing Activities	(3,294,751)	(1,346,602)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	570,936	(8,422,200)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	64,095	8,486,295
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - END OF YEAR	$ 635,031	$ 64,095
Cash and Cash Equivalents	$ 630,228	$ 47,446
Restricted Cash - Marketing Fund	4,803	16,649
Total Cash, Cash Equivalents, and Restricted Cash - End of Year	$ 635,031	$ 64,095

See accompanying Notes to Financial Statements.

NOTE 1 DESCRIPTION OF BUSINESS

Better Together, LLC (the Company) was organized on September 10, 2012 under the name Happy To Be Here, LLC. In December 2015, the Company changed its name to Better Together, LLC. The Company's administrative offices are located in Phoenix, Arizona. The Company is wholly owned by its parent company, Dogtopia Enterprises, LLC (the Parent). The Company's fiscal year coincides with a retail calendar and ends on the last Saturday closest to December 31.

The Company was established to offer franchises to third parties to operate under its trade name, Dogtopia, which provides day care, overnight and vacation stays, spa, and grooming services.

Certain operating expenses reflected in the financial statements include charges for certain services provided by the Parent. These charges have been determined using methodologies that reasonably reflect the Company's direct benefit derived from such expenditures (see Note 3).

Franchisee activity for the years ended December 28, 2024 and December 30, 2023 was as follows:

	December 28, 2024	December 30, 2023
Store Count - Beginning of Year	244	205
Store Opening During the Year	19	39
Store Closings During the Year	-	-
Store Count - End of Year	263	244

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared in accordance with the guidelines for presentation of financial statements prescribed by Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 952, *Franchisors*.

Use of Estimates

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash includes cash and, at times, cash equivalents which consist of highly liquid financial investments with original maturities of three months or less. The Company maintains cash deposits with major banks and financial institutions. Deposits at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per institution.

Restricted Cash

Restricted cash includes funds held for the benefit of the Ad Fund (see Note 3).

Allowances for Credit Losses and Accounts Receivable

Accounts receivable include amounts due from franchisees related to royalty fees, national advertising fund fees, franchise fees and development fees. Accounts receivable for franchise fees and development fees are generally due upon receipt of the invoice. Accounts receivable for royalty fees and national advertising fund fees are generally due within five days of invoicing. Accounts receivables are stated at their face amounts less an allowance for credit losses. The allowance represents an estimate of expected credit losses based upon a specific review of all significant outstanding invoices. For those invoices not specifically reviewed, provisions are provided at differing rates, based upon the age of the receivable, historical experience and current and expected future economic conditions. The Company writes-off a receivable and charges it against its recorded allowance when management have exhausted collection efforts without success. The allowance for doubtful accounts was $86,603 and $291,077 at December 28, 2024 and December 30, 2023, respectively.

Capitalized Software Development Costs

The Company capitalizes certain costs to internally develop software consisting primarily of the vendor costs associated with creating the software. Capitalized costs are amortized beginning when the project is placed in service using the straight-line method over the estimated lives of the software (generally less than five years). Software development projects generally include three stages: the preliminary project stage (all costs expensed as incurred), the application development stage (certain costs capitalized, certain costs expensed as incurred), and the post-implementation/operation stage (all costs expensed as incurred). The costs the Company capitalizes in the application development stage primarily include the costs of designing the application, coding, installation of hardware, and testing.

Deferred Commissions

Certain franchise agreements are associated with a commission paid upon the signing of the agreement, equal to 23% or 25% of the franchise fee which are considered costs to obtain a contract. As the costs are associated with the licensing of intellectual property as described above, the Company amortizes the costs over the franchise term of 10 years on a straight-line basis. During the years ended December 28, 2024 and December 30, 2023, the Company recognized amortization expense of $691,471 and $541,754, respectively, which is included in operating expenses in the accompanying statement of operations.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Company reviews long-lived assets, including capitalized software development costs and franchise agreements, 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 future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded by the Company for the years ended December 28, 2024 and December 30, 2023.

Franchise Agreements

The Company acquired the rights to 25 operating franchisees which pay royalties based on weekly revenue. Under FASB ASC 350, *Intangibles, Goodwill and Other*, finite-lived intangibles are amortized on a straight-line basis over their estimated useful lives. If the estimate of the asset's useful life is changed, the remaining carrying amount would be amortized prospectively over the revised remaining useful life. If the asset is subsequently determined to have an indefinite useful life, amortization would be discontinued, and the asset would be tested for impairment as described above. Accordingly, an impairment loss is recognized if the carrying amount of a finite-lived intangible asset is not recoverable and its carrying value exceeds its fair value.

The franchise agreements are amortized over the life of the initial franchise agreement remaining at the time of the acquisition, which expired through 2022. The franchise agreements were fully amortized as of December 31, 2022.

During 2021, the Company reacquired certain franchise rights for undeveloped territories totaling $242,825, which is included in other assets on the accompanying balance sheets. The Company intends on remarketing the territory and selling the franchise rights. The franchise rights are not amortized and are evaluated for impairment by the Company whenever events or changes in circumstances indicate that the carrying amount of the franchise rights may not be recoverable. No impairment charges were recorded by the Company for the years ended December 28, 2024 and December 30, 2023.

Revenue Recognition

The Company generates revenue primarily through royalties, franchise fees, development fees, and advertising fund fees. The Company recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for the arrangements that the Company determines are within the scope of Topic 606, the Company performs the following five steps: (1) identify the contract(s) with a customer; (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the Company satisfies a performance obligation.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Franchise Fees

The Company generally requires the entire nonrefundable initial franchise fee to be paid upon execution of a franchise agreement, which has an initial term of 10 years. The Company's services under the franchise agreement include: training of franchisees and staff and ongoing operations support. These preopening services provide by the Company are a single performance obligation and the franchise fee is recognized upon satisfaction and completion of the pre-opening services by the Company. Generally, the preopening services are completed upon the opening of the franchisee's location. If the preopening services are not completed or are in process, the cash received is initially recorded as a contract liability (deferred franchise fee).

Development Fees

Development fees relate to construction management fees, which are elective at the option of the franchisee. The Company's services include site selection and construction/vendor management services, and the transaction price is determined as a function of costs incurred. Development fee revenue is recognized at the time a lease agreement is signed by the franchisee as this represents the point in time that the Company's obligations have been completed. Depending on the timing of cash receipt for these fees, the recognition of revenue results in either accounts receivable or, if received prior to the satisfaction of the performance obligations, a contract liability on the balance sheet (deferred development fee).

Royalties and Marketing Fund Fees

The Company collects royalties, as stipulated in the franchise agreement, equal to 7% of gross sales, and a marketing fund fee currently equal to 2% of gross sales. Royalties, including franchisee contributions to marketing funds, are calculated as a percentage of franchisee sales over the term of the franchise agreement. The franchise agreement royalties, inclusive of marketing fund contributions, represent sales-based royalties that are related entirely to the Company's performance obligation under the franchise agreement and are recognized as franchisee level sales occur. Royalties and marketing fees are calculated and billed each Saturday and are collected the following Wednesday after each sales period has ended. Based on the timing within a fiscal period, the recognition of revenue results in accounts receivable on the balance sheet.

Other Revenues

The Company also charges fees for the management of franchisee microsites, call center activity, and technology fees. Fees are collected on a weekly basis and recognized as revenue in the period the services were provided.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Conference Revenue

The Company holds an annual conference in which attendees pay an entrance fee as an individual or provide sponsorship. Revenue is recognized upon the event occurring and is included in other operating income in the accompanying statements of operations.

Accounts Receivable and Liabilities

The beginning and ending accounts receivable and contract liability balances were as follows:

	December 28, 2024	December 30, 2023	January 1, 2023
Accounts Receivable	$ 838,824	$ 2,059,364	$ 2,851,995
Contract Liabilities:			
Deferred Franchise Fees	12,619,701	12,066,705	11,595,560
Deferred Development Fees	1,557,500	2,398,800	2,333,400
Deferred Other Fees	-	52,375	-
Restricted Funds Payable - Marketing Fund	4,803	16,649	926,587

Income Taxes

The Company is a single member LLC and is treated as a disregarded entity for federal and state income tax purposes. As such, income and losses of the Company pass through to the Parent. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Company evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. At December 28, 2024 and December 30, 2023, management of the Company does not believe it has any uncertain tax positions.

Subsequent Events

In preparing these financial statements, the Company has evaluated subsequent events and transactions for potential recognition or disclosure through March 20, 2025, the date the financial statements were available to be issued.

NOTE 3 RESTRICTED CASH

The Company is responsible for the direction and administration of the Marketing Fund program on behalf of the Franchisees, as provided for in its franchise agreements. Accordingly, each franchisee is required to contribute to this program. The Company assesses Brand Fund contributions due from franchisees at a flat rate based on franchise type, as defined in its franchise disclosure document. The amounts received in the Marketing Fund are restricted for designated use. Amounts not used for current year expenditures are retained for future programs. The Marketing Fund account had a balance of $4,803 and $16,649 at December 28, 2024 and December 30, 2023, respectively.

NOTE 4 SOFTWARE DEVELOPMENT

Capitalized software development costs consisted of the following at December 28, 2024 and December 30, 2023:

	December 28, 2024	December 30, 2023
Internally Developed Software	$ 4,836,029	$ 1,275,229
Software Development In-Process	-	3,017,905
Total	4,836,029	4,293,134
Less: Accumulated Amortization	(1,815,117)	(609,980)
Total	$ 3,020,912	$ 3,683,154

Amortization expense was $1,205,137 and $176,758 for the years ended December 28, 2024 and December 30, 2023, respectively.

Estimated amortization expense for assets currently in-service for each of the next three years is as follows:

Year Ending December,	Amount
2025	$ 1,412,042
2026	1,279,556
2027	319,402
2028	5,332
2029	1,717
Thereafter	2,863
Total	$ 3,020,912

NOTE 5 RELATED PARTY TRANSACTIONS

During 2023 and 2024, the Company transferred $8,300,000 and $591,000 of cash, respectively, to the Parent to use to purchase treasury bills on behalf of the Company. The funds are held in a financial institution account in the name of the Parent. The treasury bills are redeemable by the Parent at will with no penalty. The value of the treasury bill investments was $9,305,153 and $8,643,264 as of December 28, 2024 and December 30, 2023, respectively, which is reflected in Due from Parent – Funds Held in Trust on the accompanying balance sheet.

As of December 28, 2024 and December 30, 2023, the Company had payables to affiliates of $-0- and $41,847, respectively. There were no specific repayment terms and the amounts did not bear interest.

The Company has a note receivable due from the Parent. The note receivable bears interest at 6% and calls for interest only payments of $213,268 per month with any unpaid principal and interest due upon maturity. The note receivable matures on December 30, 2034. The balance of the note receivable was $42,653,724 at December 28, 2024. During 2024, the Company accrued interest income totaling $1,521,207. There was no interest accrued in 2023 as the amount was waived.

EXHIBIT "I"

TO DISCLOSURE DOCUMENT

Multi-State Addenda

[See Attached]

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS,

AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR

BETTER TOGETHER, LLC

BACKGROUND AND PURPOSE

The following modifications are made to the Dogtopia Franchise Disclosure Document ("FDD" or "Disclosure Document") issued by Better Together, LLC ("we" or "us" or "franchisor") to franchisee ("you" or "franchisee") and may supersede, to the extent required by applicable state law, certain portions of the Franchise Agreement between you and us dated _____, 202__ (the "Franchise Agreement"). When the term "Supplemental Agreements" is used, it means any area development agreement, area representative agreement, master franchise agreement, or similar agreement entered into between us and you, if applicable.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement, Supplemental Agreements and other documents related to the sale of a franchise. This State-Specific Addendum ("State Addendum") will modify these agreements to comply with the applicable 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 (but only the State Addendum for the applicable State) 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, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, 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. If you sign this State Addendum, only the terms applicable to the state or states whose franchise laws apply to your transaction will govern. If you sign this State Addendum, but none of the state franchise laws listed above applies because their jurisdictional requirements have not been met, then this State Addendum will be void and inapplicable to you.

CALIFORNIA

1. The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the Disclosure Document.

2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the Commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

3. Neither the franchisor nor any person or franchise broker 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.

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

5. The Franchise Agreement and Supplemental Agreements require binding arbitration. The arbitration will occur in Arizona with the costs being borne by the non-prevailing party.

6. 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 a Franchise Agreement or Supplemental Agreement restricting venue to a forum outside the State of California.

7. The Franchise Agreement and Supplemental Agreements require application of the laws of Arizona. This provision may not be enforceable under California law.

8. The Franchise Agreement and Supplemental Agreements may 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.).

9. The Franchise Agreement and Supplemental Agreements may contain a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California law.

10. 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.

11. 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.

12. 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). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

13. OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA

DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT https://dfpi.ca.gov/.

14. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII

1. 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 DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN 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.

2. Our 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

3. The states in which this filing is effective are listed on the Exhibit to the FDD titled "State Effective Dates".

4. The states in which this filing is or will be shortly on file include the following: Hawaii, Illinois, Maryland, Minnesota, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

5. The states, if any, which have refused, by order or otherwise, to register these franchises include the following: None.

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

7. The states, if any, in which the filing of these franchises has been withdrawn include the following: None.

8. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS 705, the Disclosure Document and the Franchise Agreement and Supplemental Agreements are amended as follows:

1. Illinois law shall apply to and govern the Franchise Agreement and Supplemental Agreements.

2. In accordance with Section 4 of the Illinois Franchise Disclosure Act, any provision in the Franchise Agreement and Supplemental Agreements that designated jurisdiction and venue in a forum outside of the State of Illinoi is void. However, the Franchise Agreement and Supplemental Agreements may provide for arbitration to take place outside of Illinois. Therefore, any arbitration proceeding may be brought in Arizona in accordance with the dispute resolution provision set forth in the Franchise Agreement and Supplemental Agreements.

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

4. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. The Franchise Agreement and Supplemental Agreements are amended to state the following:

   To the extent that any provision in the Illinois State Addendum is inconsistent with any provision in this Agreement, the provision in the Illinois State Addendum shall control.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

INDIANA

In recognition of the requirements of the Indiana Franchise Disclosure Law, IC 23-2-2-2.5, the Franchise Agreement and Supplemental Agreements are amended as follows:

1. The laws of the State of Indiana supersede any provisions of the Disclosure Document, Franchise Agreement and Supplemental Agreements if such provisions are in conflict with Indiana law.

2. The Franchise Agreement and Supplemental Agreements are amended to provide that such agreements will be construed in accordance with the laws of the State of Indiana.

3. Any provision in the Franchise Agreement which designates jurisdiction or venue, or requires the franchisee to agree to jurisdiction or venue, in a forum outside of Indiana, is deleted from any Franchise Agreement and Supplemental Agreement issued in the State of Indiana.

4. 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 therein as material breach of the Franchise Agreement or Supplemental Agreement (as applicable), shall supersede the provisions of the Franchise Agreement or Supplemental Agreement (as applicable) in the State of Indiana to the extent they may be inconsistent with such prohibition.

5. Termination penalties are prohibited by law in the State of Indiana. Therefore, the Disclosure Document, the Franchise Agreement and Supplemental Agreements are amended to delete all references to any fees or other financial obligations that constitute termination penalties under Indiana law.

6. No release language set forth in the Disclosure Document or Franchise Agreement or Supplemental Agreement shall relieve franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Indiana. Any provision in the Franchise Agreement or Supplemental 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.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND

In recognition of the requirements of the Maryland Franchise Registration and Disclosure Law (the "Maryland Franchise Law"), the Disclosure Document is amended as follows:

1. Item 5 of the Disclosure Document is amended to add the following:

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

2. Item 17 of the Disclosure Document is amended to add the following:

   (a) The general release required as a condition of renewal, sale and/or assignment/transfer shall not apply any liability under the Maryland Franchise Registration and Disclosure Law.

   (b) A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

   (d) In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.

   (e) The Franchise Agreement and Supplemental Agreements provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

3. The Franchise Disclosure Questionnaire, which is attached as an Exhibit to the Disclosure Document, is amended as follows:

   All representations requiring prospective franchisees to assent to the 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.

   In recognition of the requirements of the Maryland Franchise Law, the Franchise Agreement and Supplemental Agreements are amended to add the following:

4. Any claims arising under the Maryland Franchise Law must be brought within three (3) years after the grant of the franchise.

5. Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

6. You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Law.

7. The Franchise Questionnaire that you completed in connection with your application for the franchise requires you, as a prospective franchisee, to disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Franchise Law as a condition to your purchase of the franchise. Any such representations are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Law.

8. Any acknowledgements or representations by you that disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Maryland Law are not intended to

nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Law.

9. Nothing in the Franchise Agreement, Supplemental Agreement or in any related agreement is intended to disclaim the representations made in the Franchise Disclosure Document.

10. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND ADDENDUM TO THE FRANCHISE AGREEMENT

1) Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

2) The Franchise Agreement provides for termination upon bankruptcy of the Franchisee. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

3) The Franchise Agreement requires that the franchise be governed by the laws of the State of Arizona; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.

4) The Franchise Agreement requires mediation, arbitration, or litigation to be conducted in the State of Arizona. Franchisee may bring lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5) The Franchise Agreement is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.

6) All representations requiring prospective franchisees to assent to the 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.

7) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Maryland Addendum concurrently with the execution of the Franchise Agreement on this day _____.

Franchisor	**Franchisee**
Better Together, LLC, a Delaware limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

MARYLAND ADDENDUM TO THE AREA DEVELOPMENT AGREEMENT

1) Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Law.

2) The Area Development Agreement provides for termination upon bankruptcy of the Franchisee. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

3) The Area Development Agreement requires that the franchise be governed by the laws of the State of Arizona; however, in the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.

4) The Area Development Agreement requires mediation, arbitration, or litigation to be conducted in the State of Arizona. Franchisee may bring lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5) The Area Development Agreement is amended to the extent that any claims arising under the Maryland Franchise Registration and Disclosure Law may be brought within three (3) years after the grant of the franchise.

6) All representations requiring prospective franchisees to assent to the 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.

7) No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Maryland Addendum concurrently with the execution of the Area Development Agreement on this day _____.

Franchisor	**Franchisee**
Better Together, LLC, a Delaware limited liability company	_____, a(n) _____
By: _____	By: _____
Name: _____	Name: _____
Its: _____	Its: _____

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 document relating to a franchise:

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

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

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

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

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

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

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

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

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

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

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

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48913
Telephone Number: (517) 373-7117

MINNESOTA

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et. seq., the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Minnesota Rule 2860.4400(D) prohibits us from requiring you to assent to a general release.

2. 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 or Supplemental Agreement; and that consent to the transfer of the franchise will not be unreasonably withheld.

3. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce any of your rights as provided for in Minnesota Statues, chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. In addition, we will comply with the provisions of Minnesota Rule 2860.4400(J), which state that you cannot waive any rights, you cannot consent to our obtaining injunctive relief, we may seek injunctive relief, and a court will determine if a bond if required.

4. We will comply with Minnesota Statute Section 80C.12, Subd. 1(g), which requires that we protect your right to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

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

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK

In recognition of the requirements of the General Business Laws of the State of New York, Article 33, §§680 through 695, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Thefollowing information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

   Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

   A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

   B. No such party has pending actions other than routine litigation incidental to the business that is 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 ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

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

a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a 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; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

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

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

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

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

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

NORTH DAKOTA

In recognition of the requirements of the North Dakota Franchise Investment Law (the "North Dakota Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Covenants not to compete are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Law. Item 17(r) of the Disclosure Document and certain provisions in the Franchise Agreement and Supplemental Agreements include certain covenants restricting competition to which you 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 Law. The Disclosure Document, Franchise Agreement and Supplemental Agreements are amended accordingly to the extent required by law.

2. Provisions requiring arbitration or mediation to be held at a location that is remote from the site of the franchisee's business are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, the parties must agree on the site where arbitration or mediation will be held.

3. Provisions requiring jurisdiction in a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

4. Provisions requiring that agreements be governed by the laws of a state other than North Dakota are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

5. Provisions requiring your consent to liquidated or termination damages are generally considered unenforceable in the State of North Dakota, pursuant to Section 51-19-09 of the North Dakota Franchise Investment Law.

6. Provisions requiring you to sign a general release upon renewal of the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

7. Provisions requiring you to pay all costs and expenses incurred by us in enforcing the franchise agreement have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

8. Provisions requiring you to consent to a waiver of trial by jury have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

9. Provisions requiring you to consent to a limitation of claims within one year have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Accordingly, any such provision is modified to read that the statute of limitations under North Dakota Law will apply.

10. Provisions requiring you to consent to a waiver of exemplary and punitive damages have been determined to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Invest Law.

11. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND

In recognition of the requirements of the Rhode Island Franchise Investment Act (the "Rhode Island Franchise Law"), the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Rhode Island Franchise Law. This provision does not apply to the settlement of disputes, claims, or civil lawsuits brought under the Rhode Island Franchise Law.

2. Section 19-28.1-14 of the Rhode Island Franchise Law 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." If a claim is enforceable under the Rhode Island Franchise Law, we will not restrict jurisdiction or venue to a forum outside the State of Rhode Island or require the application of the laws of another state.

3. We will not prohibit you from joining a trade association or association of franchisees. We will not retaliate against you for engaging in these activities.

4. Any provision in the Franchise Agreement that limits the time period in which you may assert a legal claim against us under the Rhode Island Franchise Law is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Rhode Island Franchise Law. Notwithstanding the foregoing, if a rescission offer has been approved by the Rhode Island director of business registration, then the statute of limitations is ninety (90) days after your receipt of the rescission offer.

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA

In recognition of the requirements of the Virginia Retail Franchising Act, the Disclosure Document, Franchise Agreement and Supplemental Agreements are amended as follows:

1. Item 17 of the Disclosure Document is amended to add the following:

   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 or Supplemental 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.

   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/area developer to surrender any right given to him under the applicable agreement.

2. If any provision of the Franchise Agreement or any Supplemental Agreement involves the use of undue influence by the franchisor to induce a franchisee/area developer to surrender any rights given to him under the applicable agreement, that provision may not be enforceable.

3. We will not require that you prospectively assent to a waiver, condition, stipulation, or provision that purports to relieve any person from liability imposed by the Virginia Retail Franchising Act. This provision does not prohibit you and us from entering into binding arbitration consistent with the Virginia Retail Franchising Act.

4. Any provision in the Franchise Agreement or Supplemental Agreement that limits the time period in which you may assert a legal claim against us under the Virginia Retail Franchising Act is amended to provide for a four (4) year statute of limitations for purposes of bringing a claim arising under the Virginia Retail Franchising Act.

5. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it shall be unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Supplemental 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.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, THE DEVELOPMENT AGREEMENT AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, the development agreement and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when

executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement and Supplement Agreements (if applicable) if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (a) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (b) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

(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 Applicable Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement, Supplemental Agreements (if applicable) 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, Supplemental Agreement (if applicable) and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

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

Dated: _____, 202____

FRANCHISOR:

Better Together, LLC

By: _____
Name: _____
Title: _____

FRANCHISEE:

_____

By: _____
Name: _____
Title: _____

EXHIBIT "J"

TO DISCLOSURE DOCUMENT

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	Exempt
Hawaii	
Illinois	Exempt
Indiana	Exempt
Maryland	Exempt as of _____, 2026
Michigan	April 9, 2025 (amended April 8, 2026)
Minnesota	
New York	Exempt
North Dakota	Exempt as of _____, 2026
Rhode Island	Exempt as of _____, 2026
South Dakota	
Virginia	Exempt as of _____, 2026
Washington	Exempt as of _____, 2026
Wisconsin	

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 "K"

TO DISCLOSURE DOCUMENT

Receipts

[See Attached]

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 Better Together, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

If Better Together, LLC 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency listed in EXHIBIT "A" to this Disclosure Document.

The franchise seller(s) involved with the sale of this franchise is/are:

____ Alex Samios; 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016; (949) 702-6262

____ Lacey Watson; 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016; (602) 730-6000

____ Patti Snyder; 6245 North 24th Parkway, Suite 210, Phoenix, Arizona 85016; (480) 848-7651

____ _____; _____: _____

Issuance Date: April 8, 2026

Better Together, LLC's agent to receive service of process is listed in EXHIBIT "B" to this Disclosure Document.

I received a Franchise Disclosure Document that included the following Exhibits:

EXHIBIT "A"	List of State Administrators and Agents for Service of Process
EXHIBIT "B"	Agent for Service of Process
EXHIBIT "C"	Franchise Agreement
EXHIBIT "D"	Area Development Agreement
EXHIBIT "E"	Other Agreements
EXHIBIT "F"	Table of Contents of the confidential Operating Standards Manual
EXHIBIT "G"	List of Franchisees
EXHIBIT "H"	Financial Statements of Better Together, LLC
EXHIBIT "I"	Multi-State Addenda
EXHIBIT "J"	State Effective Dates
EXHIBIT "K"	Receipts

_____
Print Name

_____ _____
Date (Signature) Prospective Franchise Owner

(This Receipt should be executed in duplicate. One Receipt must be signed and remains in the Franchise Disclosure Document as the prospective franchise owner's copy. The other Receipt must be signed and returned to Better Together, LLC)

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Print Name

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