FRANCHISE DISCLOSURE DOCUMENT

Petland Inc.

An Ohio Corporation
250 Riverside Street, P. O. Box 1606
Chillicothe, Ohio 45601-5606
(740) 775-2464 & (800) 221-5935
franchise@petlandinc.com
Web site: www.petland.com

As a franchisee, you will operate a retail pet store either branded as Petland®, Safari Stan's Pet Center® or Dream Tails offering to the general public a variety of pets, pet supplies, and pet-related items.

The total investment necessary to begin operation of a Petland®, Safari Stan's Pet Center® or Dream Tails franchise is $315,500 and $1,080,500. This total investment includes $192,500 to $717,500 that must be paid to the franchise or its affiliates.

The total investment necessary to begin operation of the first franchised business under an Area Development Agreement is $342,000 to $1,110,500. This includes $217,500 to $742,500 that must be paid to the franchisor or its affiliates.

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

You may wish to receive this disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Steve Huggins at 250 Riverside Street, Chillicothe, Ohio 45601-5606, (740) 775-2464 and franchise@petlandinc.com.

The terms of your contract will govern your franchise relationship. Do not rely on this disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: April 30, 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 D.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit A includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Petland 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 Petland franchisee?	Item 20 or Exhibits D and E list current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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 G.

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

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Ohio. 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 Ohio than in your own state.

2. **Inventory Control**. You must make a minimum amount of inventory and supply purchases, even if you do not need that much. Your inability to make these purchases or to maintain inventory levels at all times may result in termination of your franchise and loss of your investment.

3. **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.

MICHIGAN

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

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

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

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

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

(d) A provision that permits us to refuse to renew your franchise without fairly compensating you by repurchase or other means for the fair market value at the time of expiration of your inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to us and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applied only if: (i) the term of the franchise is less than 5 years and (ii) you are 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 you do not receive at least 6 months advance notice of our intent not to renew the franchise.

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

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

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

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

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

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

(iv) Your or proposed transferee's failure to pay any sums owing to us or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

(j) A provision which permits us to directly or indirectly convey, assign, or otherwise transfer our obligations to fulfill contractual obligations to you unless provision has been made for providing the required contractual services.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENDORSEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
Consumer Protection Division
Attn: Franchise
670 Law Building
Lansing, Michigan 48913
Telephone Number: (517) 373 7117

Our General Agent for Service of Process is:

Cynthia Schumaker
128 E. Main St. Suite 2, P.O. Box 6353
Chillicothe, OH 45601

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ITEM 1.
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

The name of the franchisor is Petland, Inc., which is referred to in this Franchise Disclosure Document ("Disclosure Document") as "Petland," "we," "us," or "our." When we use the word "you", we are referring to you as a prospective Petland® franchisee. If you are a corporation, partnership, limited liability company, or other entity, your owners must sign our Agreements personally which means that the provisions of our Area Development Agreement and Franchise Agreement (Exhibits B and C) also will apply to your owners (See Item 15).

PETLAND, PARENT, PREDECESSORS, AND AFFILIATES

Petland, Inc. is an Ohio corporation. Petland of Chillicothe, Inc. was incorporated in Ohio in 1967. On March 23, 1971, the incorporators of Petland of Chillicothe, Inc. formed Petland, Inc. On January 16, 1973, Petland, Inc. was merged into Petland of Chillicothe, Inc., and on February 1, 1973, the name of Petland of Chillicothe, Inc. was changed to Petland, Inc. We do business under the names "Petland, Inc.," "Petland," "Safari Stan's Pet Center" and "Aquarium Adventure." Petland has four wholly-owned subsidiaries: Aquarium Adventure, Inc., an Ohio corporation, AQA Aquarium Stores Inc., an Ohio corporation and Petland Leaseholding Company, Inc., an Ohio corporation and Petland LV West, Inc., an Ohio corporation. Aquarium Stores Inc., Petland Leaseholding Company, Inc. and Petland LV West, Inc. are affiliates but do not offer franchises in any line of business or provide products or services to franchisees of Petland. Aquarium Adventure, Inc. has offered franchises in a related line of business: Aquarium Adventure® stores are patronized by a segment of the general public interested in high quality fish, aquariums, ponds, water gardens and related items and services. Our principal business address is 250 Riverside Street, Chillicothe, Ohio 45601-5606. Our agent for service of process is Cynthia Schumaker, 129 E. Main St. Suite 2, P.O. Box 6353, Chillicothe, OH 45601. In addition, if your state is listed in Exhibit G to this disclosure document, our agent for service of process in your state is listed in Exhibit G.

Petland, Inc. does not have a parent company. Other than the subsidiaries mentioned above, Petland, Inc. has no additional affiliates that must be disclosed in this disclosure document. Petland, Inc. has had no predecessors during the last ten years.

DESCRIPTION OF PETLAND'S BUSINESS

Petland operates and licenses franchisees to operate retail pet stores under the brand names "Petland®," "Safari Stan's Pet Center®" or "Dream Tails" in a particular location. These stores, which operate identically just under a separate brand name, sell a variety of pets, pet supplies, pet services and pet-related items to the general public. However, Dream Tails may offer a limited selection of pets for sale, focusing on dogs and cats, and Dream Tails locations will not offer fish or reptile pets. You may purchase and operate a "Petland®," "Safari Stan's Pet Center®" or "Dream Tails" under this disclosure document. Petland has also licensed franchisees to operate aquarium stores called "Aquarium Adventure®." This Disclosure Document is not a disclosure document for the sale of Aquarium Adventure® franchises. References to a Petland® franchisee in this Disclosure Document will be deemed to refer to a franchise that signs the Franchise Agreement with Petland

and operates a franchise business under the brand name of "Petland®," "Safari Stan's Pet Center®" or "Dream Tails." Additionally, references to a Petland® store in this Disclosure Document will be deemed to refer to a franchised store using Our System operating pursuant to a Franchise Agreement, regardless if it is operating as Petland®," "Safari Stan's Pet Center®" or "Dream Tails."

DESCRIPTION OF THE PETLAND FRANCHISE

Each Petland® franchisee can operate a Petland® store and use Our System and the Licensed Marks (as defined in Item 13 of this Disclosure Document) at a specific location approved by us and set forth in Exhibit C attached to the Franchise Agreement ("Franchised Location"). "Our System" means the uniform standards, methods, techniques, expertise, procedures, and specifications developed by us for establishing, operating, and promoting a retail pet business specializing in the sale of pets, merchandising and sale of pet supplies, pet services, and pet related items. The distinguishing characteristics of Our System include, without limitation, operating methods, procedures, and techniques for the care and sale of pets and pet supplies; distinctive store design, layout, décor and color scheme; specially designed signage, kennels, and aquatic fixtures; operating methods, procedures, and techniques; procedures, methods, and techniques for inventory and cost controls; record keeping and reporting; training; marketing, merchandising, advertising, sales, and promotional techniques; the Operating System (as defined below), and Confidential Information (as defined below), all of which may be changed, improved, further developed, or otherwise modified by us from time to time. We do not hire, fire, discipline, or control your employees, and nothing in this Disclosure Document, the Franchise Agreement, any other agreement, or our confidential Operating Systems creates a joint-employment arrangement or relationship with your employees.

Petland® stores are generally located in outdoor shopping centers, although some Petland® stores are located in enclosed malls and freestanding locations. Petland® stores are patronized by a broad spectrum of the general public interested in high quality pets, pet supplies, and pet related items and services. If you become a Petland® franchisee, you must compete in a developing market with already established locally-owned pet stores, which may have been in business for a significant period of time, as well as national chains, regional franchise programs offering franchises, and other businesses such as supermarkets, department and discount stores offering pets, pet supplies, and other pet-related items. If you become a Petland® franchisee you must execute the distinguishing operating methods of the Operating System precisely and recruit and train employees to execute the Operating System accurately under your management and leadership. Sales are not seasonal. You should search the Internet and consult the classified telephone directory under "Pet Shops" and "Pet Supplies" to determine the number of competitors in your territory.

A Petland® store is subject to numerous laws and governmental regulations that apply to businesses generally. In addition, certain states, municipalities or other local governmental entities have enacted (or may enact) laws (including statutes, ordinances or regulations) that pertain to the sale of animals and/or wildlife, which may materially affect how you may operate your Petland® business, including but not limited to banning the retail sale of animals. You are responsible for checking on the existence of these types of laws, and/or proposed legislation, and for complying with these laws. As a franchisee, you may be subject to general business, employment and other laws and regulations, including the Americans with Disabilities Act of 1990 governing public accommodations.

Petland® stores also face competition from local breeders, breeders who market and sell animals through internet sales, as well as local animal shelters, humane societies and rescue operations who may offer dogs, cats or other animals to the public. You are responsible for assessing these business and/or legal risks to you as the owner of a retail pet store.

DESCRIPTION OF THE PETLAND AREA DEVELOPMENT REQUIREMENTS

To develop more than one Petland® store, you must enter into an Area Development Agreement (Exhibit B). Development fees for area development agreements are $50,000 for the first store plus $25,000 for each additional store you commit to open under your development schedule. We will credit $50,000 of the Development Fee to the Franchise Fee for the first store you are required to develop under the development schedule and $25,000 to each Franchise Fee for subsequent stores developed according to your development schedule. Petland retains the right to approve each Petland® store proposed for development under the Area Development Agreement as well as the territory associated with the store. In addition, you, as a Developer, will be required to sign Petland's then-existing franchise agreement which may differ materially from the Franchise Agreement attached to this Franchise Disclosure Document. All Development Fees are fully earned when paid. The Development Fee is not refundable, even if you fail to open the stores required under the development schedule. If you are not contracting for the right to develop multiple locations, but rather a specific single location, we will not require that you sign an Area Development Agreement.

OTHER FRANCHISES OF PETLAND

Petland has offered franchises, separate from the Petland® store offered here, under the name "Aquarium Adventure®" specializing in tropical fish and aquatic supplies. As of December 31, 2025, there were three (3) franchised Aquarium Adventure® stores located in Ohio and Illinois. We will not establish an Aquarium Adventure® store within the territory of any Petland® franchisee without the franchisee's consent or participation.

In addition, Petland offers franchises under this disclosure document, substantially similar in nature in all respects to the Petland® store offered here, under the names "Safari Stan's Pet Center®" and "Dream Tails." While Dream Tails stores will not offer fish or reptile pets for sale and will focus more on puppies and kittens, such franchised stores will be operated in the same manner as a Petland® store or Safari Stan's Pet Center® store. Franchisees of any of the available brands are all franchisees of Petland and receive the same training, assistance and support, regardless of the brand name of the store. As of December 31, 2025, there were two franchised Safari Stan's Pet Center® stores located in Connecticut and New Jersey and there was no franchised Dream Tails stores. We will not establish (i) a Safari Stan's Pet Center® store within the territory of any Petland® franchisee or Dream Tails franchisee, (ii) a Petland® store within the territory of a Safari Stan's Pet Center® franchisee or a Dream Tails franchisee, or (iii) a Dream Tails store within the territory or any Petland® franchisee or Safari Stan's Pet Center® franchisee.

PRIOR BUSINESS EXPERIENCE OF PETLAND

Petland or its predecessor has conducted a business of the type to be operated by you since 1967 and have offered franchises since 1972. Our affiliate, Aquarium Adventure, Inc., first offered

franchises in 2003 but is not currently offering franchises. This Disclosure Document is not a disclosure document for the sale of Aquarium Adventure® franchises.

We have master franchisees in Canada, South Africa, China, Brazil, El Salvador, Nicaragua, Guatemala, Honduras, Mexico, Bahrain, Egypt, Kuwait, Lebanon, Qatar, Saudi Arabia, Turkey, and United Arab Emirates.

ITEM 2.
BUSINESS EXPERIENCE

Chairman, Board Director and Founder: Edward R. Kunzelman

Mr. Kunzelman has been employed by Petland and has held the positions of Chairman, Director and Founder since its formation in 1967. Until August 2011, Mr. Kunzelman also served as our President. All positions are and were held in Chillicothe, Ohio.

President, Chief Executive Officer and Board Director: Joe Watson

Mr. Watson has been employed by Petland since October 2005 and in December 2011 was appointed Chief Executive Officer. In February 2011, Mr. Watson was appointed to our Board of Directors. In August 2011, he was appointed President and Chief Operating Officer. Mr. Watson served as our Chief Operating Officer until December 2011. Before his appointment as President and Chief Operating Officer, Mr. Watson served as our Vice-President of Retail Operations. All positions are and were held in Chillicothe, Ohio.

Chief Revenue Officer: Steve Huggins

Mr. Huggins has been our Chief Revenue Officer since January 1, 2026. Prior to that, Mr. Huggins served as our Vice President of Business Development since January 2016. He served as Petland's Vice President of Operations from March of 2013 until December 2015. Prior to this position, he served as our Director of Field Operations from May 2010 to March of 2013. From October 2008 to April 2010 he served as Franchise Development Manager. Mr. Huggins has been employed with Petland since June 1993. All positions are and were held in Chillicothe, Ohio.

Chief Operating Officer: Steve Steele

Mr. Steele has served as our Chief Operating Officer since January 1, 2026 in Chillicothe, Ohio. Prior to that, he was our Vice President of Company Stores since May 2021 in Chillicothe, Ohio. Prior to joining Petland, Mr. Steele served as President and COO of Horizon Telcom, based out of Chillicothe and Columbus, Ohio from 2013-2020.

Executive Director of Petland Charities: Brian Winslow

Mr. Winslow became our Executive Director of Petland Charities on January 1, 2026. Prior to that, Mr. Winslow served as our Vice President of Animal Welfare Education/Franchisee Services since January 2016. He served as Director of Animal Welfare Education. From March 2008 to December 2015. He served as Director of Operations from April 2000 until March 2008. Mr.

Winslow has been employed with Petland since 1994. All positions are and were held in Chillicothe, Ohio.

Vice President of Merchandising: Rick Billups

Mr. Billups joined Petland in July 2017 to serve as our Vice President of Merchandising. Prior to Petland, he was a Vice President of Merchandising & Marketing for Jack's Pet/Pet Valu from 2009 to 2016. His position with Petland is held in Chillicothe, Ohio. His position with Jack's Pets/Pet Valu was held in Beavercreek, Ohio.

Director of Training: Andy Nelson

Mr. Nelson has been employed by Petland Inc. since November 1992. He has served as our Director of Training since August 2003. All positions are and were held in Chillicothe, Ohio.

Director of Merchandising: Angela Everetts

Ms. Everetts has been our Director of Merchandising since January 1, 2026 in Chillicothe, Ohio. Prior to this role, she was our District Manager since April 1, 2024 in Chillicothe, Ohio. Prior to joining Petland, Ms. Everetts was a Store Manager for Petco in Columbus, Ohio since March 1, 2021.

Vice President of Legislative Affairs and Secretary: Elizabeth Kunzelman

Ms. Kunzelman has served as our Vice President since January 2022. Previous positions at Petland include Director of Public Affairs from January 2016 to January 2021; Director of Communications from March 2013 to December 2015; Director of Marketing from 2007 until March 2013. In August 2011, she was appointed as Secretary. These positions were and are held in Chillicothe, Ohio.

Director of Marketing: James Brown

Mr. Brown has been employed by Petland Inc. since October 2003. He has served as our Director of Advertising until March 2013, at which time he was named our Director of Marketing. All positions are and were held in Chillicothe, Ohio.

Assistant Secretary: Joseph Clarke

Mr. Clarke has been employed by Petland Inc. since May 1968. He has held various positions within the accounting department of the company over the years. He was appointed Assistant Secretary in 1983. These positions have been held in Chillicothe, Ohio.

Board Director: Robert Brissette

Since 1975, Mr. Brissette has been President and Chief Executive Officer of Petland Canada (formerly Clifford Agencies Limited), of Winnipeg, Manitoba, Canada, a master franchisee of

Petland since 1981. He became a member of our Board of Directors in 1984. This position is held in Chillicothe, Ohio.

ITEM 3.
LITIGATION

Pending Claims Against Petland (and related claims by Petland)

Litigation against Franchisees in the Most Recent Fiscal Year (2025):

NONE

Potential Material Civil Action:

NONE

Pending and Concluded Cases

1) *Brian Guerin, et al v. Petland, Inc.*, Case No. 25CV003608 (Franklin County, Ohio Court of Common Pleas).

   Nature of Case: Plaintiffs Brian Guerin and Cara Gozzard each individually and together as guardians of their minor children Tessa and Hudson Guerin filed a lawsuit against Petland, Inc. ("Petland") on January 30, 2025. The lawsuit alleges that Brian Guerin purchased a dog from Petland on January 30, 2023, and that thereafter Mr. Guerin and his two children were diagnosed with campylobacter which impacted their health. The Plaintiffs allege that Petland knew that the dog Mr. Guerin purchased was unhealthy and that it concealed such fact. The Complaint includes claims for: (1) violation of the Ohio Consumer Sales Practices Act; (2) Breach of Contract; (3) Negligent Misrepresentation; (4) Negligence; (5) Loss of Consortium; and (6) Declaratory Relief on Arbitration.

   Progress of Case: Petland filed a motion to stay the case pending arbitration, and that motion is fully briefed. Plaintiffs filed papers seeking a declaration that the arbitration clause in the purchase contract is unenforceable, and that issue has also been fully briefed. Petland's insurer has agreed to defend the lawsuit, and the parties are awaiting the court's decision regarding the motion to stay the case and the arbitration issues.

2) *Danielle Segura and Henry Segura v. Petland, Inc.*, Case No. 24CI000284 (Ross County, Ohio Court of Common Pleas, filed 06/18/24).

   Nature of Case: Plaintiffs alleged various claims against Petland, Inc. related to Mr. Segura's purchase of a dog from a company owned and operated pet store, including fraud, breach of contract, a request for declaratory relief invalidating the written limited warranty

provided with the dog, negligence/negligent misrepresentation, unjust enrichment, and a request for a declaration that the arbitration clause signed in connection with the purchase of the dog is unenforceable. The Plaintiffs claim the dog Mr. Segura purchased had respiratory issues and developed pneumonia shortly after purchase, and they further claim that years after the purchase the dog developed liver issues and suffered from seizures. Plaintiffs claim the health of the dog was misrepresented to them at the time of purchase.

Progress of Case: On July 19, 2024, the Company filed an Application to Stay Pending Arbitration. Plaintiffs opposed the application, and the Court scheduled a hearing on the application for December 13, 2024. On December 12, 2024, Plaintiffs stipulated to a stay pending arbitration. Plaintiffs subsequently filed a demand for arbitration with the American Arbitration Association. Prior to the selection of an arbitrator, the case was settled for $3,151.54, which was the warranty coverage amount reflecting the price of the dog less warranty claims already paid by Petland. Plaintiffs filed a Notice of Dismissal with the Ross County Court of Common Pleas on June 10, 2025. The American Arbitration Association closed the arbitration proceedings as of June 10, 2025.

3) *Chrystal and Robert Rivas v. Petland, Inc.*, Case No. 24CI000026 (Ross County, Ohio Court of Common Pleas).

Nature of Case: Plaintiffs allege various claims against the Company related to Mr. Rivas' purchase of a dog from a Company owned and operated pet store, including violation of the Ohio Consumer Sales Practices Act, breach of contract, fraud, negligence/negligent misrepresentation, unjust enrichment, a request for declaratory relief (to invalidate the warranty and arbitration clause), and request for preliminary and permanent injunctive relief. The Plaintiffs claim the dog they purchased has behavioral issues (biting people) and was later diagnosed with hip dysplasia. The lawsuit alleges various misrepresentations regarding the dog and the transaction.

Progress of Case: On February 1, 2024, the Company's legal counsel sent a demand letter demanding that the Plaintiffs honor the arbitration clause to which they agreed. On March 26, 2024, the Company filed an Application to Stay the Case Pending Arbitration. On or about May 9, 2024, Plaintiffs stipulated to a stay of the lawsuit pending arbitration. On June 27, 2024, Plaintiffs filed a demand for arbitration with JAMS. On July 10, 2024, Petland filed its response to the demand for arbitration. On December 13, 2024, the parties executed a confidential settlement agreement resolving the Plaintiffs' claims. As part of the settlement, the Company paid $3,630.00 to the Plaintiffs, and Petland's insurance company reimbursed it $530.01 of this amount. (Petland had offered to refund the $3,099.99 purchase price of the dog to the Rivases prior to the filing of the lawsuit in satisfaction of Mr. Rivas' warranty claim.) On or about January 3, 2025, Plaintiffs filed a Notice of Dismissal dismissing the lawsuit with prejudice. JAMS also closed the arbitration proceeding.

4) *Jonese v. Petland Charleston*, Civil Action No. 21-C-424 (Circuit Court of Kanawha County, West Virginia).

Nature of Case: Plaintiff Alex Jonese purchased a dog from a Company owned and operated pet store in South Charleston, West Virginia. The lawsuit alleges the following claims: (1) unlawful sales practices in violation of West Virginia consumer protection statutes; (2) negligent misrepresentations; and (3) unjust enrichment. The Complaint seeks damages, statutory damages and penalties, and attorney's fees and costs.

Progress of Case: On or about November 15, 2021, Plaintiff filed a motion seeking to amend the complaint to bring a class action. The Company opposed the motion to amend, and on January 25, 2022, the court issued an Order denying the Plaintiff's motion to file an amended complaint. Petland agreed to a confidential settlement of this matter with the Plaintiff on June 6, 2022, which included Petland contributing $4,500 to the final settlement amount to the Plaintiff in exchange for an agreed to dismiss the case.

5) *Madden, et al. v. Petland Summerville, LLC*, Case No. 2020-CP-18-010151 (Court of Common Pleas for the First Judicial Circuit in Dorchester County, South Carolina); removed on August 14, 2020, to the United States District Court for the District of South Carolina and given Case No. 2:20cv2953-DCN.

Nature of Case: Plaintiffs Megan and Tim Madden Nicole and Peter Curry, Laura Williams, Krista Johnson, Kayla Britton, Michael Birrell, Shatara Brown, Stephanie Aiken, and Tracy and Quinn Williams filed the lawsuit on July 15, 2020, against Petland Summerville, LLC, Brad Parker, Lamar Parker, Debra Parker, Kristen Parker and Petland, Inc. The lawsuit alleges that the plaintiffs purchased dogs from a Summerville, South Carolina franchisee owned and operated store and that the dogs were, or became, sick; that plaintiffs incurred veterinary expenses; and that two of the dogs ultimately died. The lawsuit asserts claims for: (1) negligence and gross negligence; (2) negligent misrepresentation; (3) breach of contract; (4) breach of contract accompanied by fraudulent act; (5) constructive fraud; (6) fraud and misrepresentation; (7) intentional infliction of emotional distress; and (8) violation of South Carolina's Unfair Trade Practices Act. The complaint seeks actual damages, incidental damages, consequential damages, punitive damages, awards for pain and suffering, injunctive relief, and recovery of attorney's fees and costs.

Progress of Case: Following removal of the case to federal court, Petland, Inc. filed several motions to dismiss. Plaintiffs unsuccessfully sought remand of the case to state court. On December 6, 2021, the court granted the Company's Motion to Dismiss.

6) *Hart v. Petland, Inc., et al.*, Case No. AR-20-001339 (Court of Common Pleas of Allegheny County, Pennsylvania)

Nature of Case: The case was filed as a complaint for arbitration against the Company and its Chairman Edward Kunzelman. The plaintiff, Dennis Hart, purchased a dog from a Company franchisee owned and operated store in Monroeville, Pennsylvania. Plaintiff claimed the dog was, or became, unhealthy and the franchisee refused to accept return of the dog, so the plaintiff claims he turned the dog over to the Animal Rescue League. The

lawsuit asserted claims for: (1) negligent misrepresentation; (2) misrepresentation and concealment of material facts; and (3) unfair trade practices. The complaint sought $22,746.81, along with costs and attorney's fees. On July 28, 2020, the plaintiff filed a First Amended Complaint that added the franchisee as a party.

Progress of Case: The franchisee entered into a settlement of the case with the plaintiff, and the case was dismissed on November 9, 2020. Petland, Inc. agreed to credit $2699.99 against the franchisee's royalties in connection with the settlement.

7) *Brittany A. Mitchell v. Petland, Inc.*, Case No. 19CV01035 (Licking County, Ohio, C.P.)

Nature of Case: The case was filed on October 1, 2019, in the Licking County, Ohio Court of Common Pleas. The plaintiff, Brittany Mitchell, alleged that that she purchased a Siberian Husky from a Petland corporate store and that the dog was diagnosed with giardia and campylobacter shortly after purchase. The plaintiff also claimed that she was subsequently diagnosed with campylobacter. The complaint makes various allegations regarding representations made in the sales process and sought: (1) a declaratory judgment that Petland's practices violate Ohio's Consumer Protection Laws under Chapter 1345 of the Ohio Revised Code, and (2) damages for alleged consumer protection violations.

Conclusion: Petland agreed to a confidential settlement of this matter that includes Petland paying $4,500 to the Plaintiff in exchange for a release of monetary claims against Petland from Plaintiff. The parties are in the process of complying with the settlement terms, which includes a dismissal of the case with prejudice.

8) *Beth Kramer v. D.A.W. Pets, LLC, et al.*, Case No. AR-19-000585 (Allegheny Cty., Pa. Ct. of C.P.)

Nature of Case: The case was filed on April 30, 2019, in the Allegheny County, Pennsylvania Court of Common Pleas against Petland Inc. and a Petland franchise operating in Pittsburgh, Pennsylvania. The plaintiff alleged in the complaint that she purchased a puppy from the franchise's store in Pittsburgh, Pennsylvania in April of 2018. The plaintiff further alleged that the puppy became sick several days after it was purchased. The plaintiff alleged claims for: (1) negligent misrepresentation; (2) misrepresentation and concealment of material facts; and (3) unfair trade practices. The complaint sought "at least $21,546.72, plus costs."

Outcome of Case: Petland and the Petland franchisee agreed to a confidential settlement of this matter with the Plaintiff, which included Petland contributing $4,500 to the final settlement amount to the Plaintiff in exchange for a dismissal of the case.

Other than these actions, 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

INITIAL FRANCHISE FEE FOR A NEW STORE

In order to acquire a Petland® franchise, you must pay an initial franchise fee. This fee is $50,000 for each new store purchased ("Initial Franchise Fee"). You must pay the $50,000 upon execution of the agreement.

The Initial Franchise Fee is nonrefundable and must be paid in a lump sum. The Initial Franchise Fee is uniform for all new franchisees who are purchasing the right to operate one single location and it was uniformly charged in our prior fiscal year. However, such Initial Franchise Fee has not been uniformly charged in the past. Previously, we charged $60,000 for the Initial Franchise Fee to existing franchisees who purchased Petland® franchises with larger Territories which would support a total of two or more franchises within the Territory, but who did not want to enter into an Area Development Agreement. The $60,000 covered the Initial Franchise Fee for the initial franchised location opened and, if pursued, the second franchised location the franchisee will develop in that Territory.

AREA DEVELOPMENT FEE

To develop more than one Petland® store, you must enter into an Area Development Agreement (Exhibit B). Development fees for area development agreements are $50,000 for the first store plus $25,000 for each additional store you commit to open under your development schedule. We will credit $50,000 of the Development Fee to the Franchise Fee for the first store you are required to develop under the development schedule and $25,000 to each Franchise Fee for subsequent stores developed according to your development schedule. As an example, the Development Fee payable to Petland for a two-store development agreement would be $75,000 ($50,000 for the first store + $25,000 for the second store). All Development Fees are fully earned when paid. This development fee is uniform for all franchisees. The Development Fee is not refundable, even if you fail to open the stores required under the development schedule. If you are not contracting for the right to develop multiple locations, but rather a specific single location, we will not require that you sign an Area Development Agreement. Petland retains the right to approve each Petland® store proposed for development under the Area Development Agreement as well as the territory associated with the store. In addition, you, as a Developer, will be required to sign Petland's then-existing franchise agreement which may differ materially from the Franchise Agreement attached to this Franchise Disclosure Document. This fee must be paid in a lump sum.

STORE MERCHANDISING AND SET-UP ASSISTANCE FEE

You must pay us a non-refundable fee for our services in providing store merchandising and

setup assistance at your store. The amount is due one week before your scheduled store opening. The amount of the store merchandising and setup assistance fee is $12,500. This amount is not refundable. This fee must be paid in a lump sum and is uniform for all franchisees.

CONSTRUCTION PLANS AND SPECIFICATIONS

You must pay us a non-refundable fee for all construction plans and specifications for the construction of a new store or modification of an existing facility. This includes a full set of architectural drawings and properly engineered electrical, plumbing and HVAC drawings. The amount charged is $15,000. This amount is not refundable. This fee must be paid in a lump sum and is uniform for all franchisees.

FURNITURE AND FIXTURES COSTS PAID TO US

You must purchase certain fixtures and items of furniture from us and the cost of these items ranges from $15,000 to $235,000. These amounts are refundable, but only to the extent that such furniture and fixtures are returned undamaged to us within sixty (60) days of their purchase. The costs for the various furniture and fixture items are uniform for all franchisees and must be paid in a lump sum, in advance of the store opening.

SITE WORK, FIXTURE COORDINATION AND CONSTRUCTION SERVICES FEE

We undertake the site work, planning, construction and installation of trade fixtures, and the supply of other furniture, fixtures, and equipment, all at your expense. The cost of these services will vary depending upon the size of your store and its location ("Reimbursable Expenses"). Payments for Reimbursable Expenses to suppliers for furniture, fixtures, and/or equipment on behalf of franchisees are estimated to be $60,000 to $350,000. You must sign the Purchase Agreement attached to this Disclosure Document as Exhibit F. Your payments to us for Reimbursable Expenses are due to us as provided in the Purchase Agreement at least one week before your store opening and such amounts are non-refundable. In addition to the Reimbursable Expenses, you are required to pay us $12,500 fee for our site work and coordination services. This amount is not refundable. This fee is uniform for all franchisees and must be paid in a lump sum in advance of the store opening.

OPENING INVENTORY COSTS PAID TO US

We require you to purchase a portion of your initial inventory from us. The cost for this initial inventory ranges from $15,000 to $30,000. This amount does not represent all the inventory required to open your store, and is only a portion of the total inventory. See Item 7 for more detail. Amounts paid for the initial inventory are not refundable. This fee must be paid in a lump sum in advance of the store opening. The costs for the various inventory items are uniform for all franchisees.

ON-SITE TRAINING TEAM AND GRAND OPENING ASSISTANCE FEE

On-site training includes 45 hours of staff training during the week prior to opening, and

up to 40 hours after opening. The fee paid by franchisees for on-site training is $12,500. Our operations and training team determines the schedule of required staff. This expense does not fully cover our costs, but helps defray the cost of this service and related travel. This expense is non-refundable. This fee must be paid in a lump sum. For the transfer of an existing store, training may be modified, depending on your experience and the experience of your staff, and other factors. The amount of training will be addressed and agreed upon in an addendum that you will enter into with Petland.

ITEM 6.
OTHER FEES

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Royalty	4.5% of total Gross Revenues for your first and second Petland® franchised stores. 2.25% of total Gross Revenues for your third and each subsequent Petland® franchised store.	Auto drafted weekly, every Wednesday for the previous seven days, ending on Sunday.	See Note 1.
Late Fee	10% on amounts past due.	When payment of any amount is overdue.	See Note 2
Interest	1 ½% per month on amounts past due.	When payment of any amount is overdue.	
Local Advertising	5 % of Gross Revenues per month	Monthly reporting to Us, but amounts paid to third parties when incurred.	See Note 3
National Advertising Fund Contribution	Up to 2% (Currently 0.5%) of Gross Revenues	Auto drafted weekly, every Wednesday for the previous seven days, ending on Sunday.	See Note 3.
Additional Training Fee	Currently there is no fee, but Petland reserves the right to charge a fee, not to exceed $1,500 per day.	If implemented, 10 days after billing.	See Note 4.
Transfer Fee	½ of the then-current franchise fee for a new franchise store.	Before transfer is effective.	See Note 5.
Audit Fee	Actual cost of audit, plus late payment fee.	Immediately upon billing.	See Note 6.

TYPE OF FEE	AMOUNT	DUE DATE	REMARKS
Renewal Fee	None		
Delinquent Report Fee	$25 per day for each day a report is past due, plus all of Petland's expenses if we must hire accountants to prepare the reports.	Immediately upon billing.	See Note 7.
Accounting Fee	$525 per month.	Immediately upon billing.	See Note 8.
Point of Sale System – User Maintenance Fee	$129 per month	Monthly (subject to change annually by POS provider)	Payable to POS provider – See Item 11.
Insurance	Cost of insurance. If you fail to insure, cost of insurance plus $10 administration fee per day.	Immediately upon billing.	See Note 9.
Ongoing Purchases from us	Invoiced amount from Petland for goods purchased	Immediately upon billing	See Note 10.
Attorney Fees and Costs	Varies.	Immediately upon billing	You must reimburse our legal costs and fees if we prevail in an action
Reimbursement of expenses to resolve customer complaint	Actual amount of our expenses.	Immediately upon billing	You must reimburse us in the event we incur any expenses to resolve a complaint by a customer of your store
Indemnification	Varies.	Immediately upon billing	You must reimburse us for any liability or cost we incur by reason of your operation of the store

Except as provided in the following footnotes, the fees and payments listed above are imposed uniformly (upon all franchisees executing agreements contemporaneously with yours) and collected by and payable to Petland. These fees and payments are not refundable.

Note 1: Royalty

You must pay us a continuing royalty of 4.5% of your Gross Revenues for each period of seven days during the term of the Franchise Agreement (the "Royalty Fee"). You must report your Gross Revenues to us on a daily basis. Gross Revenues is defined in Section 37 of the Franchise Agreement to mean the total sales of all goods and services of any kind and nature, whether sold by you or others, whether on or off premises, directly or indirectly connected with your franchised Petland® store business, as provided for in the Franchise Agreement. Gross Revenues does not include the amount of any sales tax or similar tax collected from customers that is imposed by any federal, provincial, municipal or governmental authority, as long as the amount of the tax is added to the selling price and actually paid to the governmental authority, nor does it include cash refunds made to customers. Each charge for sale upon installment or credit is treated as a sale for the full price in the period of seven days during which the charge or sale is made. The charge for sale upon installment does not depend on the time when you receive payment, whether partial or in full.

The Royalty Fee is determined and payable on a weekly basis. The Royalty Fee is paid by bank auto draft in order that we receive it on or before Wednesday for the period between Monday through Sunday of the previous seven days ended Sunday. Royalty payments will begin with the first period of seven days or part of seven days that your store is open for business. Such Royalty Fee payments will be due and payable for each period of seven days afterwards during the term of the Franchise Agreement. The Royalty Fee is not refundable.

The Royalty Fee is not a uniform amount for franchisees. In the event you (or your affiliates) (i) have completed three (3) years of operating a Petland® store, (ii) are in full compliance with all agreements by and between us and them, and (iii) own and operate three (3) or more approved Petland® franchised stores pursuant to Franchise Agreements with us, the Royalty Fee will be reduced to 2.25% of the Gross Revenues generated at your third and each subsequent Petland® franchised store which you open and operate (the "Reduced Royalty"). The Reduced Royalty will remain in effect for such applicable stores so long as you own and operate at least three (3) franchised stores. The Reduced Royalty shall be payable in the same manner as the Royalty Fee. The Reduced Royalty will apply to all Gross Revenues reported for the first reporting period following the respective dates of opening for each of the third and any subsequent franchised Petland® store. You will be entitled to receive the Reduced Royalty only if you are in full compliance with all the terms and conditions of each agreement between you and us in effect during the reporting period for which the Reduced Royalty is sought, notwithstanding the term, date or subject matter of the agreement(s). Notwithstanding the number of franchised stores you may open and operate, and notwithstanding which individual franchised stores may cease to be owned and operated by you during the reporting period for which the Reduced Royalty is sought, you shall pay the full Royalty Fee on the two (2) franchised Petland® stores which have the oldest chronological dates of opening. Additionally, in the event you acquire an existing operational Petland® franchised store which may have a Royalty Fee which is different from our current Royalty Fee, we may, in our sole discretion, decide to honor

the amount of such existing Royalty Fee to you. Additionally, certain legacy franchise agreements and franchisees have lower Royalty Fees.

Note 2: Late Payment Fee

You must pay a late charge equal to 10% of the amount past due, on all amounts of any nature, which are past due to us from you. Any late fee not timely filed when due will accrue interest from the date first due until paid at 18% per annum, or any lesser rate required by law.

Note 3: Local and National or Regional Advertising

We require you to spend a minimum 5% of your Gross Revenues monthly for advertising and promotion. Except for your obligations to participate in your local media area advertising co-op and a regional or national advertising program if one is established, as discussed below, you may determine how to spend your local advertising requirement, subject to our approval.

We may establish cooperative advertising programs among franchisees located in the same market area or a majority of the Petland® franchisees in your media area may determine that a cooperative media area advertising program should be formed. We will determine the market area based upon research conducted by market research and rating organizations. You will be required to participate in the cooperative advertising programs approved by us. Upon the establishment of a cooperative advertising program, you will be required to pay to us, or our designee, up to two percent (2%) of Gross Revenues for each period of seven (7) days following the establishment of the cooperative advertising program. Payments are made via bank draft on the corresponding dates of the Royalty Fee payments. Payments paid to the cooperative advertising program will be credited towards your required minimum 5% monthly advertising expenditure, thus reducing the same by an amount equal to your actual payment to the cooperative advertising program.

We have established a national advertising program as of March 1, 2022 (the "National Advertising Fund"). You must participate in the National Advertising Fund and pay a weekly advertising contribution. We will periodically establish the National Advertising Fund contribution level, but it will not exceed 2% of Gross Revenues. Currently the National Advertising Fund contribution level is 0.5% of Gross Revenues, as calculated for the preceding period of seven days. These payments are due and payable to us on Wednesday. We reserve the right to increase the amount of the National Advertising Fund contribution, in our sole discretion, provided, you will not be required to contribute more than 2% of your Gross Revenues. We further reserve the right, as provided in the Franchise Agreement, to require you to make additional contributions to local co-op and/or regional advertising programs as is set forth in the Franchise Agreement. We may require you to do so at any time the franchisees of at least 66% of all stores in operation (including those operated by us) within the area affected by the scope of the local co-op and/or regional advertising programs have agreed to make the contributions.

Note 4: Onsite Training and Grand Opening Assistance; Additional Training Fee

On-site training and grand opening assistance include 45 hours of staff training during the week prior to opening, and up to 40 hours after opening. Petland's operations and training team

determines the schedule of our required staff. This expense does not fully cover our costs but helps defray the cost of this service and related travel. This amount is not refundable.

We provide various periodic training programs for you and your personnel. If you or your employees attend one of these programs, you must pay us the applicable fee, if any, charged for this program. These fees are not applicable to our initial training program. As of the date of this Disclosure Document, we are not charging this fee, but we reserve the right to do so. In the event we charge a fee, the maximum amount of the additional training fee which we may charge shall not exceed $1,500 per day.

Note 5. Transfer Fee

Among other conditions of our approval for a transfer of your franchise to another qualified franchisee, you must pay us, prior to the transfer becoming effective, a transfer fee. The transfer fee shall be equal to ½ of the then current franchise fee being charged to new franchisees. Your payment to us for this transfer fee is due upon our written approval of the Purchase Agreement between you and the buyer of your store.

Note 6: Audit Fee

In the Franchise Agreement, we reserve the right to audit your books, records, tax returns, and business operation at any reasonable time. That audit is at our expense unless it discloses that you have understated your Gross Revenues by more than 3% for the period covered by the audit. In that event, you must immediately reimburse us for the cost of the audit.

Note 7: Delinquent Report Fee

You must submit accurate monthly and year-to-date financial reports as specified by Section 15 of the Franchise Agreement. Monthly sales reports are due on or before the 12th day of the month next succeeding the month covered by the report. Monthly and year-to-date financial statements are due on or before the last business day of the month immediately following the month to be reported. You must make reports on forms, as we require. If any report is not timely submitted to us, you must pay to us a late fee of $25 per day for each day that each report is past due. The late fee is separately imposed for each report that is past due. If we engage independent accountants to prepare the reports on your behalf, you must cooperate with the accountants. You must also reimburse us for all of our expenses and those of the accountants for the preparation of the reports. If you use the accounting services provided by our Financial Services Department and timely provide us with the necessary information to prepare the required sales and financial statements, all reporting is generated by us and any delinquent report fees are eliminated.

Note 8: Accounting Fee

During your first 12 months of business, you must have your store's financial reporting services performed by us, at a monthly fee of $525. The services include the preparation of monthly and year-to-date financial data, balance sheet, profit and loss statement and detailed general ledger, along with other supporting schedules. In addition, we prepare the reports called for in Note 7 above. See Note 7 for additional information about monthly report requirements. After the first 12 months

of business, it is your option to continue to have your accounting services performed by us, at our then current fees.

Note 9: Insurance

You must, under Section 24 of the Franchise Agreement and at your own expense, keep in effect certain insurance coverage. If you fail to secure the required insurance, we may obtain the insurance on your behalf. If we do so, you must pay us the cost of the insurance in addition to an administration fee of $10 per day for each day that you fail to secure your own insurance. The administrative fee is intended to cover our time and expense involved in obtaining and maintaining the insurance.

Note 10: Ongoing Purchases

Other than those goods and services identified in this Disclosure Document, we do not currently require you to make ongoing purchases of goods or services from us. If we develop other proprietary products or equipment in the future, you must purchase those items from us. Currently, the range of ongoing purchases by our franchisees on an annual basis is $15,000 to $140,000.

ITEM 7.
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

FRANCHISE AGREEMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
INITIAL FRANCHISE FEE	$50,000	(Note 1)	(Note 1)	Petland
AREA DEVELOPMENT FEE	Varies – see separate chart in this Item 7 (Note 1)	Lump Sum paid as follows: $50,000 for initial location and one-half of the Initial Franchise Fee multiplied by the number of franchises to be developed in the development territory	Upon Signing of Area Development Agreement	Petland
REAL PROPERTY	(Note 2)	(Note 2)	(Note 2)	(Note 2)

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
FURNITURE, FIXTURES, EQUIPMENT AND P.O.S. SYSTEM (Note 3)	$60,000 to $350,000	Progress payments or lump sum	Before scheduled store opening	Petland and approved supplier(s)
REMODELING, LEASE-HOLD IMPROVEMENTS AND DECORATING COSTS (Note 4)	$15,000 to $250,000	Progress payments	Before scheduled store opening	Approved suppliers
INVENTORY REQUIRED TO BEGIN OPERATION (Note 5)	$75,000 to $200,000	Lump sum	Before scheduled store opening	Petland and approved supplier(s)
UTILITY SECURITY DEPOSITS (Note 6)	$0 to $6,000	Lump sum or bond	Before scheduled store opening	Utility provider
LEASE DEPOSIT (Note 7)	$0 to $20,000	Lump sum	Before scheduled store opening	Landlord
ADVERTISING ASSOCIATED WITH STORE OPENING (Note 8)	$5,000 to $20,000	Lump sum	Before scheduled store opening	Vendors
GENERAL LIABILITY, CASUALTY AND OTHER INSURANCE AS REQUIRED UNDER SECTION 24 OF THE FRANCHISE AGREEMENT (Note 9)	$8,000 to $18,000	Lump sum	Before scheduled store opening	Insurance company
ADDITIONAL FUNDS – 3 MONTHS (Note 10)	$45,000 to $100,000	As incurred	As incurred	Various
TRAVEL, ROOM AND BOARD TO ATTEND INITIAL TRAINING PROGRAM (depending on distance to Ohio) (Note 11)	$2,000 to $5,000 (per person)	As incurred	Before scheduled store opening	Various
CONSTRUCTION PLANS AND SPECIFICATIONS (Note 12)	$15,000	Lump sum	Upon completion of the plans	Petland
SITE WORK, FIXTURE COORDINATION, and CONSTRUCTION SERVICES FEE (Note 13)	$12,500	Lump sum	Before scheduled store opening	Petland

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
STORE MERCHANDISING AND SET UP ASSISTANCE FEE (INITIAL MERCHANDISE PLANOGRAMS, MERCHANDISING AND P.O.S. SETUP, AND DETAIL BAR CODING) (Note 14)	$12,500	Lump sum	Before scheduled store opening	Petland
ON-SITE TRAINING TEAM AND GRAND OPENING ASSISTANCE (Note 15)	$12,500	Lump sum	Before scheduled store opening	Petland
LICENSES AND FEES (Note 16)	$500 to $2,000	Lump sum	Before scheduled store opening	Governmental entities
UNIFORMS	$1,000 to $2,000	Lump sum	Before scheduled store opening	Uniform supplier
PROFESSIONAL FEES	$1,500 to $5,000	As Incurred	Before Signing Agreements	Attorney, Accountant
TOTAL	**$315,500 to $1,080,500**			

All figures in Item 7 are estimates only. Actual costs vary for each franchisee and each location depending on a number of factors.

Note 1: See Item 5 of this Disclosure Document for additional information about the Initial Franchise Fee and the Area Development Fee. These fees are not refundable.

Note 2: Your investment in your store location will depend on the size of your store and whether you lease or purchase the premises. Most Franchisees operate in leased space. The typical Petland® store should have between 3,000 to 5,000 square feet of space located in an outdoor shopping center. If you purchase a building, the cost of purchasing a building that is adequate to house a Petland® store varies widely with the size and location of the building and market conditions. If you lease space, cost of rent associated with a lease depends upon such factors as market conditions, available space, and the location of the premises. You will have to pay base rent and, in some instances, pay a percentage of your Gross Revenues depending upon the policies and practices of the landlord. In addition, security deposits may be required which are typically 1 or 2 months of rent. You may also be responsible under the lease for real estate taxes, maintenance and repair expenses, utilities, common area charges, and insurance for the shopping center. Rent payments usually begin on the first day of the month of operation. Rent charges are a part of on-

going expenses not included in initial expenses. Real property payments are made to the landlord or seller of the premises and are generally not refundable.

Note 3: The amount of your investment in furniture, fixtures, and equipment will vary depending upon the size of your store and the types of furniture, fixtures, and equipment selected. Petland supplies furniture and fixtures and the amount paid to Petland for these items ranges from $15,000 to $235,000. The estimated cost of the P.O.S. system supplied by one of our suppliers is $25,000 and the current annual maintenance, paid to our vendor, is estimated to be $1,548. Equipment is supplied by one of our vendors. These payments to Petland and approved supplier(s) are not refundable, unless you return the furniture, fixtures, and equipment undamaged within sixty (60) days of its purchase. Payments to Petland are due upon receipt of our invoice, and, in any event, before your scheduled store opening.

Note 4: The amount of your investment attributable to remodeling expenses, leasehold improvements, and decorating costs will vary depending on what work is required in the approved store premises. Progress payments are usually required to suppliers and are not refundable.

Note 5: The amount of your investment attributable to the initial store inventory (inclusive of pets and pet supplies) will vary depending upon the size of your store. Payments made to Petland for inventory items we supply range from $15,000 to $30,000. Payments made to us for initial inventory are required 30 days in advance of delivery and are not refundable. Payments made to suppliers are due according to the suppliers' policies and requirements and are refundable only as negotiated between you and the suppliers. See Item 8.

Note 6: Utility security deposits vary depending upon location and size of your store and are typically based upon the utility provider's estimate of 1 month's usage. These amounts may be refundable.

Note 7: As a part of lease negotiations, lease deposits are usually required. If a lease deposit is required, it is generally limited to a month's rent. The first month's rent is usually required in advance at the time of lease execution. The lease deposit is refundable according to the terms of your lease.

Note 8: The amount of your investment attributable to your grand opening advertising will vary depending on the market in which your store is located. These amounts are not refundable and are paid directly to vendors.

Note 9: Insurance costs vary in different localities. This estimated range is for one year. You will incur expenses for workers' compensation for your employees. We are unable to estimate amounts that you may be required to spend for workers' compensation insurance. The requirements and rates vary widely from place to place. These amounts are generally not refundable. An on-going monthly allowance for insurance will appear on your Profit and Loss Statement since this expense is ordinarily an ongoing obligation. We show it here because you often pay 3 months to 1 year in advance.

Note 10: This is an estimate only of the range of initial start-up expenses that you may incur. This estimate includes amounts to pay for salaries and wages, withholding taxes, utilities, other taxes,

and ordinary costs of doing business. These factors include your own management skill, economic conditions, competition in your area, and other factors. The estimate of additional funds is based on an owner-operated business and does not include allowance for an owner's draw. The estimate is for 3 months. We estimate that, in general, a franchisee can expect to put additional cash into the business during the first 3 months. The range of the estimate is affected by the size of the store and general market area. These amounts are held in your possession for you to retain any unused portion.

Note 11: You must bear all travel, lodging, meals, and incidental expenses incurred during training for yourself and any of your employees participating in training. There is no limit on the number of officers or employees who may attend training. These expenses are not refundable.

Note 12: Upon your approval, we will provide all construction plans and specifications for the construction of a new store or modification of an existing facility. This includes a full set of architectural drawings and properly engineered electrical, plumbing and HVAC drawings. These expenses are not refundable.

Note 13: Construction and fixture coordination is usually handled by Petland personnel. Such service includes site work, coordinating architectural services, a general contractor, a construction contract, and installation of furniture, fixtures, equipment, store décor and signage. These amounts are not refundable.

Note 14: You must pay us a non-refundable fee for our services in providing store merchandising and setup assistance at your store. The services we provide shall include initial merchandising, POS setup, and detail bar coding services. The amount is due one week before your scheduled store opening. Initial store merchandising and set up costs are payable to us at least 30 days before the store opening. This cost is not refundable.

Note 15: On-site training and grand opening assistance includes 45 hours of staff training during the week prior to opening, and up to 40 hours after opening. The Petland® operations and training team determines the schedule of required staff. This expense does not fully cover our costs, but helps defray the cost of this service and related travel. This amount is not refundable.

Note 16: You must comply with all federal, state, and local laws. Such laws may include, but are not limited to, those governing the acquisition and maintenance of all licenses and/or certificates required for the construction and/or operation and/or lease of your store. These costs and fees will vary depending upon the location and size of the facility. Such fees are payable to the governmental entity requiring payment of these fees, generally before opening. These costs and fees are not refundable.

Petland relied on its years of experience in franchising retail pet stores since 1972, in compiling these estimates.

ESTIMATED INITIAL INVESTMENT FOR AREA DEVELOPMENT AGREEMENT

TYPE OF EXPENDITURE	AMOUNT	METHOD OF PAYMENT	WHEN DUE	TO WHOM PAYMENT IS TO BE MADE
AREA DEVELOPMENT FEE (Note 1)	$75,000	Lump Sum paid as follows: $50,000 plus one-half of the Initial Franchise Fee multiplied by the number of franchises to be developed in the development territory.	Upon Signing of Area Development Agreement	Petland
Initial Investment to Open first Petland® store under the Area Development Agreement (Note 2)	$265,500 to $1,030,500	As Incurred	Before scheduled store opening	Various Third Parties
PROFESSIONAL FEES	$1,500 to $5,000	As Incurred	Before Signing	Attorney, Accountant
TOTAL	**$342,000 to $1,110,500**			

All figures in Item 7 are estimates only. Actual costs vary for each franchisee-developer and each location developed under an Area Development Agreement are based on a number of factors.

Note 1: To develop more than one Petland® store, you must enter into an Area Development Agreement (Exhibit B). The Area Development Fee in this table assumes you will develop two (2) Petland stores under the Area Development Agreement. If you choose to develop more than two (2) stores, the Area Development Fee will increase by $25,000 per each additional store you agree to develop. See Item 5 of this Disclosure Document for additional information about the Initial Area Development Fee and Franchise Fee. These fees are not refundable.

Note 2: This is the estimated investment for opening the first Petland store to be developed under the Area Development Agreement, as outlined in the initial table in this Item 7, less the $50,000 Initial Franchise Fee. There is no separate Initial Franchise Fee due for your first Petland store when you execute the Area Development Agreement and pay the Area Development Fee.

ITEM 8.
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Pets

Pets are required for the operation of the Store, but we do not require you to purchase pets from any particular supplier. However, we require that: (A) you may not purchase pets from any supplier that we have disapproved; (B) you comply in full with all of our specifications for the purchase, care and handling of pets and (C) you comply with all appropriate local, state and federal licensing requirements and interstate transportation rules and licensing. Such specifications may be provided in our confidential Operating System or other written notices that we may provide to our franchisees.

Other Products and Services

Financial Reporting Services

You must have your financial reporting services performed by us during your first 12 months of business at a monthly fee of $525. The services include the preparation of monthly and year-to-date financial data, monthly balance sheet, profit and loss statement and detailed general ledger, along with other supporting schedules. In addition, we prepare the monthly sales reports. After the first year of business, it is your option to continue to have your accounting services performed by us, at our then-current fees.

Inventory

You are required to purchase from us a minimum representation of Petland® brand merchandise inventory. Our Petland® brand merchandise is specially manufactured and/or packaged for us by third party manufacturers. We have the right to conduct audits of your store to confirm your compliance with your obligation to carry our Petland® brand merchandise. "Minimum representation" means 100% of the total number of Petland® brand stock keeping units (“SKUs’”). SKU’s consist of various manufacturer-brand merchandise and certain branded items or merchandise we designate. For 2025, this number is approximately 297 SKUs, or about 12-15% of your total merchandise SKUs.

Trade Fixtures

You are required to purchase certain fixtures and items of furniture from us for your Store. We are the only approved supplier of the trade fixtures and select pieces of furniture that needs to be installed at your Store. You may use us to install the trade fixtures at your Store, but you are not required to. You are permitted to use an approved third party to install such fixtures and furniture.

All supplies carried as inventory for resale, equipment, trade fixtures and uniforms used by you in the establishment and operation of your Petland® store business must meet our specifications, as periodically established. In addition, you must at least offer the services authorized by us. Further, you must provide those services in accordance with our requirements,

as periodically established.

If we develop other proprietary products or equipment in the future, you must purchase those items from us or our strategic or approved suppliers.

Uniforms

You must purchase employee uniforms, which include Petland's trademark(s), from a sole strategic supplier under the terms of our national contract with that supplier. The uniform supplier is not affiliated with Petland, and we derive no income from your purchases of uniforms from this supplier. All franchisees and employees are required to wear the standard Petland® uniform while in the store.

Computer Systems (Point of Sale System)

You must purchase a computerized POS (point of service) system with all hardware and software specified by us from approved suppliers. The types of business information generated includes total daily gross revenues and customer counts, daily gross sales by department, and daily cash and cash equivalent deposit information. The POS system also provides inventory control and management, and cash register functions integrated with software and high-quality, business-grade computer hardware as a Point of Sale solution.

Store Merchandising and Set-up Services

We provide store merchandising and setup assistance at your store at your expense. This assistance requires that you are adequately staffed, and you and your staff must participate in the set-up process. We also undertake the planning, ordering and installation of trade fixtures, and the supply of other furniture, fixtures, and equipment, all at your expense.

Insurance

In addition to the required purchases described above, you must obtain and maintain, at your own expense, certain insurance coverage. You must maintain general liability insurance, including products liability and bodily injury insurance, of $2,000,000 per occurrence, property damage insurance coverage of $1,000,000, statutorily required workers' compensation insurance coverage, other insurance coverage required under applicable state law. You must also obtain a policy insuring against business interruption losses. The carrier or carriers of all insurance must maintain an A. M. Best's rating of "A-" or maintain the highest available rating with another rating service similarly recognized in the industry. You must require that all insurance policies show Petland, Inc. as a loss payee as well as an additional insured. The cost of this coverage will vary depending upon the insurance carriers, the terms of payment and your history.

Approved Supplier Process

Other than the products and services described above, you are not required to purchase or lease goods, services, supplies, fixtures, equipment, inventory, or real estate related to the

establishment or operation of your Petland® store from us or other specifically designated suppliers. However, you must purchase all equipment, trade fixtures, supplies and other products and materials utilized in the operation of or sold from your Petland® store only from suppliers who have been approved by us. We continually review and evaluate suppliers for this purpose. We approve those who are able to meet our standards and specifications, who possess adequate quality controls, and who have the capacity to supply our needs and the needs of our franchisees promptly and reliably. If you desire to purchase any items from an unapproved supplier, you must notify us in writing, secure our prior consent, and otherwise comply with Section 10 of the Franchise Agreement. We must respond to any request from you for approval of a supplier or product within a reasonable time but no longer than 30 days. Nothing requires us to approve any supplier; however, we will not unreasonably withhold our approval. If we approve a supplier, we have the right to re-inspect its facilities and products at times of our choosing. We can revoke our approval if the supplier fails to meet our standards. You will be notified in writing, within 30 days, of the approval, disapproval or revocation of approval of suppliers. Our determination regarding approval or disapproval is final. We do not charge you a fee for new supplier approval. We reserve the right to limit the number of approved suppliers for purposes of efficiency and effective buying power.

No officer of Petland owns an interest in any supplier of pets or other products or services, however a shareholder of Petland owns the manufacturing company which supplies Petland with certain of its Petland® branded merchandise inventory.

We maintain specifications for the supplies, and items and services to be sold by you in your Petland® store. We also maintain specifications for store construction, leasehold improvements, furnishings, fixtures and equipment to be used in your store. Specifications may include minimum standards for quality, performance, safety, durability, appearance, size, color, fitness for purpose, design, material and other characteristics. Some of these specifications are contained in our Operating System and others are set forth in periodic written notices to our franchisees. In most cases, however, the specifications involve confidential and proprietary information regarding the content or formulation of the product. In addition, such "confidential" specifications will only be made available to a supplier who agrees to sign a confidentiality agreement with us. We develop these specifications either through our research and development staff or with a particular manufacturer, and they may be modified periodically.

We may derive revenue based on your purchases and leases from us or our affiliates, and we (and our affiliates) also may receive payments, like promotional allowances, volume discounts and other payments, from suppliers on account of their dealings with you and other franchisees. During 2025, our net revenue from all required purchases of products and services by our franchisees was $2,918,675.79. This represented 66.1% of Petland's total net revenues of 4,417,459.24for 2025. We calculated these revenue figures and total revenue amount using our most recent audited financial statements. None of our affiliates received any revenue from selling products or services to franchisees in 2025. We may receive rebates from vendors from required purchases. We do not receive volume discounts from vendors. In 2025, we received a total of $49,962.88 in benefits, revenues and/or rebates. None of our affiliates received any benefits, revenue or rebates in 2025. If we receive any such rebates, they are paid into our general fund and used to provide support for our franchise system and the annual franchisee trade show.

We estimate that the items that you must purchase from us or designated or approved sources to open the store will constitute approximately 95% of the inventory, products, supplies, fixtures, uniforms, and equipment that you must purchase when you first open the store, and approximately 10% of your total ongoing purchases once the store is open.

Except for advertising co-ops as described in Items 6 and 11 of this Disclosure Document, Petland has not established and does not participate in any purchasing or distribution cooperatives, and no purchasing and distribution cooperatives have been approved.

Petland may receive marketing fees from certain strategic or approved suppliers. These marketing fees are paid into our general fund and used to provide support for our franchise system.

Periodically, we negotiate particular purchase arrangements and pricing with particular suppliers for the benefit of the entire Petland® system.

Except for your Petland® franchise, we do not grant any material benefits to you based upon your use of designated or approved sources. Some approved suppliers may offer benefits to Petland® franchisees which they do not offer to independent stores.

ITEM 9.
FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the Area Development and Franchise Agreements and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this Disclosure Document.

OBLIGATION		SECTIONS IN FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
a.	Site selection and acquisition/lease	Franchise Agreement, Sections 2, and 7; Area Development Agreement, Articles 2 and 3	Items 7, 11, and 12
b.	Pre-opening purchases/leases	Franchise Agreement, Sections 2 and 7 [Purchase Agreement, Section 1]	Items 5, 6, 7, 8, and 11
c.	Site development and other pre-opening requirements	Franchise Agreement, Sections 7 and 14; Area Development Agreement, Article 3	Items 5, 6, 7, 8, and 11
d.	Initial and on-going training	Franchise Agreement, Sections 8, 10 and 13; Area Development Agreement, Article 5	Items 6, 7 and 11

OBLIGATION		SECTIONS IN FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
e.	Opening	Franchise Agreement, Sections 9 and 14; Area Development Agreement, Article 3	Item 11
f.	Fees	Franchise Agreement, Sections 3, 14, 15I, 17(b), and 24; [Purchase Agreement, Section 1]; Area Development Agreement, Articles 1, 3 and 4	Items 5, 6, 7, and 8
g.	Compliance with standards and policies/Operations Manual (Operating Systems)	Franchise Agreement, Sections 6, 8, 9, 10, 12, 13, 15; Area Development Agreement, Articles 1, 3.10, and 5.5 [Non-Disclosure and Non-Competition Agreement, Section 1]	Items 8, 11, 15, and 16
h.	Trademarks and proprietary information.	Franchise Agreement, Sections 5, 9, 14, 15; [Purchase Agreement, Section 4]; Area Development Agreement, Articles 1, 6 and 18.1 [Non-Disclosure and Non-Competition Agreement, Section 1]	Items 13 and 14
i.	Restrictions on products/services offered	Franchise Agreement, Sections 2, 5, 10 and 13; Area Development Agreement, Articles 1 and 7.3	Items 8, 11, and 16
j.	Warranty and customer service requirements	Franchise Agreement, Section 6, 10, 26, and 38	Item 11
k.	Territorial development and sales quotas	Franchise Agreement, Sections 2, 7, 12 and 13; Area Development Agreement, Article 3	Item 12
l.	Ongoing product/service purchases	Franchise Agreement, Section 10, 11 and 13; [Purchase Agreement, Section 1]	Items 5, 6, 8, and 16

OBLIGATION		SECTIONS IN FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
m.	Maintenance, appearance, and remodeling requirements	Franchise Agreement, Section 10	Not Applicable
n.	Insurance	Franchise Agreement, Section 24; Area Development Agreement, Article 11	Items 7 and 8
o.	Advertising	Franchise Agreement, Sections 5 and 14	Items 6, 7, and 11
p.	Indemnification	Franchise Agreement, Section 16(a) and 26; Area Development Agreement, Article 12	Item 6
q.	Owner's participation/management/ Staffing	Franchise Agreement, Sections 8 and 10; Area Development Agreement, Article 5	Items 11 and 15
r.	Records and reports	Franchise Agreement, Sections 15, 19, 20 and 21	Item 6
s.	Inspections and audits	Franchise Agreement, Section 10 and 15	Item 6
t.	Transfer	Franchise Agreement, Section 17; Area Development Agreement, Article 8	Item 17
u.	Renewal	Franchise Agreement, Section 4	Item 17
v.	Post-termination obligations	Franchise Agreement, Sections 16, 17, 18 and 19; Area Development Agreement, Articles 1, 6, and 7.4 [Non-Disclosure and Non-Competition Agreement, Sections 1 and 6]	Item 17

OBLIGATION		SECTIONS IN FRANCHISE AGREEMENT AND AREA DEVELOPMENT AGREEMENT	ITEM(S) IN DISCLOSURE DOCUMENT
w.	Non-competition covenants	Franchise Agreement, Sections 16; Area Development Agreement, Articles 1, 6, 7.4 and 18.1 [Non-Disclosure and Non-Competition Agreement, Sections 1 and 6]	Item 17
x.	Dispute resolution	Franchise Agreement, Section 30, 32, 33, 34, 35 and 36; Area Development Agreement, Article 18	Item 17
y.	Other: Payments to third parties	Franchise Agreement, Sections 10, 13, 15, 17 and 19	Item 6
z.	Other: Grant and assistance to perfect security interest in franchise and assets of franchised business	Franchise Agreement, Section 22	Not Applicable
aa.	Other: Compliance with laws	Franchise Agreement, Section 13, 18, 19 and 25; Area Development Agreement, Article 7.2	Not Applicable
bb.	Other: Provide copies of corporate articles, by-laws, amendments, and updates	Franchise Agreement, Section 20; Area Development Agreement, Article 7.1	Not Applicable

ITEM 10.
FINANCING

Petland does not offer direct or indirect financing. We do not guarantee your obligations to third parties. Financing arrangements are your responsibility, although we may assist you with the development of your business plan, your store development budget, and your loan request which is submitted to third party lenders. Petland does not receive direct or indirect payments for the placement of financing of franchisee obligations with any lender but reserves its right to do so in the future.

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

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

OBLIGATIONS BEFORE OPENING

Before opening your Petland® store, we will provide the following assistance:

1. If you are interested in developing multiple locations, we will identify and approve a development territory and create a development schedule. (Area Development Agreement, Articles 2 and 3) Petland retains the right to approve each Petland® store proposed for development under the Area Development Agreement as well as the territory associated with the store. In addition, you, as a Developer, will be required to sign Petland's then-existing franchise agreement which may differ materially from the Franchise Agreement attached to this Franchise Disclosure Document. If you are developing one franchise store, we will designate your franchise territory in writing. Within thirty (30) days of submission of your proposed site within the territory, if it meets our standards and specifications for approval, we will approve the site to be used for the operation of the franchise store. If you do not propose a site which is approved by us within 12 months of the signing of the Franchise Agreement, we may terminate the Franchise Agreement. (Franchise Agreement, Sections 2, 7, 9 and 10)

2. Assist you in the proper use of the Licensed Marks and other indicia of Our System for your use. We will act to maintain all registrations and engage in all activities to maintain the Licensed Marks that we, in our sole discretion, deem necessary and appropriate. (Franchise Agreement, Sections 5 and 6)

3. Evaluate the market and provide site selection and lease negotiation assistance. We may lease or sublease to our franchisees premises owned or leased by us (Franchise Agreement, Section 7). You generally enter into the lease directly with the landlord, although you may enter into the lease with us or our subsidiary. Even if you own the real estate, you must still enter into a lease for the premises and give us a collateral assignment.

4. Provide counseling and advisory services in the planning and development of your business. (Franchise Agreement, Section 6).

5. Provide assistance with your development of a business plan, store development budget and a loan request. (Franchise Agreement, Section 6).

6. Provide a detailed merchandise plan. (Franchise Agreement, Section 10).

7. Provide a sample fixture floor plan at no additional cost to you. You must pay for all final construction plans and specifications, and you must obtain our approval of plans and specifications before implementing them if you use an outside architect. If you do not wish to use an outside architect, upon your request we may provide all construction plans and specifications at an additional

cost to you. The cost is $15,000 for a full set of architectural drawings and properly engineered electrical, plumbing and HVAC drawings. When completed, these drawings are ready to be submitted to your local building department for their review and issuance of a building permit. (Franchise Agreement, Section 7).

8. Provide a training program as described below in this Item 11, under "Training Program" for you and your key employees before opening. The training program includes attendance at training academy sessions at a location specified by us. At least one person must attend our initial training program; however, you may have as many additional officers or employees attend the initial training program as you wish. In addition to these training sessions, you and an unlimited number of officers and employees may train in an existing Petland® location as designated by us. This on-the-job training, without compensation to you, will be for a period up to two weeks. If Petland reasonably determines a longer period of on-the-job training is required, it may require you to attend. If additional training is required, you must comply with the additional training requirement. You must pay for all travel, lodging, meals, salary and benefits, and incidental expenses for the training sessions and on-the-job training for both you and your employees. We do not charge you a fee for this training. (Franchise Agreement, Section 8).

9. After you complete the initial training, we will assist you with the grand opening of your store. You and an adequate number of staff must be present. The minimum assistance is one trainer the week prior to opening and the opening weekend, and one trainer for one week after opening. The Petland operations and training team determines the schedule of required Petland Operations staff. We charge an additional fee of $12,500 for the assistance described in this paragraph. (Franchise Agreement, Section 9).

10. Provide the forms and/or formats necessary for compliance with our required reporting. (Franchise Agreement, Section 15).

11. We provide you on a loan basis one (1) set of any written materials that we make available to other franchisees, including the Operating System (to the extent such material is in written form) and access to supporting electronic and written materials as we may develop and/or amend from time to time (either on our website(s) or, when appropriate, by hard copy). (Franchise Agreement, Sections 9 and 13).

TIME BEFORE OPENING

You must begin operation of your Petland® store within 18 months after you execute your Franchise Agreement. The typical length of time from the signing of a Franchise Agreement to the beginning of operations by a franchisee is 180 to 365 days after execution of the Franchise Agreement. Factors affecting the length of time generally include obtaining the necessary financing arrangements, site location, negotiating store lease, new store construction, equipment and material delivery time, inventory stocking, staffing, training, securing building permits and zoning changes, and the time needed by you to conclude your current business or occupation, if any. (Franchise Agreement, Section 7(d)(ii)).

OBLIGATIONS AFTER OPENING

During the operation of your Petland® store, we may provide the following assistance:

1. Continuation of the obligations and assistance referred to in paragraphs 2, 4, 10, and 11 above.

2. Provide operational support by our representatives on a periodic basis. Operational support includes the preparation by our representatives of written evaluations of store operations, animal care, merchandising, management skills and marketing. We also provide telephone consultation on these matters and other aspects of store operation. We reserve the right to alter our training and assistance programs as we in our sole discretion deem advisable. (Franchise Agreement, Section 10 and 11).

3. Periodically provide a Petland® Marketing Planner that includes marketing strategies supported by advertising materials and graphics. (Franchise Agreement, Section 10).

4. Provide the "Club Pet" membership and marketing materials. We reserve the right to modify the "Club Pet" program at any time at our sole discretion. (Franchise Agreement, Section 14).

5. Provide a public information press release program, a community service program and a children's educational program as we deem appropriate and as modified periodically in our sole discretion. (Franchise Agreement, Section 11).

6. Provide, on a periodic basis, product selection information, pricing strategies and merchandising programs (Franchise Agreement, Section 11).

7. Provide periodic training sessions and seminars for your management and staff at locations designated by us or via Internet-based webinars or other forms of e-learning. You shall pay for all travel, lodging, meals, salary and benefits, and incidental expenses for training sessions and seminars for both you and your employees. No fees are currently being charged for these continuing professional training sessions. However, we reserve the right to charge fees for these sessions in the future (Franchise Agreement, Section 11).

8. Provide advisory services and preliminary fixture floor plans for store updates and remodeling. You are solely responsible for the cost of construction drawings when required and any costs related to the updating or remodeling of your store. (Franchise Agreement, Section 11).

9. Maintain and administer a formal national marketing fund (the "National Advertising Fund"). (Franchise Agreement — Section 14(f)). We describe the National Advertising Fund below.

10. In our sole discretion, maintain and administer one or more websites, mobile applications, social media accounts and other online presences to advertise, market and promote Petland® stores and the products and services that they offer and sell (each a "System Website"). (Franchise Agreement, Section 14(i)). We describe the System Website below. While we may offer this System Website, there is no express obligation for us to conduct advertising for the Petland® franchise system or your individual Petland® store on the System Website.

During the operation of your Petland® store, we will provide the following assistance:

FINANCIAL REPORTING SERVICES

You must have your financial reporting services performed by us during your first 12 months of business at a monthly fee of $525. The services include the preparation of monthly and year-to-date financial data, monthly balance sheet, profit and loss statement and detailed general ledger, along with other supporting schedules. In addition, we prepare the monthly sales reports. After the first year of business, it is your option to continue have your accounting services performed by us, at our then-current fees.

ADVERTISING PROGRAMS

Local Advertising Requirements

Petland considers advertising and promotion critical to the success of a Petland® store. It is for this reason that we require you to spend a minimum 5% of your Gross Revenues monthly for advertising and promotion. Except for your obligations to participate in the National Advertising Fund and any local media area advertising co-op (if one is established), all as discussed in Note 3 of Item 6 and more thoroughly in Item 11 of this Disclosure Document, you may determine how to spend your monthly advertising requirement, subject to our approval. (Franchise Agreement, Section 14)

Petland periodically utilizes the services of creative/graphic design firms, as well as Petland's in-house advertising department staff, to assist us in producing advertising for Our System. Currently, we may produce advertising materials for placement via social media and other digital formats, television, radio, newspapers, physical or digital, email and direct mail. We also provide coordinated in-store and point of purchase graphics. Additionally, we provide public relations and community services materials for your use.

Petland maintains a loyal customer membership program for our customers titled “ClubPet.” This program currently includes computerized membership lists by store. Petland recommends that franchisees give free memberships to their customers in an effort to build a strong customer database to which that store can target market those customers. ClubPet is considered an integral part of Our System, and you must participate in the "ClubPet” program. There is no charge for the program or maintenance and regular updates on your ClubPet database.

All advertising materials must be approved in advance by us. We provide resources to you to facilitate your advertising and marketing.

Currently all Petland advertising is done on an individual local basis or through media area advertising cooperatives among Petland® stores. Your Internet advertising activities and social media must conform to your Franchise Agreement (Franchise Agreement, Section 14(i) and our standards and specifications which we may revise during the term of the Franchise Agreement.

National Advertising Fund

We established the National Advertising Fund in March 2022. We will periodically set the level of your National Advertising Fund contributions, up to 2% of Gross Revenues in accordance with the best interest of our brand and overall network of Stores. Currently, the National Advertising Fund contribution is 0.5% of Gross Revenues. Petland® stores that we or our affiliates own will not contribute to the National Advertising Fund. We have the right to collect for deposit into the National Advertising Fund any advertising, marketing, or similar allowances that suppliers who deal with Petland® stores pay to us and instruct us to use for advertising or marketing purposes.

We will designate all programs that the National Advertising Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The National Advertising Fund may pay for preparing and producing video, audio, and written materials and electronic media and using social media; maintaining and administering one or more System Websites; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, radio and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The National Advertising Fund may pay federal, state, and local lobbying activities which further the System, the brand and/or the services that the System offers. The National Advertising Fund may make contributions to political action committees. The National Advertising Fund may advertise in printed materials or on radio or television for local, regional or national circulation. We and/or regional or national advertising agencies will produce all advertising and marketing.

We will account for the National Advertising Fund separately from our other funds and not use the National Advertising Fund for any of our general operating expenses, except to compensate us for the reasonable salaries, administrative costs, travel expenses and overhead we incur in administering the National Advertising Fund and its programs and expenses, including conducting market research, preparing advertising, promotion, and marketing materials, researching or funding research on legal restrictions against the services and operations offered by Petland® stores, and collecting and accounting for National Advertising Fund contributions. The National Advertising Fund is not our asset or a trust, and we do not owe you fiduciary obligations because of our maintaining, directing or administering the National Advertising Fund or any other reason. The National Advertising Fund may spend in any fiscal year more or less than the total National Advertising Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use interest earned on National Advertising Fund contributions to pay costs before spending the National Advertising Fund's other assets. We will not use National Advertising Fund contributions principally to solicit new franchise sales. The National Advertising Fund currently is not separately audited, but we will prepare an annual, unaudited statement of National Advertising Fund collections and costs and give it to you upon written request. We may incorporate the National Advertising Fund or operate it through a separate entity when we think best. The successor entity will have all of the rights and duties described here. During our 2025 fiscal year, the National Advertising Fund spent its assets as follows:

Industry Brand Education	50%
Marketing, Digital and Advertising	27%

Administrative expenses	16%
Brand Advocacy	7%
Other	1%

We intend for the National Advertising Fund to maximize recognition of the Marks, patronage of Petland® stores, and continuation of the legality for pet sales across the United States. Although we will try to use the National Advertising Fund to develop advertising and marketing materials and programs that will benefit all Petland® stores, we are not required to spend such funds proportionately by geographic area or origination of fund contribution. We are not required to spend any amount of money on advertising in your Territory (as defined in Item 12). We may use collection agents and institute legal proceedings to collect National Advertising Fund contributions at the National Advertising Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the National Advertising Fund. We assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the National Advertising Fund.

We may at any time defer or reduce a franchisee's National Advertising Fund contributions (and can later reinstate them at any time) and, upon 30 days' prior written notice to you, reduce or suspend National Advertising Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the National Advertising Fund. (Franchise Agreement — Section 14(f))

Advertising Cooperatives

Separately from the National Advertising Fund, if we or a majority of the Petland® franchisees in your media (at least 66% of them) area determine that a cooperative media area advertising program should be formed, you must participate in and pay your pro rata share for that cooperative advertising program. In this event, all Petland® franchisees who have Petland® stores in the media area must participate in the cooperative. In addition, if we have a company-owned store in the media area, it will be a participating member of the co-op. In a few cases, franchisees which operate under Franchise Agreements signed years ago may not have the same obligations to participate in a co-op that you or we have. The media area is determined by us using third party media services. Members of the co-op determine the amount of funding required to operate the co-op. The members of the co-op determine each member's pro rata share, and the amount will vary depending upon the media used. The voting power of company-owned stores in an advertising cooperative is one vote per store. The company-owned stores do not have controlling voting power and the members of the cooperative will control the activities of the advertising cooperatives. Payments paid to a cooperative advertising program will be credited towards your required minimum 5% monthly advertising expenditure, thus reducing the same by an amount equal to your actual payment to a cooperative advertising program. (Franchise Agreement, Section 14(c))

We will establish the general standards and rules governing the operation of co-ops; however, they will otherwise be self-administered. All co-ops operate on a one Petland® store equals one vote basis. If a dispute occurs which cannot be amicably resolved by the members of the co-op, we

reserve the right to resolve the dispute. You must comply with all rules and regulations adopted by the members of the co-op.

We do not require co-ops to prepare periodic financial statements or to submit statements to us, although they are free to do so. If periodic financial statements are prepared and submitted to us, they will be available for review by all members of the co-op. Co-ops are not required to operate from written documents but may do so if they wish. If the co-op does not spend all of the funds in its possession at the end of a fiscal year, the funds shall roll-over to the next year. We have the right to require co-ops to be formed, changed, dissolved or merged.

Unless Petland is a member of an advertising co-op in your media area, we have no obligation to spend any money for placement of advertising in your territory.

Advertising Councils

We do not maintain an advertising council composed of franchisees.

COMPUTER SYSTEMS

You must purchase a computerized POS (point of sale) system with all hardware, software and managed services as specified by us, from approved providers. The types of business information generated includes total daily gross revenues and customer counts, daily gross sales by department, and daily cash and cash equivalent deposit information. The POS system also provides inventory control and management, and cash register functions integrated with software and high-quality, business-grade computer hardware as a Point of Sale solution.

The POS system and network is installed as a complete system, to insure full compatibility of all hardware/software components and applications and has been adapted to provide reports customized to the Petland® store business. The hardware is not proprietary. (Franchise Agreement, Section 15(d)) The purchase price of the POS system is $25,000. and the annual maintenance cost is currently $1,548 (paid $129 per month).

We reserve the right to change or modify the POS system and requirements at any time.

We will have independent access to the information that is generated and stored in the POS system such as your inventory (via our SKUs) and sales data. There are no contractual limitations on our right to access this information.

We reserve the right, upon prior written notice to you, to access information and data produced by your computer system. There are no other contractual limitations on our right to access this information.

SYSTEM WEBSITE

At our option, we or our designee(s) may establish one or more System Websites which, if created will be maintained by us. We may periodically require you to give us information and materials for the System Website. We will own all intellectual property and other rights relating

to the System Website, including the domain name, log of "hits" and any data that visitors supply. We may use the National Marketing Fund's assets to develop, maintain and update the System Website(s) and may implement and periodically modify System Standards relating to the System Website(s). We also may, at our option, discontinue all or any portion of the System Website(s). We may, in our sole discretion, create or establish separate pages within the System Website(s) for each individual franchised Petland® store to promote its location. Alternatively, we may allow you to establish your own website to promote its store location which must be provided by an approved vendor and conform to our System Website(s) brand standards.

CONFIDENTIAL OPERATING SYSTEM

We provide to you access to a confidential operating system which contains mandatory and suggested specifications, standards, operating procedures, and rules required by us for use in the operation of your Petland® store (collectively, the "Operating System"). The Operating System means any collection of written, video, audio and/or software media (including materials distributed electronically). We have the right to modify this Operating System periodically and to supplement it with periodic notices. You must adopt and use as your continuing operational routine the required standards, services style, procedures, techniques and management systems described in the Operating System. Currently, we use our secure website, www.petlandinc.com, to notify you of updates or changes. This Operating System is confidential and the proprietary property of Petland and is simply licensed to you. You shall lose access to and must return it to us upon the expiration or termination of your Franchise Agreement for any reason and must treat it confidentially. The Operating System will remain our sole property. You will have the right and opportunity to view our department manuals, and our training videos, that are part of our confidential Operating System on a visit to Petland corporate headquarters before you sign a Franchise Agreement. (Franchise Agreement, Section 13)

BUSINESS LOCATION SELECTION

We work with you to select the site for your Petland® store. We consider numerous factors in determining whether a particular site meets with our approval. These factors include market potential, density of population and projected population growth in the area, average income of nearby residents, competition in the area, other retail businesses, space availability, traffic count, ingress and egress, lease economics and lease provisions.

You must begin business operations of the store within 18 months following execution of your Franchise Agreement with Petland. If you and we cannot agree on a site so that your store opens for business within 18 months of execution of your Franchise Agreement, your Franchise Agreement is subject to termination at our discretion. (Franchise Agreement, Sections 2, 7, 9 and 10)

TRAINING PROGRAM

We provide an initial training program for all franchisees that is detailed in the Training Program Table below. If you are establishing a new store or purchasing an existing store, we provide a Management Training program which includes approximately 39.5 hours of classroom work, a

Hands–on Training program which includes approximately 16 hours of classroom work and 23.5 hours of hands on demonstration and role play, at a location determined by us. At least one person must attend our initial training program; however, you may have as many additional officers and employees attend the initial training program as you wish. In addition, you must attend On the Job Training which consists of up to 77 hours of hands on, in store training at a store designated by us. This training includes the topics set forth in the chart below. If we, in our sole discretion, determine that a longer period of on-the-job training is required, we may so direct you. In that event, you will spend up to an additional two weeks in on-the-job training. You and anyone employed by you in a key management capacity in your Petland® store must attend and successfully complete this program to our satisfaction before beginning operation of your store. This training program is offered periodically by us.

The required Management Training and the initial training program are conducted before the opening of your store.

TRAINING PROGRAM

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	TRAINING LOCATION
MANAGEMENT CLASS All management classes below require your mandatory attendance.	39.5 hours	--	Chillicothe, OH
Commitment to Excellence	4 hours	--	Chillicothe, OH
Landlord Relationships	0.5 hours	--	Chillicothe, OH
Leadership	1 hours	--	Chillicothe, OH
Hiring	1.5 hours	--	Chillicothe, OH
Scheduling	1.5 hours	--	Chillicothe, OH
Training	1 hour	--	Chillicothe, OH
Productivity & Motivation	1.5 hours	--	Chillicothe, OH
Website	1 hour	--	Chillicothe, OH
Community Service and Petland Charities	1 hour	--	Chillicothe, OH
Field Services/Operational Support	2 hours	--	Chillicothe, OH
Managing Product Inventory	2 hours	--	Chillicothe, OH
Marketing and Advertising	5 hours	--	Chillicothe, OH

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	TRAINING LOCATION
Managing the Kennel	1.5 hours	--	Chillicothe, OH
K-9 Health	1 hour	--	Chillicothe, OH
Managing the Bird Department	1 hour	--	Chillicothe, OH
Managing the Small Animal Department	1 hour	--	Chillicothe, OH
Managing the Reptile Department	1 hour	--	Chillicothe, OH
Vet Relationship	1 hour	--	Chillicothe, OH
Tour Vet Clinic	1 hour	--	Chillicothe, OH
Understand Your Financial Statement	1 hour	--	Chillicothe, OH
Fish Profits Made Easy	1.5 hours	--	Chillicothe, OH
POS Training	3.5 hours	--	Chillicothe, OH
Customer Service	1.5 hours	--	Chillicothe, OH
Cost of Goods	2 hours	--	Chillicothe, OH
HANDS-ON TRAINING All hands-on training classes below require your mandatory attendance.	16 hours	23.5 hours	Chillicothe, OH
Five Steps to Customer Service	1.5 hours	--	Chillicothe, OH
Customer Perceptions-Misconceptions	1 hour	--	Chillicothe, OH
Small Animal Product Knowledge and Role-Play	--	1.5 hour	Chillicothe, OH
Receiving Puppies	0.5 hours	1 hour	Chillicothe, OH
Preparing for Opening Procedures	0.5 hours	--	Chillicothe, OH

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	TRAINING LOCATION
Pet Department Opening Procedures	--	2.5 hours	Chillicothe, OH
Feeding Birds, Reptiles and Fish	--	1 hour	Chillicothe, OH
Bird Product Knowledge and Role-Play	--	1.5 hours	Chillicothe, OH
Kitten Product Knowledge and Role-Play	--	1.5 hour	Chillicothe , OH
Daily Kennel Procedures	--	1 hour	Chillicothe, OH
Taming a Parakeet	--	0.5 hours	Chillicothe, OH
Puppy Folder	0.5 hours		Chillicothe, OH
Puppy Product Knowledge and Role-Play	--	2 hours	Chillicothe, OH
Where Do Puppies Come From	1 hour	--	Chillicothe, OH
Value of a Petland Puppy	1 hour	--	Chillicothe, OH
Finding a Puppy a Home	1 hour	0.5 hours	Chillicothe, OH
Reptile Product Knowledge and Role-Play	--	1.5 hours	Chillicothe, OH
Pet I.D. Tour	--	.5 hours	Chillicothe, OH
Puppy Behavioral Training	--	2 hours	Chillicothe, OH
Fish 4 Basic Needs/Filtration	3 hours	--	Chillicothe, OH
Fish Product Knowledge and Role-Play	--	1.5 hours	Chillicothe, OH
Processing a Fish Order	1 hour	--	Chillicothe, OH
Put Fish Away	--	1.5 hours	Chillicothe, OH
Fish Health Concerns	0.5 hours	--	Chillicothe, OH
Testing Aquarium Water	--	1 hour	Chillicothe, OH
Identifying Fish and Aquarium Plants	--	1.5 hours	Chillicothe, OH
Sending Fish Home	--	1 hour	Chillicothe, OH

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	TRAINING LOCATION
On the Job Training		Up to 77 hours	Location of our choosing (Typically Chillicothe Ohio)
Kennel Opening		Up to 14 hours	Location of our choosing (Typically Chillicothe Ohio)
Kennel Daily Procedures		Up to 6 hours	Location of our choosing (Typically Chillicothe Ohio)
Place a Puppy Order		Up to 4 hours	Location of our choosing (Typically Chillicothe Ohio)
Receive Puppies		Up to 4 hours	Location of our choosing (Typically Chillicothe Ohio)
Closing Kennel		Up to 4 hours	Location of our choosing (Typically Chillicothe Ohio)
Closing Register		Up to 6 hours	Location of our choosing (Typically Chillicothe Ohio)
Puppy Veterinary Examination		Up to 2 hours	Location of our choosing (Typically Chillicothe Ohio)
Open Small Animal Department		4 hours	Location of our choosing (Typically Chillicothe Ohio)
Put Away Product Order		Up to 2 hours	Location of our choosing (Typically Chillicothe Ohio)
Receive Electronic Order		Up to 2 hours	Location of our choosing (Typically Chillicothe Ohio)
Evaluate Staff and Write Schedule		Up to 4 hours	Location of our choosing (Typically Chillicothe Ohio)
Confirm Puppy Order		Up to 1 hour	Location of our choosing (Typically Chillicothe Ohio)
Close Store Departments		Up to 9 hours	Location of our choosing (Typically Chillicothe Ohio)
Take Inventory		Up to 1 hour	Location of our choosing (Typically Chillicothe Ohio)
Work as a Pet Counselor		4 hours	Location of our choosing (Typically Chillicothe Ohio)
Open Fish Department		2 hours	Location of our choosing (Typically Chillicothe Ohio)
Place Purchase Order		2 hours	Location of our choosing (Typically Chillicothe Ohio)

SUBJECT	HOURS OF CLASSROOM TRAINING	HOURS OF ON-THE-JOB TRAINING	TRAINING LOCATION
Back Office Organization		1.5 hours	Location of our choosing (Typically Chillicothe Ohio)
Receiving Fish		1.5 hours	Location of our choosing (Typically Chillicothe Ohio)
POS Reports		1.5 hours	Location of our choosing (Typically Chillicothe Ohio)
Question and Answers		1.5 hours	Location of our choosing (Typically Chillicothe Ohio)
PRE-OPENING ON-SITE TRAINING OF FRANCHISEE'S STAFF The pre-opening on-site training class requires your mandatory attendance.	0.5 hours	Up to 57 hours	Franchisee's Store
POST-OPENING CLASSROOM AND ON-SITE TRAINING OF FRANCHISEE AND STAFF The post-opening on-site training class requires your mandatory attendance.	--	Up to 109 hours	Chillicothe, OH and Franchisee's Store
Animal Care Evaluation	--	Up to 20 hours	Franchisee's Store
Merchandising and Purchasing	--	Up to 20 hours	Franchisee's Store
Sales Management/ Personnel	--	Up to 20 hours	Franchisee's Store

Classes listed in the above table under the headings "Management Class" and "Hands-On Training" are offered periodically at a location determined by us. Classes listed in the above table under the heading "On the Job Training" are offered periodically throughout the year at a location of our choosing (typically Chillicothe, Ohio). However, at our discretion and for the safety of you and us, we may elect in our sole discretion to hold training classes online. Classes listed in the above table under the headings "Pre-Opening On-Site Training of Franchisee's Staff" and "Post-Opening Classroom and On-Site Training of Franchisee and Staff", with the exception of "Sales Managers Workshop", are offered on a scheduled basis corresponding to the opening of the particular franchisee's store. Such classes shall take place at your store. "Sales Managers Workshop" is offered periodically throughout the year in Chillicothe, Ohio or a location we designate, including without limitation, virtually through an online platform. For those classes

taking place at a location of our choosing, such classes will typically be held at a Petland® store located in Chillicothe, Ohio.

The instructional material for all classes listed in the above table under the heading "Management Class" will consist of classroom lectures, with all such classes except "Vet Relationship", "Inventory Turns," and "Strategic Providers" being augmented with material contained in a training manual supplied by us. "Vet Relationship" may also include a tour of a veterinary clinic.

The instructional material for all classes listed in the above table under the heading "Hands-On Training" with the exception of "Preparing for Opening Procedures", "Where do Puppies Come From", "Value of a Petland Puppy", "Fish 4 Basic Needs", "Processing a Fish Order" and "Fish Health Concerns" will consist of hands-on demonstrations.

The instructional materials for "Preparing for Opening Procedures" will consist of classroom lecture only. The training materials for "Where do Puppies Come From", "Value of a Petland Puppy", "Fish 4 Basic Needs", "Processing a Fish Order" and "Fish Health Concerns" will consist of classroom lectures augmented by material contained in a training manual supplied by us.

The following classes will have classroom lectures and/or role playing in addition to the aforementioned hands-on demonstrations: "Five Steps to Customer Service", "Small Animal Product Knowledge and Role Play", Receiving Puppies", "Bird Product Knowledge and Role-Play", "Puppy Paperwork", "Puppy Product Knowledge and Role-Play", "Reptile Product Knowledge and Role-Play", "Concepts of Filtration" and "Fish Product Knowledge and Role-Play."

The instructional material for all classes listed in the above table under the headings "On the Job Training" and "Pre-Opening Onsite Training of Franchisee's Staff" will consist of hands-on demonstrations.

The instruction material for all classes listed in the above table under the heading "Post-Opening Classroom and On-Site Training of Franchisee and Staff, with the exception of "Sales Managers Workshop" will consist of hands-on demonstration. The instructional material for "Sales Managers Workshop" shall consist of classroom lecture.

The following persons may be an instructor for the classes following such person's name:

Ed Kunzelman, Andrew Nelson, Brian Winslow, or Joe Watson:	Commitment to Excellence", "Leadership" and "Inventory Turns"
Joe Watson:	"Leadership" and "Inventory Turns" "Landlord Relationships"
Angela Everetts	

or Cassie Mash: “Managing Product Inventory” and “POS Training”

Andrew Nelson: ”Commitment to Excellence”, “Retail Basics”, “Personnel, Hiring, Scheduling, Training and Productivity”, “Community Service”, “Field Services”, “Managing the Kennel”, “Managing the Bird Department”, “Managing the Reptile and Small Animal Depts.”, “Vet Relationship”, “Fish Profits Made Easy”, “Customer Service”, “Cost of Goods”, “Five Steps to Customer Service”, “Small Animal Product Knowledge and Role-Play”, “Receiving Puppies”, “Preparing for Opening Procedures”, “Pet Department Opening Procedures”, “Feeding Birds, Reptiles and Fish”, “Bird Product Knowledge and Role-Play”, “Kitten Product Knowledge and Role-Play”, “Daily Kennel Procedures”, “Taming a Parakeet”, “Puppy Paperwork”, “Puppy Product Knowledge and Role-Play”, “Where do Puppies Come From”, “Value of a Petland Puppy”, “Finding a Puppy a Home”, “Reptile Product Knowledge and Role-Play”, “Pet I.D.”, “Fish 4 Basic Needs”, “Concepts of Filtration”, “Fish Product Knowledge and Role-Play”, “Processing a Fish Order”, “Put Fish Away”, “Fish Health Concepts”, “Testing Aquarium Water”, “Identifying Fish and Aquarium Plants”, “Sending Fish Home” and “Sales Managers Workshop”

Brian Winslow: “Commitment to Excellence”, “Personnel, Hiring, Scheduling, Training and Productivity”, “Community Service”, “Field Services”, “Managing the Kennel”, “Managing the Bird Department”, “Managing the Reptile and Small Animal Depts.”, “Vet Relationship”, “Customer Service”, “Cost of Goods”, “Puppy Product Knowledge and Role-Play”, “Where do Puppies Come From”, “Value of a Petland Puppy”, “Finding a Puppy a Home” and “Sales Managers Workshop”

Brian Winslow: “Field Operations and Franchise Support”

Steve Steele: “Understand Your Financial Statement”

Maria Smith: “Community and Petland Charities”

Elizabeth Kunzelman: “Legislative Affairs,” “Community and Petland Charities”

James Brown: “Marketing and Advertising”

Andrew Nelson: “Fish Profits Made Easy”, “Five Steps to Customer Service”, “Small Animal Product Knowledge and Role-Play”, “Receiving Puppies”, “Preparing for Opening Procedures”, “Pet Department Opening Procedures”, “Feeding Birds, Reptiles and Fish”, “Bird Product Knowledge and Role-Play”, “Kitten Product Knowledge and Role-Play”, “Daily Kennel Procedures”, “Taming a Parakeet”, “Puppy Paperwork”, “Where do Puppies Come From”, “Value of a Petland Puppy”, “Finding a Puppy a Home”, “Reptile Product Knowledge and Role-Play”, “Pet I.D.”, “Fish 4 Basic Needs”, “Concepts of Filtration”,

"Fish Product Knowledge and Role-Play", "Processing a Fish Order", and "Put Fish Away"

In addition to the instructors identified above, one or more Guest Speakers (who may be one of the persons identified above) shall be an additional instructor for the following: "Advertising", "Vet Relationship", "Fish Profits Made Easy", "Strategic Providers", "Puppy Supplier Relationships", "Receiving Puppies", "Puppy Behavioral Training", "Fish Health Concerns", "Identifying Fish and Aquarium Plants", "Sending Fish Home" and "Sales Managers Workshop."

Store Staff shall act as instructors for the following classes: "Receiving Puppies", "Pet Department Opening Procedures", "Feeding Birds, Reptiles and Fish", "Daily Kennel Procedures", "Finding a Puppy a Home" and all classes listed in the above table under the heading "On the Job Training."

Persons to be named later (all of whom shall be qualified representatives of Petland and may include those persons identified above) shall act as instructors for all classes listed in the above table under the headings "On the Job Training", "Pre-Opening On-Site Training of Franchisee's Staff" and "Post-Opening Classroom and On-Site Training of Franchisee's Staff."

All instructors involved in the training program have had at least 6 years of experience in the operation of a Petland store or in other areas of business pertinent to the training conducted, as follows: Ed Kunzelman (59 years), Angela Everetts (6 years), Andrew Nelson (34 years), Brian Winslow (32 years), Steve Huggins (33 years), Jeannette Mullineaux (30 years), Joe Watson (38 years), Elizabeth Kunzelman (23 years), James Brown (23 years), Maria Smith (25 years), and Cassie Mash (27 years).

You pay no tuition fee for attendance at the initial training program (which includes the classes listed under the headings "Management Class", "Hands on Training", and "On the Job Training"), regardless of the number of representatives up to 3 that you bring or send. However, you are responsible for the travel, living, wages, and employment-related expenses and other incidental expenses of yourself and your employees incurred during the training program, including any on-the-job training. You are responsible for on-site training team and grand opening assistance fee in the amount of $12,500. See Items 5 and 7, Disclosure Document.

We currently provide additional periodic training sessions and seminars. Generally, you are able to attend on a voluntary basis, but you are required to attend at least 1 training session every year. Currently, we do not charge a fee for these sessions, but we reserve the right to establish and charge fees. You are responsible for the travel, accommodations, wages, and employment-related expenses, and other incidental expenses of yourself and your employees associated with attendance at these sessions.

We reserve the right to modify our training program as we, in our sole discretion, deem advisable.

The classes listed in the above table under the following headings require your mandatory attendance: "Management Class," "Hands-On Training," "On-the-Job Training," "Pre-Opening

On-Site Training of Franchisee's Staff," and "Post-Opening Classroom and Onsite Training for Franchisee and Staff" with the exception of "Sales Managers Workshop." Successful completion of these classes is required.

All other classes are voluntary attendance. One hundred percent (100%) of all new franchisees shall be enrolled in the voluntary portion of the training program during the preceding 12 months.

We also offer the following workshops:

The **Sales Managers Workshop** is a highly motivational class that will focus on maximizing the productivity of your sales floor. Additionally, we focus on the marketing and profitability of your store, department by department. How to implement these programs are discussed in detail. Topics covered in the workshop are hiring, training, leadership, employee motivation, and profit margins. This class is taught periodically throughout the year.

Regional Seminars are taught in selected cities periodically throughout the year. Topics will vary and have recently included Pet Counselor 101, Kennel Managers Workshop and Sales Managers Workshop.

ITEM 12.
TERRITORY

Each Petland® franchisee can operate a Petland® store and use Our System and the Licensed Marks at their Franchised Location. In addition, so long as you are not in default under the Franchise Agreement or of any other agreement between us, we will not operate or grant a franchise to any other party to operate a Petland® store (or for the avoidance of doubt, a Safari Stan's Pet Center® or Dream Tails store) within your territory as defined in Exhibit B of the Franchise Agreement ("Territory"). The Territory is generally determined by taking into account demographic factors, competition and other stores in the area, and may have an approximate population of 25,000 persons although some territories may have more or less. In order to obtain territory for additional stores, you must execute an Area Development Agreement and additional Franchise Agreements. Petland retains the right to approve each Petland® store proposed for development under the Area Development Agreement as well as the territory associated with the store. In addition, you, as a Developer, will be required to sign Petland's then-existing franchise agreement which may differ materially from the Franchise Agreement attached to this Franchise Disclosure Document. If you desire to relocate your Franchised Location, such relocation is subject to our consent, which we may withhold in our sole discretion.

Your rights to your Territory may be terminated if you are in default under the Franchise Agreement or any other agreement between us, or if the Franchise Agreement expires or is terminated for any reason.

Other than as indicated in this Item, there are no circumstances that permit us to modify your Territory.

In the Franchise Agreement, we reserve the right to establish franchises for systems or programs other than Our System and utilizing the same or similar trademarks, or any other proprietary marks, and to grant franchises for these systems in any location without providing you any rights in these franchises.

A specific street address for your franchised store is sometimes available to be inserted into Exhibit B to the Franchise Agreement at the time of its execution. However, a description of a general area may sometimes be inserted into Exhibit B of the Franchise Agreement initially if no specific location has been selected at that time. You will then have 18 months to find a specific site within that area, have it approved by us, purchase or lease the site, and begin business operations. Once a specific site has been approved, your right to operate a Petland® store is specifically limited to the approved site. Any relocation of the store requires our consent and involves the same considerations as are involved in approval of the initial site.

Neither you nor other franchisees are prohibited or restricted from soliciting sales or accepting orders from customers residing outside of your Territory. Provided, however, if you are permitted to make sales from your store on our Authorized E-Commerce sites, you will be restricted from delivering e-commerce sales to customers located within a five (5) mile radius of any other Petland store and other franchisees will be prohibited from making deliveries within a five (5) mile radius of your store. We reserve the right to use other channels of distribution, such as the Internet, social media, catalog sales, telemarketing, mobile applications, mobile marketing or other direct marketing sales to make sales within your Territory using the Licensed Marks (as defined in Item 13 of the Disclosure Document). We also reserve the right to use other channels of distribution, such as the Internet, social media, catalog sales, telemarketing, mobile applications, mobile marketing or other direct marketing sales to make sales within your Territory of products or services under trademarks other than the Licensed Marks. Due to this, you will not receive an exclusive 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.

Neither you nor other franchisees must pay any compensation to other franchisees or, except as provided under the Franchise Agreement, to us for sales made or orders accepted from customers residing outside of your Territory.

While you receive a Territory within which no other Petland®, store will be located, we have no way to prevent customers residing inside your Territory (or residing within other franchisees' territories or territories in which we operate company stores) from shopping for Petland® products wherever they wish. Because of this, neither we nor other franchisees are prohibited from soliciting sales or accepting orders from customers residing inside your Territory. Likewise, you are not prohibited from soliciting sales or accepting orders from customers residing outside your Territory, but you may be prohibited from delivering pets and products to customers living within a five (5) mile radius of another Petland store. Neither we nor other franchisees are required to pay you any compensation for sales made to, or orders accepted from, customers residing outside our respective territories.

You do not receive the right to acquire additional franchises within your Territory or within contiguous territories unless you execute an Area Development Agreement for the development of

multiple locations. Petland retains the right to approve each Petland® store proposed for development under the Area Development Agreement as well as the territory associated with the store.

We have developed a store concept featuring the sale of aquariums, fish and aquarium and fish supplies under the "Aquarium Adventure®" trademark. As of the date of this Disclosure Document, three (3) Aquarium Adventure® stores are in existence. Since 2000, we have been franchising Aquarium Adventure® stores; however, we will not establish an Aquarium Adventure® store within the territory of any Petland® franchisee without the franchisee's consent or participation.

We have developed new stores under the "Safari Stan's Pet Center®" trademark. As of the date of this Disclosure Document, there is one Safari Stan's Pet Center® store operating. We will not establish a Safari Stan's Pet Center® store or Dream Tails store within the territory of any Petland® franchisee without the franchisee's consent or participation.

We have developed new stores under the "Dream Tails" trademark. As of the date of this Disclosure Document, there are no Dream Tails store operating. We will not establish a Petland® or Safari Stan's Pet Center® store within the territory of any Dreams Tails franchisee without the franchisee's consent or participation.

We may operate (and license to operate) other retail pet businesses under different trademarks. As mentioned in Item 1, we and our affiliates Aquarium Adventure, Inc. own and operate businesses that offer and other pet retail businesses under the names Aquarium Adventure®, Safari Stan's Pet Center® and Dream Tails. which are similar to the pet retail services and products you will offer and sell in your franchise. We will not establish any of these branded franchised stores within the territory of any Petland® franchisee without the franchisee's consent or participation. Any conflicts which may arise between the Petland® franchisees, Aquarium Adventure franchisees, Dream Tails franchisees and Safari Stan's Pet Center® franchisees regarding issues such as territory, customers, or franchisor support will be handled by Petland on a case by case basis. Petland does not currently maintain physically separate offices or training facilities for the Petland®, Aquarium Adventure®, Dream Tails and Safari Stan's Pet Center® franchise systems. Some portions of the initial training and ongoing training programs may be attended by Petland franchisees, Aquarium Adventure® franchisees, Dream Tails franchisees and Safari Stan's Pet Center® franchisees.

Continuation of rights to your Territory is not dependent upon the achievement of a certain sales volume, market penetration, or other contingency.

ITEM 13.
TRADEMARKS

Petland owns the following trademarks, service marks, names, logos, and symbols which you are licensed to use in the operation of your Petland store business in accordance with the terms of your Franchise Agreement ("Licensed Marks" and as further defined in Section 37 of the Franchise Agreement).

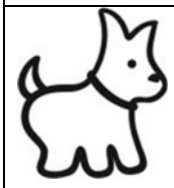
All of these marks are registered on the Principal Register of the United States Patent and Trademark Office:

PETLAND (Word Mark)	Service Mark: PETLAND For: Retail Pet Store Services in Class 42. Registration No.: 1,061,413 Registration Date: 03/15/1977 Renewed: 05/08/2017
	Trademark and Service Mark: PETLAND & Design For: Aquariums, Aquarium Hoods and Aquarium Filters in Class 16. Retail Pet Store Services in Class 42. Registration No.: 1,113,136 Registration Date: 02/13/1979 Renewed: 03/15/2019
	Service Mark: PETLAND & Design For: Retail pet store services in Class 35. Registration No.: 3,191,017 Registration Date: 01/02/2007 Renewed: 03/01/2017
	Service Mark: AQUARIUM ADVENTURE & Design For: Retail store services featuring pet, fish, and aquatic supplies in Class 35. Registration No.: 2,222,507 Registration Date: 02/09/1999 Renewed: 03/14/2019

AQUARIUM ADVENTURE (Word Mark)	Service Mark: AQUARIUM ADVENTURE For: Retail store services featuring pet, fish and aquatic supplies in Class 35. Registration No.: 2,220,316 Registration Date: 01/26/1999 Renewed: 02/27/2019
PETS MAKE LIFE BETTER! (Word Mark)	Service Mark: PETS MAKE LIFE BETTER! For: Retail store services featuring pet related supplies and live pets in Class 35. Registration No.: 3,269,078 Registration Date: 07/24/2007 Renewed: 09/06/2017
PETS FOR A LIFETIME! (Word Mark)	Service Mark: PETS FOR A LIFETIME! For: Promoting pet rescue and pet adoption in Class 35. Registration No.: 3,048,714 Registration Date: 01/24/2006 Renewed: 10/20/2025
AMBROSIA (Word Mark)	Trademark: AMBROSIA For: Bird Feeds in Class 31. Registration No.: 1,640,710 Registration Date: 04/09/1991 Renewed: 06/01/2021
FISH GEAR (Word Mark)	Trademark: FISH GEAR For: Fish food in Class 31. Registration No.: 3,055,142 Registration Date: 01/31/2006 Renewed: 04/07/2016 (Allowing to Lapse)
PETLAND PETS MAKE LIFE BETTER! (Word Mark)	Service Mark: PETLAND PETS MAKE LIFE BETTER! For: Retail store services featuring pet related supplies and live pets in Class 35. Registration No.: 3,518,092 Registration Date: 10/14/2008 Renewed: 10/13/2018

SAFARI STAN'S PET CENTER (Word Mark)	Service Mark: SAFARI STAN'S PET CENTER For: Franchising, namely, consultation and assistance in business management, organization and promotion; Franchising, namely, offering technical assistance in the establishment and/or operation of a retail pet business; Promotion of business opportunities; Business information services in the nature of providing information on business opportunities in Class 35. Registration No.: 3,460,325 Registration Date: 07/08/2008 Renewed: 02/01/2019
SAFARI STAN'S PET CENTER (Word Mark)	Service Mark: SAFARI STAN'S PET CENTER For: Retail pet stores in Class 35. Registration No.: 3,460,326 Registration Date: 07/08/2008 Renewed: 07/20/2018
GOOD DOG (Word Mark)	Trademark: GOOD DOG For: Feed supplements for pets in Class 5. Registration No.: 3,640,078 Registration Date: 06/16/2009 Renewed: 07/19/2019
GOOD DOG (Word Mark)	Trademark: GOOD DOG For: Feeding vessels for pets in Class 21. Registration No.: 3,640,079 Registration Date: 06/16/2009 Renewed: 07/19/2019
HERE KITTY (Word Mark)	Trademark: HERE KITTY For: Animal litter in Class 31. Registration No.: 3,757,996 Registration Date: 03/09/2010 Renewed: 2/12/2020

PUPPY BOOST (Word Mark)	Trademark: PUPPY BOOST For: Dietary supplement for pets; nutritional additives and nutraceutical use as a supplement to enhance the palatability of pet food in Class 5. Registration No.: 3,630,367 Registration Date: 06/02/2009 Renewed: 06/17/2019
LIL' GIMMES! (Word Mark)	Trademark: LIL' GIMMES! For: Dog treats in Class 31. Registration No.: 3,618,861 Registration Date: 05/12/2009 Renewed: 06/17/2019
BIG GIMMES! (Word Mark)	Trademark: BIG GIMMES! For: Dog treats in Class 31. Registration No.: 3,618,862 Registration Date: 05/12/2009 Renewed: 06/17/2019
BITTER WORKS (Word Mark)	Trademark: BITTER WORKS For: Anti-chew or anti-bite bitter tasting training aid in the form of spray or refill for spray to prevent pets from licking, chewing, and biting on objects in Class 18. Registration No.: 3,630,305 Registration Date: 06/02/2009 Renewed: 06/17/2019
PETLAND (Word Mark)	Trademark: PETLAND For: Pet collars; pet carriers; boxes to transport pets, namely, animal carriers in Class 18. Registration No.: 3,743,851 Registration Date: 02/02/2010 Renewed: 03/13/2020
	Service Mark: CLUB PETLAND PET & Design For: Administration of a membership program for enabling participants to obtain discounts on retail pet store products and services in Class 35. Registration No.: 4,424,582 Registration Date: 10/29/2013 Renewed: 03/11/2024

RE-FRESH-IT (Word Mark)	Trademark: RE-FRESH-IT For: Deodorizing preparations for pet litter boxes in Class 5. Registration No.: 4,778,402 Registration Date: 07/21/2015 Renewed: 10/18//2025
	Service Mark: Bird Image Design For: Retail store services featuring pets, pet supplies, and pet grooming services in Class 35. Registration No.: 4,974,512 Registration Date: 06/07/2016 Renewed: 01/16/2026
	Service Mark: Cat Image Design For: Retail store services featuring pets, pet supplies, and pet grooming services in Class 35. Registration No.: 4,974,508 Registration Date: 06/07/2016 Renewed: 01/16/2026
	Service Mark: Dog Image Design For: Retail store services featuring pets, pet supplies, and pet grooming services in Class 35. Registration No.: 4,974,507 Registration Date: 06/07/2016 Renewed: 01/16/2026
	Service Mark: Fish Image Design For: Retail store services featuring pets, pet supplies in Class 35. Registration No.: 4,974,510 Registration Date: 06/07/2016 Renewed: 01/16/2026
	Service Mark: Mouse Image Design For: Retail store services featuring pets, pet supplies, and pet grooming services in Class 35. Registration No.: 4,974,506 Registration Date: 06/07/2016 Renewed: 01/16/2026

	Service Mark: Turtle Image Design For: Retail store services featuring pets, pet supplies in Class 35. Registration No.: 4,974,509 Registration Date: 06/07/2016 Renewed: 01/16/2026
GOOD DOG (Word Mark)	Trademark: GOOD DOG For: Training dens for animals, namely, pet cagesin Class 21. Cloth cover blankets for pet cages in Class 24. Registration No.: 5,563,886 Registration Date: 09/18/2018 Maintained: 08/12/2024
MOSS HOLLOW (Word Mark)	Trademark: MOSS HOLLOW For: Cages for hamsters, rabbits, and guinea pigs; Cage kits for hamster, rabbits, and guinea pigs comprising cages, bedding, bottle, dish, toy exercise wheel, edible treat, and pet food in Class 21. Registration No.: 5,558,937 Registration Date: 09/11/2018 Maintained: 08/12/2024
MOSS HOLLOW (Word Mark)	Trademark: MOSS HOLLOW For: Pet toys sold as part of a kit for pet cages in Class 28. Edible pet treats sold as part of a kit for pet cages in Class 31. Registration No.: 5,740,649 Registration Date: 04/30/2019 Maintained: 08/01/2025
PETLAND'S HEARTLAND NATURALS (Word Mark)	Trademark: PETLAND'S HEARTLAND NATURALS For: Dietary supplements for pets; Nutritional supplements for pets; all of the foregoing comprised of natural ingredients in Class 5. Pet treats comprised of natural ingredients in Class 31. Registration No.: 5,950,858 Registration Date: 12/31/2019 (Allowing to Lapse)

GIMMES (Word Mark)	Trademark: GIMMES For: Edible pet treats in Class 31. Registration No.: 5,956,668 Registration Date: 01/07/2020 Maintained: 10/28/2025
TWEETERS (Word Mark)	Trademark: TWEETERS For: Bird cages in Class 21. Edible pet treats sold as part of a kit for bird cages in Class 31. Registration No.: 5,735,378 Registration Date: 04/23/2019 Maintained: 08/01/2025
HEARTLAND NATURALS (Word Mark)	Trademark: HEARTLAND NATURALS For: Dietary supplements for pets; nutritional supplements for pets; all of the foregoing comprised of natural ingredients in Class 5. Pet food; edible pet treats; all of the foregoing comprised of natural ingredients in Class 31. Registration No.: 6,267,252 Registration Date: 02/09/2021 (Allowing to lapse)
GOOD DOG (Word Mark)	Trademark: GOOD DOG For: Travel kennels in Class 20. Registration No.: 6,391,418 Registration Date: 06/15/2021
MOSS HOLLOW (Word Mark)	Trademark: MOSS HOLLOW For: Dietary supplements for pets; nutritional supplements for pets in Class 5. Pet food in Class 31. Registration No.: 6,396,966 Registration Date: 06/22/2021
PETLAND'S HEARTLAND NATURALS (Word Mark)	Trademark: PETLAND'S HEARTLAND NATURALS For: Pet food comprised of natural ingredients in Class 31. Registration No.: 6,316,045 Registration Date: 04/06/2021 (Allowing to lapse)

	Service Mark: Quatrefoil Logo Design For: Retail pet store services in Class 35. Registration No.: 6,348,158 Registration Date: 05/11/2021
REPTIGEAR (Word Mark)	Trademark: REPTIGEAR For: Aquariums for reptiles; Aquarium kits for reptiles comprising aquariums, sand, lights, heaters in Class 21. Registration No.: 6,493,537 Registration Date: 09/21/2021
PETLAND (Word Mark)	Trademark / Service Mark: PETLAND For: Pet collars; Pet carriers; Boxes to transport pets, namely, animal carriers in Class 18. Retail pet store services in Class 35. Registration No.: 6,685,810 Registration Date: 03/29/2022
HERE KITTY (Word Mark)	Trademark: HERE KITTY For: Edible pet treats in Class 31. Registration No.: 7,742,292 Registration Date: 04/01/2025

As of the date of this Disclosure Document, we have filed all Declarations of Use and all renewal applications required to be filed in order to keep the federal registrations listed above in full force and effect. We have filed, or will file when due, all required affidavits for its registered marks listed above. No Marks are due for renewal or maintenance. We intend to maintain or renew the Marks (as applicable) if they remain important to the Petland brand.

The marks below have applications pending on the Principal Register of the United States Patent and Trademark Office:

WHERE PETS FIND THEIR PEOPLE (Word Mark)	Service Mark: WHERE PETS FIND THEIR PEOPLE For: Retail store services featuring pet related supplies and live pets in Class 35. Application No.: 98/759,272 Application Date: 09/19/2024 Application Status: Statement of Use filed (Awaiting Approval of Statement of Use)

WHERE PUPS FIND THEIR PEOPLE **(Word Mark)**	Service Mark: WHERE PUPS FIND THEIR PEOPLE For: Retail store services featuring pet related supplies and live pets in Class 35. Application No.: 98/759,275 Application Date: 09/19/2024 Application Status: Statement of Use filed (Awaiting Approval of Statement of Use)
WHERE PETS AND PEOPLE FIND EACH OTHER **(Word Mark)**	Service Mark: WHERE PETS AND PEOPLE FIND EACH OTHER For: Retail store services featuring pet related supplies and live pets in Class 35. Application No.: 98/759,278 Application Date: 09/19/2024 Application Status: Statement of Use filed (Awaiting Approval of Statement of Use)
WHERE PUPS AND PEOPLE FIND EACH OTHER **(Word Mark)**	Service Mark: WHERE PUPS AND PEOPLE FIND EACH OTHER For: Retail store services featuring pet related supplies and live pets in Class 35. Application No.: 98/759,281 Application Date: 09/19/2024 Application Status: Statement of Use filed (Awaiting Approval of Statement of Use)
DREAM TAILS **(Word Mark)**	Service Mark: DREAM TAILS For: Retail pet stores in Class 35. Application No.: 99/114,319 Application Date: 04/01/2025 Application Status: Statement of Use filed (Awaiting Approval of Statement of Use)

Petland also believes it owns common law rights in each of its trademarks in the geographic areas where it has used them.

There are no currently effective material determinations of the United States Patent and Trademark Office, Trademark Trial and Appeal Board, or the trademark administrator of any state or any court, nor any pending infringement, opposition or cancellation proceedings, nor any pending material litigation threatening the Licensed Marks. In addition, there are otherwise no agreements currently in effect which significantly limit the rights of Petland to use or license the use of the Licensed Marks in a manner material to you.

We may act to protect the rights that you have to use the Licensed Marks and to protect you against claims of infringement or unfair competition related to your use of the Licensed Marks. You are obligated under the terms of the Franchise Agreement to notify us in writing immediately upon learning of any known or suspected infringements, imitations or unauthorized uses of our Licensed Marks. You are obligated to fully cooperate with us in the prosecution of any action to prevent the infringement, imitation, or illegal use of the Licensed Marks and agree to be named as a party in any action at our request. We bear the legal expense in any action, except for the cost of any independent legal counsel retained by you. We are entitled to retain all awards or settlement payments obtained in any action. Other than as described above, we have no obligation to participate in your defense and/or to indemnify you for damages or expenses incurred if you are a party to any administrative or judicial proceedings involving our Licensed Marks.

We have the right to require you to discontinue the use of any Licensed Marks, upon termination of the Franchise Agreement, either by default or at the expiration of the term. We may also require you to discontinue use of any of the Licensed Marks, either as a result of actions or claims by a third party related to any or all of the Licensed Marks, or for any other reason. We have the right to require you to modify the use of any of the Licensed Marks. In this case, we will provide an alternate successor name (if any) under which you must use in place of any such modified or discontinued Licensed Mark should you be required to discontinue the use of any existing Licensed Mark. We are not required to reimburse you for your expenses in modifying or discontinuing the use of a Licensed Mark, including replacing your signage, or for any loss of goodwill associated with any modified or discontinued Licensed Mark or for any expenditure you incur to promote a modified or substitute trademark or service mark.

Under the Franchise Agreement, you acknowledge our exclusive right in and to the Licensed Marks, along with the identification schemes, standards, specifications, operating procedures, and other concepts embodied in Our System. Except as stated in the Franchise Agreement, you acquire no right in the Licensed Marks or Our System. Any goodwill associated with Our System and the Licensed Marks inures exclusively to our benefit. You acknowledge that the use of the Licensed Marks outside the scope of the Franchise Agreement without our prior written consent is an infringement of our right, title, and interest in and to the Licensed Marks. You agree that, during the term of the Franchise Agreement and after its expiration or termination, you will not commit any act of infringement or contest, or aid in contesting, the validity or ownership of the Licensed Marks or take any other action in derogation of the Licensed Marks.

We monitor potential conflicts concerning our Licensed Marks. We are aware of potentially conflicting uses of the Licensed Marks, including the registration of the name "Petland" as a corporate name in the state of Hawaii. Parts of the states of Connecticut, New Jersey, and New York were previously subject to conflicting claims and later a Settlement and Co-existence Agreement between Petland Discounts, Inc. and Petland. Because of these historical issues, some franchisees located in those areas have operated under the name “Safari Stan’s Pet Center.” As a result of Petland Discounts, Inc.’s bankruptcy, the rejection of the Settlement and Co-existence Agreement, and cancellation of the federal registration of the PETLAND DISCOUNTS mark, Petland does not consider the historical restrictions of the Petland name and marks in the aforementioned areas to be in place. We are not aware of any use that would materially affect your use of our Licensed Marks.

ITEM 14.
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the franchise.

On May 31, 1994, Petland obtained a copyright registration for its "Safari Stan" character as a 2-dimensional artwork under Registration VAU 248160. In addition, Petland owns other copyrights that include the Safari Stan character. The Safari Stan character is used as a spokesman for Petland and represents a Petland® pet counselor. This character is portrayed as a conservationist, animal lover, pet counselor, and world explorer. The character was established in 1989, has been used in Petland's print advertising since March, 1993, has been used in television advertising and has been used in community service activities and at special events. We will periodically provide you with advertising and marketing point of purchase materials involving this character, and, with our approval, you are permitted to use the character in your advertising and promotional efforts.

There are no pending proceedings nor currently effective determinations of the United States Copyright Office or any court involving the copyright, nor are there agreements currently in effect which limit our rights to use or license the use of this copyrighted item in any manner material to you.

Petland may act to protect any rights that you have to use the copyrighted item(s), as provided in the Franchise Agreement, and to protect you against claims of infringement or unfair competition related to your use of the copyrighted item(s). You are obligated under the Franchise Agreement to notify us in writing immediately upon learning of any known or suspected infringements, limitations or unauthorized uses of our Licensed Marks, including any copyrighted items.

You are obligated to fully cooperate with us in the prosecution of any action to prevent the infringement, imitation, or illegal use of our Licensed Marks. You must agree to be named as a party to any action at our request. We bear the legal expense any action, except for any cost of any independent legal counsel you retain. We are entitled to retain all awards or settlement payments obtained in any action. Other than as described above, we have no obligation to participate in your defense or to indemnify you for damages or expenses incurred if you are a party to any administrative or judicial proceedings involving our Licensed Marks licensed to you.

We have the right to require you to modify any use of the copyrighted item under the Franchise Agreement, and under the terms of the Operating System. All costs, expenses and damages incurred by you in your use of a successor copyrighted item will be borne by you. However, we must reimburse you for direct out of pocket expenses associated with the incorporation of the successor copyrighted item.

We monitor potential conflicts with regard to the use of our copyrighted materials. We are unaware of any infringement that could materially affect your use of the copyrighted item(s).

We have over many years, and at great expense, developed Our System for operation of our retail pet stores. We have kept this know-how and Our System confidential and claim it as a proprietary trade secret and a valuable property right. Among these trade secrets are components of

Our System related to marketing, management, pet care, club development, training, consultation and other specialized areas. Information about such secrets is contained in our forms, manuals, documents, and video and audio aids. You are permitted under the Franchise Agreement to use the trade secrets only consistently with and during the term of the Franchise Agreement. You must agree in the Franchise Agreement not to make or permit any unauthorized use of the trade secrets. You are obligated to keep the trade secrets confidential and to enforce the restrictions on the use of Our System and its trade secrets among your employees. Petland intends to renew all current copyright registrations when current registrations expire.

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

As a matter of our practice, you must participate personally in the direct operation of your franchised Petland® store business to the extent necessary to insure full compliance with the Franchise Agreement and to ensure that your business achieves the maximum sales possible.

Depending on the size of your store, we recommend you hire and train a sufficient number of employees to staff your store according to our specifications. You should use your sound discretion in hiring these employees. If you are not actively involved in your Petland® store business, you must advise us of this fact, and your designated manager must attend and successfully complete our initial training program and all other mandatory training programs. If you form a corporation or other business entity to conduct your Petland® store business, it is not necessary that your managers hold an ownership interest in that entity. All of your managers, plus any other employees who attend any of our training programs, must agree to maintain the confidentiality of all trade secrets and confidential information of Our System by executing a Non-Disclosure Non-Competition Agreement with you in a form satisfactory to us.

If the franchisee is a corporation, partnership, limited liability company, or other business entity, all the shareholders, partners, members, and owners of the entity must personally guarantee the obligations of the corporation or other entity under the Franchise Agreement.

ITEM 16.
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

In order to satisfy our customers' expectations of reasonable pet merchandise selection and to effectively advertise pets and pet merchandise system-wide, it is necessary for us to control specific inventory selections and manage the mix of items in the stores. Therefore, you must equip and supply your store only with items supplied either by us or suppliers approved by us, and, throughout the term of the Franchise Agreement, you must maintain an inventory in your store approved by us. We review the selection of pets and pet merchandise that comprise your inventory mix. We may add or remove items from this selection at any time. There are no limits on our right to make changes.

We have the right to enter your store at any time during store hours to inspect the operations

and facilities for the purpose of determining compliance with our standards. We also have the right to take immediate possession of and to remove from your store premises any and all pets which, in our opinion, are being exposed to inhumane or life-threatening treatment while in your charge. You are responsible for reimbursing us upon demand for all of our costs and expenses incurred in taking this action.

You are not limited as to the customers to whom you may sell goods or provide services. See Items 8, 9, and 12 of this Disclosure Document for additional information concerning these subjects.

ITEM 17.
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
a.	Length of the franchise term	Section 4	Term is 20 years from the date the store initially opens for business.
b.	Renewal or extension of the term	Section 4	Upon meeting certain conditions, you can renew for one additional 20-year term.
c.	Requirements for you to renew or extend	Section 4	Provide between 180 days and 365 days prior written notice of intent to renew; compliance during entire term with Franchise Agreement and all other agreements with us; exhibit financial capacity to operate and occupy store premises throughout renewal term; sign new Franchise Agreement; execute general release of claims against us; comply with retraining requirements; and comply with store remodeling requirements. A franchisee may be asked to sign a contract with materially different terms and conditions than their original contract.

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
d.	Termination by you	Section 3(a) and 18(c)	You have a one-time limited right to terminate within 30 days after signing the Franchise Agreement. All monies paid are non-refundable and you remain liable for any other debts incurred relating to the store development process.
e.	Termination by Petland without cause	None	Not Applicable
f.	Termination by Petland with cause	Section 18	We can terminate only if you default in your obligations under the Franchise Agreement or any other agreement with us.
g.	"Cause" defined defaults which can be cured	Section 18	You have 10 days to cure: non-payment of sums due to us, misuse of Licensed Marks, non-submission of or making of false statements in reports due to us, understatement of Gross Revenues to us, your landlord, any governmental agency and failure to amend the report and pay all sums due, failure to comply with any law or regulation applicable to the operation of the franchise, or failure to maintain our standards of operation for the franchise as stated in the franchise agreement or the Confidential Operating System. You have 30 days to cure any other default not listed here or in section h below.

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
h.	"Cause" defined defaults which cannot be cured	Section 18	Non-curable defaults: bankruptcy, insolvency, receivership, dissolution of franchisee or business, assignment for benefit of creditors, fraudulent or willful default, judgment filed and unsatisfied for 30 days, or execution levied against franchisee's business, foreclosure suit instituted against franchisee's premises or personal property and not dismissed within 30 days, material misrepresentation or omission in the purchase of franchise, conviction or no contest plea to felony, crime or offense likely in our opinion to adversely affect Our System, disclosure of confidential information, knowing maintenance or submission of false records, failure to permit an audit, failure to timely cure a default under the Franchise Agreement or any other agreement with us, improper assignment of the Franchise Agreement , cessation of operation of business, notice of defaults given 3 times within 12 months, commission of uncorrected violation of law, exposure of persons or pets to hazardous health or safety conditions, failure to begin business operations within 18 months after execution of Franchise Agreement, failure to satisfactorily complete the initial training program.
i.	Your obligations on termination/ non-renewal	Sections 16, 18, 19	Obligations include cessation of use of Our System and Licensed Marks, trade secrets, signs, structures, fixtures and advertising indicative of or associated with Our System, complete de-identification, return of all manuals and evidence of Our System, return of brand inventory for repurchase by us, surrender Point of Sale database and all customer information, cancellation of all fictitious or assumed name registrations, if required by us, assignment of licenses and telephone numbers to us, and payment of all sums due to us, as well as payment to us of liquidated damages to compensate us for your failure to pay royalties to us through the end of the term of your Franchise Agreement. (See also r. below for non-compete restrictions below).

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
j.	Assignment of contract by Petland	Section 17	No restrictions on our right to assign.
k.	Transfer by you – definition	Section 17	Includes sale of store premises, transfer of store's assets, lease for store premises, stock, partnership interest, or other interest in franchise, any rights under the Franchise Agreement or any security interest in any of these.
l.	Petland's approval of transfer by you	Section 17	All proposed transferees must be approved by us.
m.	Conditions for Petland's approval of transfer	Section 17	You submit to us for review all documents and information respecting the proposed transfer, you have paid all of your obligations to us, you are not in default under the Franchise Agreement or any other agreement with us, new franchisee qualifies, you provide us with a general release of all claims, transfer fee paid, current Franchise Agreement signed by new franchisee, new franchisee success-fully completes our training program, any required store remodeling is completed, you subordinate your right to receive payments from the new franchisee to our right to receive all payments from you and from the new franchisee. (Also see n. and r. below).
n.	Petland's right of first refusal to acquire your business	Section 17	Petland may match any offer for your business.
o.	Petland's option to purchase your business	Section 17, 19	We have the right to purchase your assets upon termination or expiration at Appraised Value.
p.	Your death or disability	Section 17	Franchise Agreement must be transferred by executor, administrator or other personal representative to approved buyer within 180 days. Permanent disability must be of at least 180 days duration and cause your inability to perform the duties required to operate your store.

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
q.	Non-competition covenants during the term of the franchise	Section 16	No involvement in any Competitive Business or franchise similar to a Petland® retail pet store (subject to state law).
r.	Non-competition covenants after the franchise is terminated or expires	Section 16	For a period of 3 years, you are not allowed to compete within a twenty-five (25) mile radius of the exclusive designated territory of your former franchised location, within a 25 mile radius of any Petland® Franchise Unit Territory, any of our stores, our franchisees' stores, or our affiliates' stores or concepts, or within a 25 mile radius of any other Petland® developer's Territory (as that Territory may be defined in a separate Area Development Agreement granted by Petland) (subject to state law)
s.	Modification of the agreement	Section 27	No modifications generally unless in writing signed by both parties, but Our System and Operating System subject to change by us in our sole discretion.
t.	Integration/merger clause	Section 38	The Franchise Agreement and the exhibits attached to the Franchise Agreement contain all of the terms and conditions agreed upon by the parties concerning the franchise. No other agreement other than the Franchise Agreement and attached exhibits shall be binding upon the parties. Nothing contained in the Franchise Agreement or the attached exhibits is intended to disclaim the representations made in the Franchise Disclosure Document. No other promises or representations form a part of the parties' agreement.
u.	Dispute resolution by arbitration or mediation	Franchise Agreement, Section 27 and 30	All disputes and claims other than those enforceable under Section 27 (A) of the Franchise Agreement are subject to mediation and arbitration in Columbus or Chillicothe, Ohio under the rules of the American Arbitration Association.

THE FRANCHISE AGREEMENT			
PROVISION		**SECTION IN FRANCHISE AGREEMENT**	**SUMMARY**
v.	Choice of forum	Section 30	Subject to applicable state law, litigation must be filed in Columbus (Franklin County), Ohio, or in Ross County, Ohio. See State Specific Addenda in Exhibit H.
w.	Choice of law	Section 30 (See also Section 39)	Subject to applicable state law, Ohio law applies. See State Specific Addenda in Exhibit H.

THE AREA DEVELOPMENT AGREEMENT			
PROVISION		**SECTION IN AREA DEVELOPMENT AGREEMENT**	**SUMMARY**
a.	Length of the franchise term	Articles 2 and 3	The Agreement automatically expires on the date for the last store to be opened as specified on the Development Schedule 3.1.
b.	Renewal or extension of the term	None	
c.	Requirements for you to renew or extend	None	
d.	Termination by you	None	
e.	Termination by Petland without cause	None	
f.	Termination by Petland with cause	Articles 10.1 and 10.2	If you commit any Event of Default (as defined in the Development Agreement), subject to certain restrictions and requirements. However, an Event of Default under the Development Agreement does not result in cross-default of any then-existing Franchise Agreement in effect but does prevent you from entering into additional franchise agreements.

THE AREA DEVELOPMENT AGREEMENT			
PROVISION		**SECTION IN AREA DEVELOPMENT AGREEMENT**	**SUMMARY**
g.	"Cause" defined defaults which can be cured	Article 10.2	30 days to cure after written notice: failure to comply with the Development Schedule; failure to pay any Franchise Fee required under Development Agreement and/or any Franchise Agreement required to be executed on or before the date payable; failure to meet and/or maintain the Standards as defined in the Development Agreement; failure to deliver executed covenants as required in Article 6 of the Development Agreement; failure to comply with or perform its covenants, obligations and agreements contained in the Development Agreement. However, an Event of Default under the Development Agreement does not result in cross-default of any then-existing Franchise Agreement in effect but does prevent you from entering into additional franchise agreements.
h.	"Cause" defined defaults which cannot be cured	Article 10.1	The breach or falsity of any representation or warranty contained in the Development Agreement; any Transfer that is not in accord with the Development Agreement; adjudication of bankruptcy or establishment of insolvency, an assignment for the benefit of creditors, or pursuit of protection from creditors by petition in bankruptcy, the appointment of a liquidator or receiver for all or substantially all of your assets or any Franchise Unit; you or any Principal pleads guilty or no contest to or is convicted of a felony or a crime involving moral turpitude or any other crime or offense that we reasonably believe is likely to adversely affect the Proprietary Marks, the System or the goodwill associated Our System.
i.	Your obligations on termination/non-renewal	Articles 2.6 and 10.3	You may not develop additional stores in the Territory, but you may complete development of and/or operate stores under then-existing Franchise Agreements subject to the terms and conditions of those Franchise Agreements.
j.	Assignment of contract by Petland	Article 8.1	No restriction on our right to assign if obligations are assumed by party accepting assignment.
k.	Transfer by you – definition	Articles 8.2 and 8.3	Includes transfer of contract or assets or ownership changes

THE AREA DEVELOPMENT AGREEMENT			
PROVISION		**SECTION IN AREA DEVELOPMENT AGREEMENT**	**SUMMARY**
l.	Petland's approval of transfer by you	Articles 8.2 and 8.3	We have the right to approve all transfers
m.	Conditions for Petland's approval of transfer	Article 8.3	(1) no uncured Event of Default; (2) a general release of us and our affiliates; (3) you remain liable until the transfer occurs; (4) the transferee assumes all your liabilities in current agreement; (5) the transferee satisfies current criteria for new developers; (6) transferee signs a new Area Development Agreement; (7) transferee completes training; and (8) transfer fee of $50,000 is paid.
n.	Petland's right of first refusal to acquire your business	Article 8.4	We can match any offer for your business.
o.	Petland's option to purchase your business	None	
p.	Your death or disability	Article 8.6	Your interest in the Area Development Agreement must be transferred within 1 year of your death or within 90 days of your disability.
q.	Non-competition covenants during the term of the franchise	Article 7.4	No direct or indirect involvement in any competing business (subject to state law)
r.	Non-competition covenants after the franchise/development agreement is terminated or expires	Article 7.4	For a period of 3 years, you are not allowed to compete within a twenty-five (25) mile radius of the exclusive designated territory of your former franchised location, within a 25 mile radius of any Petland® Franchise Unit Territory, any of our stores, our franchisees' stores, or our affiliates' stores or concepts, or within a 25 mile radius of any other Aquarium Adventure® developer's Territory (as that Territory may be defined in a separate Area Development Agreement granted by Petland) or employ anyone who is, or within the past year has been, employed by us or our affiliates in any of our store concepts (subject to state law).
s.	Modification of the agreement	Article 20	No modifications of the terms of this Agreement will be valid unless agreed to in writing

THE AREA DEVELOPMENT AGREEMENT			
PROVISION		**SECTION IN AREA DEVELOPMENT AGREEMENT**	**SUMMARY**
t.	Integration/merger clause	Article 20	Only the terms of the Area Development Agreement are binding. Any prior discussions and agreements are not enforceable; nothing stated in this Disclosure Document, however, is disclaimed or superseded by the integration/merger clause.
u.	Dispute resolution by arbitration or mediation	Article 18.2 and 18.3	All disputes and claims, other than those enforceable by us under Article 18.1 of the Area Development Agreement, are subject to mediation and arbitration in Columbus or Chillicothe, Ohio under the rules of the American Arbitration Association.
v.	Choice of forum	Article 18.1 and 18.7	Subject to applicable state law, litigation must be in a court of competent jurisdiction within Franklin County or in Ross County, State of Ohio. See State Specific Addenda in Exhibit H.
w.	Choice of law	Article 18.7	Subject to applicable state law, Ohio law applies. See State Specific Addenda in Exhibit H.

ITEM 18.
PUBLIC FIGURES

Petland does not currently use any public figure to promote its 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.

The financial information in this Item has been prepared by the Company's management.

Set forth below are charts depicting the ranges of actual Gross Revenues for the year ending December 31, 2025 for stores, franchised and company-owned, located in the United States which, as of December 31, 2025, had been in operation for more than one year. Gross Revenues is defined

in Section 37 of the Franchise Agreement to mean the total sales of all goods and services of any kind and nature, whether sold by you or others, whether on or off premises, directly or indirectly connected with your franchised Petland® store business, as provided for in the Franchise Agreement. Gross Revenues does not include the amount of any sales tax or similar tax collected from customers that is imposed by any federal, provincial, municipal or governmental authority, as long as the amount of the tax is added to the selling price and actually paid to the governmental authority, nor does it include cash refunds made to customers. Each charge for sale upon installment or credit is treated as a sale for the full price in the period of seven days during which the charge or sale is made. The charge for sale upon installment does not depend on the time when you receive payment, whether partial or in full.

The information presented in chart form in this Item 19 includes data for 81 stores in the United States, 65 franchised stores, and 16 Company-owned stores. The 81 stores represent stores which had been in operation for at least one year as of December 31, 2025 and for which a full 12-month of reporting data is available. This data does not include stores outside of the United States. The only material difference between our company-owned and operated stores and franchise stores is that company-owned and operated stores do not pay Royalties. This financial performance representation is based on historical data concerning the franchise system's outlets (company-owned and franchised). The data on Gross Revenues for franchised stores and company-owned stores is presented separately below.

Gross Revenues for Franchised Stores

Following is information indicating the geographical breakdown of the 65 franchised stores which reported and are included in the charts below. We have divided the stores into six (6) regions, which include the listed states:

REGION	STATES
East Coast	Connecticut, New Jersey and Pennsylvania.
Midwest	Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, and Wisconsin.
Ohio Valley	Ohio
Southeast	Alabama, Arkansas, Florida, Georgia, North Carolina, South Carolina and Tennessee
Southwest	Arizona, New Mexico, Oklahoma, and Texas
West Coast	Nevada

The number of franchised stores within each region is as follows:

REGION	NUMBER
East Coast	6
Midwest	18
Ohio Valley	5
Southeast	23
Southwest	11
West Coast	2
TOTAL	**65**

We have not audited the Gross Revenues figures set forth in these charts. The figures reported were supplied by the individual store operators through our uniform reporting system.

Range of Gross Revenues	No. of Stores	% of Total
$625,000 - 999,999	4	6.2%
$1,000,000 – 1,499,999	7	10.8%
$1,500,000 – 1,999,999	8	12.3%
$2,000,000 – 2,499,999	7	10.8%
$2,500,000 – 2,999,999	8	12.3%
$3,000,000 – 3,499,999	12	18.5%
$3,500,000 – 3,999,999	7	10.8%
$4,000,000 – 4,499,999	5	7.7%
$4,500,000 – 4,999,999	3	4.6%
$5,000,000 – 5,499,999	1	1.5%
$5,500,000 – 5,999,999	2	3.1%
$6,000,000 – 6,499,999	0	0%
$6,500,000 – 6,999,999	0	0%
$7,000,000 – 7,499,999	0	0%
$7,500,000 – 7,999,999	1	1.5%
$8,000,000 – 9,999,999	0	0%
$11,000,000 – 11,999,999	0	0%
$13,000,000 – 13,999,999	0	0%
TOTAL	**65**	**100.0[1]**
Average Store Gross Revenues:		2,879,481.60

[1] Percentages when added may not total 100% due to rounding.

Range of Gross Revenues	No. of Stores	% of Total
Median Store Gross Revenues:		2,816,216.31
Low Store Gross Revenues:		560,901.16
High Store Gross Revenues:		7,849,981.73
Number of Stores Below Average:		33
Number of Stores Above Average:		32
Percentage of Franchised Stores Achieving Gross Revenues at or above the Average:		49.2%

Gross Revenues for Company-Owned Stores

Following is information indicating the geographical breakdown of the 16 company operated stores included in the charts below. These stores are all operated in 2 regions, which include the listed states:

REGION	STATES
Midwest	Indiana
Ohio Valley	Ohio, Kentucky and West Virginia

The number of stores within each region is as follows:

REGION	NUMBER
Midwest	2
Ohio Valley	14
TOTAL	**16**

Range of Gross Revenues	**No. of Stores**	**% of Total**
$500,000 - 999,999	1	6.3%
$1,000,000 - 1,499,999	6	37.5%
$1,500,000 - 1,999,999	3	18.8%
$2,000,000 – 2,499,999	0	0%
$2,500,000 – 2,999,999	5	31.3%
$3,000,000 - 3,499,999	0	0%
$4,000,000 - 4,499,999	1	6.3%
TOTAL	**16**	**100.0[2]**
Average Store Gross Revenues:		$1,936,795.05
Median Store Gross Revenues:		$1,625,496.42
Low Store Gross Revenues:		$732,731.41
High Store Gross Revenues:		$4,237,306.09
Number of Stores Below Average:		9
Number of Stores Above Average:		7
Percentage of Company-Owned Stores Achieving Gross Revenues at or above the Average:		43.7%

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

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

Other than the preceding financial performance representations, 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 receive any financial performance

[2] Percentages when added may not total 100% due to rounding.

information or projections of your future income outside of this Item 19, you should report it to the franchisor's management by contacting Steve Huggins at 250 Riverside Street, Chillicothe, Ohio 45601-5606, (740) 775-2464 and franchise@petlandinc.com., the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20.
OUTLETS AND FRANCHISEE INFORMATION

Attached as Exhibit D to this Disclosure Document is a list of the names of all of our current franchisees and the addresses and telephone numbers of all of their stores as of December 31, 2025. As of that date, there were 292 franchised and company owned stores located in the United States and foreign countries. We have 86 franchised and company owned stores located in the United States and the tables below report on these stores. If you buy this franchise, your contact information may be disclosed to other prospective franchisees when you leave the franchise system.

ITEM 20 – TABLE 1

Systemwide Outlet Summary
For Years 2023, 2024 & 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	72	67	-5
	2024	67	70	+3
	2025	70	69	-1
Company Owned	2023	27	25	-2
	2024	25	21	-4
	2025	21	17	-4
Total Outlets	2023	99	92	-7
	2024	92	91	-1
	2025	91	86	-5

ITEM 20 – TABLE 2

Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years2023, 2024, & 2025

State	Year	Number of Transfers
Florida	2023	2
	2024	3
	2025	0
Kansas	2023	0
	2024	2
	2025	0
Ohio	2023	1
	2024	0
	2025	1
Pennsylvania	2023	0
	2024	1
	2025	0
Tennessee	2023	0
	2024	0
	2025	0
Texas	2023	0
	2024	0
	2025	2
Total Outlets	2023	3
	2024	6
	2025	3

ITEM 20 – TABLE 3

Status of Franchised Outlets
For Years2023, 2024, & 2025

State	Year	Outlets at Start of Year	Outlets Opened	Term-inated	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Alabama	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Arizona	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	1	1
	2024	1	1	0	0	0	1	1
Arkansas	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Connecticut	2023	2	0	0	0	0	1	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	14	0	0	0	0	4	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10
Georgia	2023	6	0	0	0	0	0	6
	2024	6	0	0	0	0	1	5
	2025	5	2	0	0	0	0	7
Illinois	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Indiana	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Iowa	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kansas	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	1	0	0	3
Kentucky	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
Michigan	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Missouri	2023	7	0	0	0	0	0	7

State	Year	Outlets at Start of Year	Outlets Opened	Term-inated	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
	2024	7	0	0	0	0	0	7
	2025	7	0	0	1	0	0	6
Nevada	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
New Jersey	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
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
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Ohio	2023	4	1	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	0	0	0	1	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
Pennsylvania	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
South Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Tennessee	2023	3	0	0	0	0	0	3
	2024	3	1	0	0	0	0	4
	2025	4	0	1	0	0	0	3
Texas	2023	9	0	0	0	0	1	8
	2024	8	1	0	0	0	1	8
	2025	8	1	0	0	0	0	9
Wisconsin	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Totals	2023	72	1	0	0	0	6	67
	2024	67	6	0	0	0	3	70
	2025	70	4	1	2	1	1	69

ITEM 20 – TABLE 4

Status of Company Owned Outlets
For Years2023, 2024, & 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of Year
Indiana	2023	3	0	0	0	0	3
	2024	3	0	0	0	1	2
	2025	2	0	0	0	0	2
Kentucky	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	1	0	2
New York	2023	1	0	0	0	0	1
	2024	1	0	0	1	0	0
	2025	0	0	0	0	0	0
Ohio	2023	19	0	0	1	1	17
	2024	17	0	0	2	0	15
	2025	15	0	1	4	0	12
West Virginia	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Totals	2023	27	0	0	1	1	25
	2024	25	0	0	3	1	21
	2025	21	0	1	5	0	17

ITEM 20 – TABLE 5

Projected openings as of December 31, 2025

State	Franchise Agreements Signed (before 12/31/25) But Outlet Not Opened	Projected Additional Franchised Outlets In 2026	Projected New Company Owned Outlet In The Next Calendar Year
Georgia	0	0	0
Michigan	0	0	0
New Jersey	1	0	0
North Carolina	0	0	0
Ohio	0	0	0
Texas	2	1	0
Wisconsin	0	0	0
Total	**3**	**1**	**0**

Attached as Exhibit D to this Disclosure Document is a list of the names of all of our current franchisees and the addresses and telephone numbers of all of their stores as of December 31, 2025. Attached as Exhibit E to this Disclosure Document is a list of the names and of the last known home addresses or telephone numbers of all franchisees who had a Petland® store business terminated, canceled, or not renewed, who otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during 2025 or who have not communicated with us within ten weeks before the date of this Disclosure Document (some addresses and phone numbers not available). If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system. There was 1 franchise who left the system last year.

During the last three years, certain franchisees have signed agreements with Petland containing confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Petland. 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.

There are no trademark-specific franchisee organizations associated with Our System that have been either: (i) created, sponsored, or endorsed by us, or (ii) incorporated or otherwise organized under state law and which have asked us to be included in our disclosure document during the next fiscal year.

ITEM 21.
FINANCIAL STATEMENTS

Petland, Inc.'s annual audited consolidated financial statements for the fiscal years ended December 31, 2025, December 31, 2024 and December 31, 2023are attached to this Disclosure Document as Exhibit A. Our fiscal year end is December 31.

ITEM 22.
CONTRACTS

Attached to this Disclosure Document are copies of the following agreements related to the offering of the Petland® franchise:

Exhibit B	Area Development Agreement (with Exhibits)
	Ex. A Certified Owner's List
	Ex. B Non-Disclosure and Non-Competition Agreement
	Ex. C Copies of Developer's Corporate Documents
	Ex. D Guaranty and Assumption of Obligations
Exhibit C	Petland, Inc. Franchise Agreement (with Exhibits)
	Ex. A Acknowledgment Regarding Ownership or Other Interests/Bound Parties
	Ex. B Territory/Franchised Location
	Ex. C Licensed Marks
	Ex. D Collateral Assignment of Lease
	Ex. E Form of Non-Disclosure and Non-Competition Agreement
	Ex. F Guaranty and Assumption of Obligations
	Ex. G Form of Bank Authorization
	Ex. H Assignment of Telephone Numbers, Facsimile Numbers, Email Addresses, and URLS and Special Power Of Attorney
	Ex. I Special Stipulations
	Ex. J Purchase Agreement
	Ex. K Receipt for Franchise Agreement
Exhibit F	Purchase Agreement
Exhibit H	State Addendum

ITEM 23.
RECEIPT

The last two pages of this Disclosure Document are detachable documents acknowledging your receipt of the Disclosure Document. You must sign both pages and return one copy to us. You should retain the other page for your records. If this page or any other pages or exhibits are missing from your copy, please contact us at this address or phone number:

Petland, Inc.
250 Riverside Street, P.O. Box 1606

Chillicothe, Ohio 45601-5606
(740) 775-2464 or (800) 221-5935

Exhibit A

Audited Consolidated Financial Statements for Fiscal Years 2025, 2024 and 2023

Petland, Inc. and Subsidiaries

Consolidated Financial Statements

As of December 31, 2025, 2024, and 2023 and for the
Years then Ended with Independent Auditor's Report

Brixey & Meyer

YOUR SUCCESS IS OUR PASSION

Petland, Inc. and Subsidiaries

Consolidated Financial Statements

As of December 31, 2025, 2024, and 2023 and for the Years then Ended with Independent Auditor's Report

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YOUR SUCCESS IS OUR PASSION

Independent Auditor's Report

Board of Directors
Petland, Inc. and Subsidiaries
Chillicothe, Ohio

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Petland, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2025, 2024, and 2023, and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, 2024, and 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

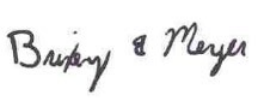
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance

and therefore is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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



Brixey & Meyer, Inc.
Miamisburg, Ohio
April 29, 2026

Petland, Inc. and Subsidiaries
Consolidated Balance Sheets

	December 31,		
	2025	**2024**	**2023**
Assets			
Current assets:			
Cash and cash equivalents	$ 2,706,143	$ 2,532,386	$ 4,016,663
Accounts receivable, net	690,187	639,145	915,242
Inventories, net	4,787,657	4,803,920	6,005,657
Prepaid expenses and other current assets	571,876	971,442	792,442
Total current assets	8,755,863	8,946,893	11,730,004
Property, plant and equipment, net	3,484,421	4,734,164	6,267,511
Operating lease right-of-use assets, net	6,355,151	7,133,018	9,663,445
Goodwill, net	1,371,849	1,562,628	1,753,407
Deferred tax assets	1,041,673	908,005	430,197
Other assets	262,677	373,400	383,064
Total assets	$ 21,271,634	$ 23,658,108	$ 30,227,628
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable	$ 2,345,285	$ 2,092,967	$ 2,408,522
Line of credit	-	-	600,000
Current portion of notes payable	356,827	465,353	551,294
Current portion of operating lease liabilities	2,039,483	2,262,141	2,511,557
Current portion of deferred revenue	180,262	287,499	673,892
Accrued expenses	803,559	696,132	854,615
Total current liabilities	5,725,416	5,804,092	7,599,880
Notes payable, net of current portion	2,745,074	3,066,355	3,531,553
Operating lease liabilities, net of current portion	5,149,501	5,984,023	8,381,164
Deferred revenue, net of current portion	2,069,058	2,705,534	2,783,481
Total liabilities	15,689,049	17,560,004	22,296,078
Stockholders' equity:			
Retained earnings	7,237,106	7,940,125	9,976,071
Additional paid-in capital	1,035,425	847,925	847,925
Treasury stock	(2,540,600)	(2,540,600)	(2,743,100)
Amounts due from stockholders	(149,346)	(149,346)	(149,346)
Total stockholders' equity	5,582,585	6,098,104	7,931,550
Total liabilities and stockholders' equity	$ 21,271,634	$ 23,658,108	$ 30,227,628

See accompanying independent auditor's report and notes to the consolidated financial statements.

Petland, Inc. and Subsidiaries
Consolidated Statements of Operations

	For the Years Ended December 31,		
	2025	**2024**	**2023**
Revenues:			
Company store retail sales	$ 32,683,408	$ 37,485,542	$ 48,578,304
Royalties	7,944,992	7,380,998	8,279,225
Franchise operations	6,471,799	6,869,212	7,015,398
National advertising fund	949,291	954,910	1,094,893
Veterinarian services	3,040,855	2,948,983	2,058,346
Total revenues	51,090,345	55,639,645	67,026,166
Operating expenses:			
Cost of company store retail sales	14,309,455	16,582,237	22,370,411
Company store operating costs	19,401,269	23,034,560	27,782,196
Franchise operations costs	7,077,798	7,262,826	6,494,820
Veterinarian services	2,667,217	2,498,942	1,607,640
General and administrative expenses	6,827,854	7,402,994	8,377,608
Depreciation and amortization expense	1,200,771	1,479,368	1,459,890
Stock redemption expense	-	-	1,557,360
Total operating expenses	51,484,364	58,260,927	69,649,925
Loss from operations	(394,019)	(2,621,282)	(2,623,759)
Other (expenses) income, net:			
Interest expense	(200,606)	(264,201)	(235,602)
Other income, net	4,222	6,878	237
Gain on sale of company stores	-	243,722	926,615
Loss on sale of property, plant and equipment	-	(80,535)	-
Loss on disposal of property, plant and equipment	(237,135)	-	-
Total other (expenses) income, net	(433,519)	(94,136)	691,250
Loss before taxes	(827,538)	(2,715,418)	(1,932,509)
Provision for income tax benefit	124,519	679,472	27,967
Net loss	$ (703,019)	$ (2,035,946)	$ (1,904,542)

See accompanying independent auditor's report and notes to the consolidated financial statements.

Petland, Inc. and Subsidiaries
Consolidated Statements of Changes in Stockholders' Equity
For the Years Ended December 31, 2025, 2024, and 2023

	Retained Earnings	Additional Paid-In Capital	Treasury Stock	Amounts Due From Stockholders	Total Stockholders' Equity
Balance at January 1, 2023	$ 11,880,613	$ 847,925	$ (3,941,115)	$ (149,346)	$ 8,638,077
Stockholder contributions	-	-	1,198,015	-	1,198,015
Net loss	(1,904,542)	-	-	-	(1,904,542)
Balance at December 31, 2023	9,976,071	847,925	(2,743,100)	(149,346)	7,931,550
Stock-based compensation	-	-	202,500	-	202,500
Net loss	(2,035,946)	-	-	-	(2,035,946)
Balance at December 31, 2024	7,940,125	847,925	(2,540,600)	(149,346)	6,098,104
Stock-based compensation	-	187,500	-	-	187,500
Net loss	(703,019)	-	-	-	(703,019)
Balance at December 31, 2025	$ 7,237,106	$ 1,035,425	$ (2,540,600)	$ (149,346)	$ 5,582,585

See accompanying independent auditor's report and notes to the consolidated financial statements.

Petland, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

	For the Years Ended December 31,		
	2025	**2024**	**2023**
Operating activities			
Net loss	$ (703,019)	$ (2,035,946)	$ (1,904,542)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization expense	1,200,771	1,379,992	1,459,890
Noncash lease benefit	(279,313)	(116,130)	(187,397)
Gain on sale of company retail store	-	(243,722)	(926,615)
Loss on sale of property, plant and equipment	-	80,535	-
Loss on disposal of property, plant and equipment	237,135	-	-
Impairment of long-lived assets	-	99,376	-
Deferred income taxes	(133,668)	(477,808)	(179,526)
Stock-based compensation	187,500	202,500	-
Changes in assets and liabilities:			
Accounts receivable, net	(51,042)	276,097	(141,073)
Inventories, net	229,128	1,149,750	1,302,024
Prepaid expenses and other assets	510,289	(169,336)	(100,075)
Accounts payable	252,318	(315,555)	(211,618)
Deferred revenue	(743,713)	(464,340)	151,714
Accrued expenses	107,427	(158,483)	(198,132)
Net cash provided by (used in) operating activities	813,813	(793,070)	(935,350)
Investing activities			
Purchases of property, plant, and equipment	(210,248)	(175,641)	(919,321)
Proceeds from sale of property, plant, and equipment	-	80,586	-
Proceeds from sale of stores	-	554,987	1,469,275
Acquisition of business, net of cash acquired	-	-	(2,803,952)
Net cash (used in) provided by investing activities	(210,248)	459,932	(2,253,998)
Financing activities			
Proceeds from line of credit	-	361,600	700,000
Repayments on line of credit	-	(961,600)	(100,000)
Proceeds from notes payable	-	-	2,343,254
Repayments of notes payable	(429,807)	(551,139)	(635,698)
Stockholder contributions	-	-	1,198,015
Net cash (used in) provided by financing activities	(429,807)	(1,151,139)	3,505,571
Increase (decrease) in cash and cash equivalents	173,758	(1,484,277)	316,223
Cash and cash equivalents, beginning of year	2,532,386	4,016,663	3,700,440
Cash and cash equivalents, end of year	$ 2,706,143	$ 2,532,386	$ 4,016,663

See accompanying independent auditor's report and notes to the consolidated financial statements.

Note 1 – Nature of Business

The consolidated financial statements include the accounts of Petland, Inc. and its wholly-owned subsidiaries: Petland Leaseholding Company, Inc., Petland LV West, Inc., Aquarium Adventure, Inc., AQA Aquarium Stores, Inc., and Petland Health and Wellness, LLC (collectively the Company or Petland). Petland Health and Wellness, LLC was created in 2023 a result of a business combination; see Note 3 for more information.

The Company is in the business of developing retail pet stores under the name of Petland, Safari Stan's Pet Center, or Dream Tails and retail aquatic fish stores under the name of Aquarium Adventure for sale to franchisees. The Company currently has franchisees in the United States and seven foreign countries. The Company provides various services to franchisees under a franchise or development agreement, which provides for the maintenance of established standards of quality and operations. Additional terms include the distribution of Petland products and construction of Petland fixtures which are sold to franchisees.

The following table sets forth information related to the number of retail locations in operation at December 31:

	2025	2024	2023
Corporate owned	17	21	25
Franchisee owned	272	266	291
Total retail stores	289	287	316

As of December 31, 2025, 2024 and 2023, the Company had 3 franchised Aquarium Adventure locations, which are not included in the table above.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The consolidated financial statements are prepared on the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP 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 consolidated financial statements and the reported amounts of revenue 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 consists of cash on hand and cash deposits maintained at a financial institution. These balances are insured by the Federal Deposit Insurance Corporation up to $250,000 per depositor at each financial institution. At times throughout the years ended December 31, 2025, 2024, and 2023, the Company's cash balance may have exceeded federally insured limits.

The Company considers highly liquid investments with maturities of three months or less as cash equivalents. Cash and cash equivalents also include amounts due from commercial credit card companies, which are generally received within a few days of the related transactions.

Accounts Receivable

Accounts receivable consists of balances due from franchisees. The Company extends unsecured credit for certain agreements under normal terms which require payment within 30 days. The Company carries its accounts receivable at invoiced amounts less an allowance for expected credit losses. The allowance for expected credit losses is the Company's best estimate of expected credit losses on existing accounts receivable balances. The Company determined the allowance for expected credit losses using estimates based on historical loss experience while also considering the current and future economic environment. The Company reviews the allowance for expected credit losses on a regular basis. The allowance for expected credit losses was $103,563, $114,805, and $102,554 as of December 31, 2025, 2024, and 2023, respectively.

The following amounts are included in the consolidated balance sheets as of:

	December 31, 2025	December 31, 2024	December 31, 2023	January 1, 2023
Accounts receivable, net	$ 690,187	$ 639,145	$ 915,242	$ 774,169

Inventories

Inventory is comprised of pets, pet supplies, raw materials, work-in-process, and saleable finished fixtures and is valued at the lower of cost or net realizable value, with cost determined on the weighted average method. Physical inventories are taken within each Company owned location and warehouse annually, and inventory records are adjusted accordingly.

The Company's inventory valuation methodology requires management estimates and judgment, such as the provision of slow-moving or obsolete merchandise. Adjustments to inventory cost for slow-moving or obsolete merchandise are based on several factors including the quantity of merchandise on hand and sales trends. The accuracy of these estimates can be impacted by many factors, some of which are outside of management's control, including changes in economic conditions and consumer buying trends. Based on prior experience, management believes the assumptions used in these estimates will not change significantly. The Company estimates a reserve for slow-moving and obsolete merchandise, reported net within inventories on the consolidated balance sheets that amounted to $176,773, $134,514, and $212,371as of December 31, 2025, 2024, and 2023, respectively.

Note 2 – Summary of Significant Accounting Policies (continued)

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost, net of accumulated depreciation. Depreciation is calculated on the straight-line basis over the estimated useful lives of the related assets. Land is carried at cost and is not depreciated. Routine expenditures for maintenance and repairs are charged to expense as incurred. Expenditures for improvements or betterments, which materially extend the useful lives of assets or increase their productivity, are capitalized, including leasehold improvements financed by the landlord through construction allowances.

Estimated useful lives for the purposes of depreciation are as follows (in years):

Land improvements	10
Buildings	7 - 20
Leasehold improvements	Shorter of economic life or lease term
Furniture and fixtures	5 -15
Technology equipment	3 - 15
Transportation equipment	5
Veterinary equipment	5

Impairment of Long-Lived Assets

The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of assets may not be recoverable. The recoverability of assets is based on the estimated future cash flows expected resulting from the use of the assets. The Company's estimate of future cash flows is based upon, among other things, certain assumptions about expected future operating performance, growth rates and other factors. The actual cash flows realized from these assets may vary significantly from the Company's estimates due to increased competition, fluctuation in customer visits, fluctuations in cost of sales, increased wages, and reductions in average selling prices. These assumptions are subject to risks and uncertainties.

If such assets are considered to be impaired, the impairment to be recognized in earnings equals the amount by which the carrying value of the assets exceeds their fair value. If such assets are not impaired, but their useful lives have decreased, the remaining net book value is depreciated over the revised useful life. The Company recognized an impairment charge of $99,376 for the year ended December 31, 2024, which is included in Depreciation and amortization expense on the Consolidated Statements of Operations. No impairment charge was recognized for the years ended December 31, 2025 or 2023.

Goodwill

The recorded amount of goodwill relates to the acquisition of Petland Health and Wellness, LLC in 2023 (see Note 3 for more information) and is based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition. The Company adopted an accounting alternative under the provisions of Accounting Standard Update (ASU) 2014-02, *Intangibles - Goodwill and Other (Topic 350): Accounting for Goodwill*, to amortize goodwill on a straight-line basis over ten years. Under this accounting alternative, the Company evaluates goodwill for impairment when a triggering event occurs. No impairment charge was recognized for the years ended December 31, 2025, 2024 or 2023.

Note 2 – Summary of Significant Accounting Policies (continued)

Revenue Recognition

The Company has revenue from company store retail sales, royalties, franchise operations, national advertising fund, and veterinarian services. The following table disaggregates the Company's revenue based on the timing of satisfaction of performance obligations for the years ended December 31:

	2025	2024	2023
Performance obligations satisfied at a point in time	$ 50,323,972	$ 55,184,172	$ 66,383,645
Performance obligations satisfied over time	766,373	455,473	642,521
Total revenues	$ 51,090,345	$ 55,639,645	$ 67,026,166

Company Store Retail Sales

The Company recognizes revenue from retail sales when control of the merchandise is transferred to customers in an amount that reflects the consideration received in exchange for such merchandise. For retail sales, control is transferred at the point at which the customer receives and pays for the merchandise at the register. The consideration received is the stated price of the merchandise, net of any discounts, returns, allowances and sales tax collected. Cash is typically received on the day of or, in the case of credit or debit card transactions, including third party financed sales, within several days of the related sales.

Royalty Fees

Royalty fees, which are based upon a percentage of gross revenue collected by the franchisees, are recognized as income at the point in time when such revenues are earned by those franchisees.

The sales-based royalty fee is considered variable consideration related primarily to the use of the license and trademarks to generate sales and is recognized as revenue as sales are earned by the franchisees. These sales-based fees qualify under the royalty constraint exception, and do not require an estimate of future transaction price.

Franchise Operations

Franchise Development Fees

The Company generates revenue from franchising through individual franchise agreements and area development agreements. In consideration for the payment of an initial franchise and area development fee, continuing royalties, and other amounts specified in the franchise agreement, the Company grants franchisees the use of the Petland trademarks and system and training, and store operation assistance.

The Company satisfies the performance obligation related to the franchise and area development agreements over the term of the related agreement, which is typically 20 years. As a result, revenue is reported in deferred revenue on the consolidated balance sheets and recognized over the life of the related agreement. Payment for the franchise and area development agreements consist of a fixed fee, as determined by the signed agreement, that is nonrefundable and due at the time the agreement is entered into, and/or when the agreement is signed.

Note 2 – Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Distribution Center Sales

The Company recognizes revenue from the import and distribution of wholesale pet related products when control of the product is transferred to customers (franchisees) in an amount that reflects the consideration received in exchange for such product. Control is transferred at the point in time when the product is shipped to the customer. The consideration received is the stated price of the merchandise, net of any discount, and returns.

Fixture Development

The Company determined there are two performance obligations under these contracts for the (1) design and build of fixtures and (2) shipping and installation of fixtures. Revenue is recognized as a point in time based on satisfaction of each performance obligation. All advance payments or costs incurred are deferred and reported in deferred revenue or prepaid expenses on the consolidated balance sheets.

Franchisee Services and Other

Other franchisee revenues include bookkeeping and managerial services, training of new locations, store merchandising, and construction and fixture coordination services.

Bookkeeping and managerial services are offered to franchisees in the franchise agreement. These revenues are recognized monthly over the period in which the services are provided.

Initial store merchandising and training is offered under the franchise agreement to assist the franchisee in determining the appropriate product mix, display, and excess stock to carry on hand, as well as team member training. The Company receives a fee for these services, which is recognized at the completion of these services.

The Company offers construction and fixture coordination services to franchisees during the build out of a new location. Construction plan fees are recognized upon delivery of the final approved blueprints for the store design. Fixture coordination fees are recognized upon final installation of store fixtures.

National Advertising Fund

The Company established a national advertising fund (the Fund) as of March 1, 2022. These revenues are to be used for marketing and legislative activities which support the Petland brand and business model, including websites, advertising programs, public relations, and industry lobbying expenses. The Company matches dollar for dollar each contribution from franchisees into the Fund. Contributions to the Fund from franchisees totaled $949,291, $954,910, and $1,094,893 for the years ended December 31, 2025, 2024, and 2023, respectively.

Veterinarian Services

The Company recognizes revenues from veterinarian services at a point in time as services are provided to the customer.

Note 2 – Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Contract Assets

Incremental direct expenses, such as commissions, are deferred and recognized over the related term of the agreement. Contract assets were $279,276, $397,450, and $406,364 at December 31, 2025, 2024, and 2023, respectively. Contract assets are recorded as a component of prepaid expenses and other current assets and other assets on the consolidated balance sheets.

Contract Liabilities

The Company's deferred revenue consists of fees from franchisees upon execution of their respective franchise and area development agreements, which are contract liabilities. The amounts received are recorded as deferred revenue until the Company satisfies requirements under the agreements. Revenue from franchise and area development agreements are recognized on a straight-line basis over the term of the agreement as the underlying performance obligation is satisfied. The following amounts are included in the consolidated balance sheets as of:

	December 31, 2025	December 31, 2024	December 31, 2023	January 1, 2023
Deferred revenue	$ 2,249,320	$ 2,993,033	$ 3,457,373	$ 3,305,659

Future estimated revenue to be recognized related to deferred revenue for the next five years and through maturity of the contracts as of December 31, 2025, are as follows:

2026	$ 180,262
2027	176,906
2028	222,553
2029	163,497
2030	163,437
Thereafter	1,342,665
Total	$ 2,249,320

Taxes Collected from Customers

The Company collects sales tax from its customers on retail sales that is remitted to various state governmental authorities when due. The Company's policy is to record sales taxes collected from customers as a component of accrued expenses on the consolidated balance sheets until the funds are remitted to the taxing authority.

Note 2 – Summary of Significant Accounting Policies (continued)

Advertising and Marketing Costs

The Company's advertising and franchise marketing costs are reported as company store operating costs and general and administrative expenses. Advertising costs charged to operations were $1,249,359, $2,209,423, and $2,786,276 for the years ended December 31, 2025, 2024, and 2023, respectively.

Pre-opening Costs

Pre-opening costs are expensed as incurred. These include costs associated with the opening and organizing of new retail locations.

Income Taxes

Provision has been made in the consolidated financial statements for federal, foreign, state and local income taxes by applying statutory income tax rates to losses from operations. The Company files a consolidated federal income tax return.

Income taxes are accounted for on the liability method. Under this method, deferred income taxes are recognized based on the estimated future tax effects of differences between the financial and tax basis of assets and liabilities under the provisions of enacted tax laws. The effect on deferred taxes of a change in tax rates is recognized in the period that includes the enactment date. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. Income tax expense represents the taxes currently payable and the net change during the period in deferred tax assets and liabilities.

The Company accounts for uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the consolidated financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities in its income tax provision. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company’s income tax filings are subject to audit by various taxing authorities. In evaluating the Company’s activities, the Company believes its tax payments are current based on recent facts and circumstances.

It is the policy of the Company to include in its consolidated statements of operations, when necessary, penalties and interest assessed by income taxing authorities. There are no penalties or interest from taxing authorities included in the consolidated statements of operations for 2025, 2024, or 2023.

The Company files tax returns in the U.S. federal jurisdiction and various state and local jurisdictions. Tax return filings are generally subject to a three-year statute of limitations from date of filing. Accordingly, the Company is still open for examination for tax years ended December 31, 2022 to present.

Note 2 – Summary of Significant Accounting Policies (continued)

Fair Value Measurements

Fair value measurement disclosures enable the reader of the consolidated financial statements to assess the inputs used to develop those measurements by establishing a hierarchy for ranking the quality and reliability of the information used to determine fair values.

Assets and liabilities carried at fair value must be disclosed in one of the following three categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The Company generally applies Level 3 fair value techniques on a nonrecurring basis associated with (1) valuing potential impairment loss related to long-lived intangible assets and (2) valuing stock-based compensation. These assets are recognized at fair value when they are determined to be other-than-temporarily impaired.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740)*. ASU 2023-09 requires additional income tax disclosures, including amendments to the rate reconciliation and income taxes paid disclosure. ASU 2023-09 is effective for fiscal years beginning after December 15, 2025. Early adoption is permitted. The amendments should be applied on a prospective basis, but retrospective application is permitted. Management is still considering the impact that the adoption of this standard will have on the consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments – Credit Losses (Topic 326)*. ASU 2025-05 provides a practical expedient allowing the entity to assume the current conditions as of the balance sheet date do not change for the remaining life of the asset for purposes of estimating expected credit losses. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025. Early adoption is permitted. The amendments should be applied on a prospective basis. Management is still considering the impact that the adoption of this standard will have on the consolidated financial statements.

Note 3 – Business Combination

In March 2023, the Company acquired substantially all of the assets of Tharp Animal Health Care Center, Inc. The fair value of the total consideration transferred was $2,803,952, which includes proceeds from notes payables totaling $2,343,254. The purchase price allocated to the fair value of assets acquired is based on estimates of fair value at the acquisition date, with amounts exceeding the estimated fair values being recorded as goodwill. Goodwill consists of the value associated with customer relationships and the assembled workforce, expected synergies from the acquisition, and the result of expected long-term revenue growth. Goodwill is expected to be deductible for tax purposes.

Note 3 – Business Combination (continued)

The following table summarizes the approximate fair values of the consideration paid and assets acquired on the date of acquisition:

Cash	$	460,698
Additional proceeds on mortgage note payable		1,023,254
Issuance of promissory note payable to bank		920,000
Issuance of promissory note payable to seller		400,000
Acquisition date fair value	$	2,803,952
Recognized amounts of identifiable assets acquired:		
Property and equipment	$	841,250
Inventory		37,259
Other assets		28,952
Total identifiable net assets		907,461
Goodwill		1,896,491
Total allocated purchase price	$	2,803,952

Note 4 – Property, Plant and Equipment, Net

The composition of property, plant and equipment, net is as follows at December 31:

	2025	2024	2023
Land	$ 480,910	$ 480,910	$ 480,910
Land improvements	275,469	275,469	244,662
Buildings	2,442,123	2,442,123	2,442,123
Leasehold improvements	3,853,535	4,348,689	5,123,237
Furniture and fixtures	4,729,007	5,427,820	5,606,017
Technology equipment	1,958,764	1,994,336	1,973,073
Transportation equipment	235,773	235,773	415,065
Veterinary equipment	325,766	307,575	295,928
Total	14,301,347	15,512,695	16,581,015
Less: accumulated depreciation	(10,816,926)	(10,778,531)	(10,313,504)
Property, plant and equipment, net	$ 3,484,421	$ 4,734,164	$ 6,267,511

Depreciation expense was $1,009,992, $1,189,213, and $1,316,806 for the years ended December 31, 2025, 2024, and 2023, respectively.

Note 5 – Goodwill

Changes in the carrying amounts goodwill for the years ended December 31, 2024 and 2023 are as follows:

Balance as of January 1, 2023	$	-
Acquisition		1,896,491
Amortization expense		(143,084)
Balance as of December 31, 2023		1,753,407
Amortization expense		(190,779)
Balance as of December 31, 2024		1,562,628
Amortization expense		(190,779)
Balance as of December 31, 2025	$	1,371,849

The Company recorded $190,779, $190,779 and $143,084 of amortization expense related to goodwill for the years ended December 31, 2025, 2024 and 2023, respectively.

Expected future amortization of goodwill over the next 5 years is as follows for the years ending December 31:

2026	$	190,779
2027		190,779
2028		190,779
2029		190,779
2030		190,779
Thereafter		417,954
Total	$	1,371,849

Note 6 – Stockholders' Equity

The Company has 2,400,000 authorized shares of no par value common stock. The Company has issued common stock to the Company's founders, sold common stock to investors, and issued common stock in exchange for services.

Changes in shares of common stock for the years ended December 31 are as follows:

	2025	2024	2023
January 1, issued and outstanding	552,582	525,582	555,304
Issued	-	27,000	78,707
Repurchased	-	-	(108,429)
December 31, issued and outstanding	552,582	552,582	525,582

Note 6 – Stockholders' Equity (continued)

Changes in shares held in treasury stock for the years ended December 31 are as follows:

	2025	2024	2023
January 1, outstanding	1,847,418	1,874,418	1,844,696
Issued to common stock	-	(27,000)	(78,707)
Repurchased from common stock	-	-	108,429
December 31, outstanding	1,847,418	1,847,418	1,874,418

In 2025 and 2024, the Company issued 0 and 27,000 shares of common stock from treasury stock as stock-based compensation, respectively. In 2023, the Company issued 78,707 shares of common stock from treasury stock for cash in the amount of $1,198,015.

Treasury stock consists of shares repurchased from stockholders at cost and shares repurchased in connection with the stock redemption agreement.

Stock Redemption Agreement

In September 2020, the Company entered into a stock redemption agreement (the Agreement) with its majority stockholder that provided the Company with the right to repurchase 969,051 shares of the Company's common stock over a seven-year period as scheduled monthly in the agreement. The fixed price per share ranged from $10 to $16 over the term of the Agreement, with 121,131 shares to be acquired each year. Additionally, the Agreement provided the stockholder the right until August 31, 2022 to purchase the Company's corporate office and lease it back to the Company.

In February and May of 2022, the Agreement was amended to accelerate the timing of the redemption of shares and adjust the redemption price per share. The Company's right to redeem the remaining shares was amended to a 36-month term beginning on June 1, 2022 through May 1, 2025 at monthly installments of $104,027 for the requisite number of shares. In connection with these amendments, the right to purchase the Company's corporate office and lease it back to the Company, was extended until December 31, 2023.

In November 2023, the Agreement was amended to accelerate the timing of the redemption of shares through May 15, 2024, and to extend the right to purchase the Company's corporate office and lease it back to the Company until December 31, 2024.

As of December 31, 2024, all rights under the Agreement have ended. The stockholder did not exercise their right to purchase the Company's corporate office and no additional Petland shares were redeemed in 2024.

Under the Agreement, the Company redeemed 0 and 108,429 shares during the years ended December 31, 2024 and 2023, respectively. The Company recorded stock redemption expense on the consolidated statements of operations of $0 and $1,557,360, for these redemptions for the years ended December 31, 2024 and 2023, respectively.

Note 7 – Line of Credit

In February 2022, the Company entered into a revolving line of credit agreement with a bank that was due on demand. The line of credit had maximum borrowings of $1,000,000 and required the Company to pay variable interest based on the bank's established prime rate, which shall not be less than 3% (effective rate of 8.25% at December 31, 2023). The revolving line of credit required monthly interest payments and matured in May 2024 and was extended until November 2024. The line of credit was collateralized by certain assets of the Company, did not include prepayment penalties, and was subject to certain restrictive covenants. The line of credit agreement was terminated in July 2024 upon entering into a new line of credit agreement. As of December 31, 2023, the line of credit had an outstanding balance of $600,000.

In July 2024, the Company entered into a one-year revolving line of credit agreement with another bank that is due on demand. The line of credit had maximum borrowings of $1,500,000 and required the Company to pay variable interest based on the Secured Overnight Financing Rate (SOFR) plus 2%. The interest rate shall not be less than 3% or more 21% per the agreement (effective rate of 6.33% at December 31, 2024). The revolving line of credit required monthly interest payments and matured in July 2025. The line of credit was collateralized by certain assets of the Company, did not include prepayment penalties, and was subject to certain restrictive covenants. No amounts were outstanding on the line of credit as of December 31, 2024.

In April 2025, the Compnay amended and extended the one-year revolving line of credit. Under the amendment, the line of credit has maximum borrowings of $1,250,000 and requires the Company to pay variable interest based on the SOFR plus 2% (effective rate of 5.79% at December 31, 2025). The line of credit requires monthly interest payments and matures in July 2026. The line of credit is collateralized by certain assets of the Company, does not include prepayment penalties, and is subject to certain restrictive covenants. No amounts were outstanding on the line of credit as of December 31, 2025.

As of December 31, 2025 and 2023, the Company was in compliance with restrictive debt covenants. As of December 31, 2024, the Company was in violation of its tangible net worth financial covenant. This covenant violation was waived by its lender on April 14, 2025.

Note 8 – Notes Payable

Notes payable consists of the following at December 31:

	2025	2024	2023
Mortgage note payable to a credit union with monthly payments of principal and interest ranging from $16,224 to $17,901. The interest rate for the first 60 payments is 5.99% and the remaining 119 payments is based on the weekly average yield on United States Treasury securities plus a margin of 3.00%. A balloon payment of $909,787 is due in April 2038. The note is secured by land and property and is guaranteed by a stockholder of the Company up to $500,000.	$ 2,095,926	$ 2,162,882	$ 2,225,597
Promissory note payable to a credit union with monthly payments of principal and interest of $13,556 and an interest rate of 6.25%. The note matures in April 2030. The note is secured by land, building, inventory, and equipment, and is guaranteed by a stockholder of the Company.	616,111	736,183	848,858
Unsecured notes payable to former franchisees, monthly or quarterly payments of principal and interest with interest rates ranging from 0.00% to 6.00% and maturity dates through 2026.	163,978	327,082	620,706
Unsecured promissory note payable to seller with monthly payments of principal and interest of $23,298 and an interest rate of 6.00%. The note matures in April 2028.	214,861	292,239	365,144
Secured notes payable to financial institutions and other lenders, payable in monthly payments of principal and interest with interest rates ranging from 0.00% to 8.00% and maturity dates through 2029. The notes are secured by assets of the Company.	11,025	13,322	22,542
Total notes payable	3,101,901	3,531,708	4,082,847
Less: current portion of notes payable	(356,827)	(465,353)	(551,294)
Notes payable, net of current portion	$ 2,745,074	$ 3,066,355	$ 3,531,553

See accompanying independent auditor's report.

Note 8 – Notes Payable (continued)

Scheduled future maturities of notes payable as of December 31, 2025 for each of the next five years, and in aggregate, thereafter, are as follows for the years ending December 31:

2026	$	356,827
2027		329,962
2028		296,296
2029		264,549
2030		134,995
Thereafter		1,719,272
Total	$	3,101,901

Note 9 – Leases

The Company determines if a contract contains a lease at inception date. The Company's leases are operating leases, primarily for corporate store locations. The Company has elected the short-term lease practical expedient related to leases of various equipment used in retail locations. The Company's distribution warehouse is leased from a related party (see Note 12).

The leases require the Company to pay taxes, insurance, utilities, and maintenance costs, and a percentage of rent, determined as a percentage of sales in excess of stipulated amounts. These costs are typically billed separately under the lease and variable in nature; therefore, the Company determined these costs should be excluded from the measurement of the amounts recorded as the right of use assets and lease liabilities. The Company assesses whether it is reasonably certain to exercise an option to extend or terminate a lease at the commencement date. In this assessment, the Company considers all relevant factors that create economic incentive to exercise such options including asset, contract, market and entity-based factors. Generally, the Company does not consider any additional renewal periods to be reasonably certain of being exercised, as comparable locations could generally be identified within the same trade areas for comparable lease rates. The weighted average remaining lease term under operating leases is 4.06 years, 4.44 years and 5.10 years at December 31, 2025, 2024 and 2023, respectively.

The Company's existing leases do not provide a determinable implicit rate. Therefore, the Company elected to use a risk-free rate as the discount rate for operating leases as permitted by ASC 842 - Leases for private companies. The risk-free rate was determined to be a treasury yield curve based on the term and commencement date of the lease. The operating lease right-of-use asset and related operating lease liability have been calculated using discount rates ranging from 1.37% to 4.72%. The weighted average discount rate under operating leases is 3.01%, 2.69% and 1.99% at December 31, 2025, 2024 and 2023, respectively.

Note 9 – Leases (continued)

The Company recognized rent expense associated with operating leases as follows for the years ended December 31:

	2025	2024	2023
Fixed rent expense	$ 2,592,859	$ 2,507,561	$ 2,525,166
Variable rent expense	575,884	656,530	829,470
Short-term lease cost	10,710	12,000	52,553
Sublease income	(519,026)	(364,473)	(231,080)
Total rent expense	$ 2,660,427	$ 2,811,618	$ 3,176,109

Rent expense associated with operating leases is recorded in the following accounts on the Company's consolidated statements of operations for the years ended December 31:

	2025	2024	2023
Company stores direct operating costs	$ 2,257,531	$ 2,582,611	$ 2,951,325
Company stores indirect operating costs	261,166	15,699	15,936
Fixture development cost	14,853	89,120	87,870
Distribution center costs	151,306	151,302	106,357
General and administrative	(24,429)	(27,114)	14,621
Total rent expense	$ 2,660,427	$ 2,811,618	$ 3,176,109

Future minimum rent on non-cancelable leases as of December 31, 2025 for each of the next five years, and in aggregate, thereafter, are as follows for the years ending December 31:

2026	$ 2,223,188
2027	1,998,995
2028	1,409,843
2029	1,026,057
2030	821,438
Thereafter	170,901
Total	7,650,422
Less amounts representing interest	(461,438)
Present value of minimum lease payments	7,188,984
Less: current portion of operating lease liabilities	(2,039,483)
Operating lease liabilities, net of current portion	$ 5,149,501

Note 10 – Income Taxes

The components of net deferred tax assets at December 31 are as follows:

	2025	2024	2023
Assets:			
Allowance for bad debts	$ 24,235	$ 27,102	$ 24,163
Net operating loss carryforwards	362,970	323,890	-
Deferred revenue	543,192	669,970	814,588
Charitable contributions	184,163	157,587	75,253
Tax credits	20,573	20,573	-
Other	258,725	273,547	283,665
Total deferred tax assets	1,393,858	1,472,669	1,197,669
Liabilities:			
Property, plant and equipment	(352,185)	(564,664)	(767,472)
Total deferred tax liabilities	(352,185)	(564,664)	(767,472)
Total net deferred tax assets	$ 1,041,673	$ 908,005	$ 430,197

The components of the provision for income tax benefit (expense) for the years ended December 31 are as follows:

	2025	2024	2023
Current:			
Federal	$ -	$ 200,616	$ (68,910)
State and local	(9,149)	1,048	(22,756)
Foreign	-	-	(59,893)
Total current	(9,149)	201,664	(151,559)
Deferred:			
Federal	114,101	438,962	159,542
State and local	19,567	38,846	19,984
Total deferred	133,668	477,808	179,526
Provision for income tax benefit	$ 124,519	$ 679,472	$ 27,967

Note 10 – Income Taxes (continued)

The Company's effective income tax rate is 15.0%, 25.0%, and 1.5% for the years ended December 31, 2025, 2024, and 2023, respectively. The actual tax provision for 2025, 2024, and 2023 differs from the expected tax provision (computed by applying the U.S. federal corporate tax rate of 21.0% to income before income taxes) due primarily to losses from operations before income taxes and the expected amount of income tax expense that would result from applying domestic federal statutory tax rates to pre-tax income primarily stock compensation expense, state and local taxes, and foreign taxes. The Company has a federal net operating loss carryforward of $1,549,236 as of December 31, 2025, and the carryforward period is indefinite.

Note 11 – Retirement Plan

The Company has a 401(k) Plan (the Plan) for all qualified employees. Effective January 1, 2022, the Plan was amended to operate under the internal revenue code provisions of a "safe-harbor" plan. As such, the employer match, effective January 1, 2022, is 100% of employee contributions up to 3% plus 50% of employee contributions up to 5% for a maximum employer match of 4%. The Company made contributions of $206,310, $219,564, and $254,999 for the years ended December 31, 2025, 2024, and 2023, respectively.

Note 12 – Related Party Transactions

The Company extended non-interest bearing loans in 1982 to certain key employees for the exercise of options to purchase stock of the Company. The loans totaling $120,000 and other advances to principal stockholders without specified repayment terms totaling $29,346 have been classified as a decrease to stockholders' equity.

In connection with the issuance of Company common stock discussed in Note 6, certain transactions are now classified as related party transactions beginning in 2023. The Company has historically leased warehouse distribution space under an operating lease agreement and purchases merchandise inventory from entities affiliated with a related party. In January 2025 the Company assumed the operating lease agreement and has subleased a portion of the warehouse space to the same related party. Under these transactions, rental income received for the operating lease for the year ended December 31, 2025 was $97,400 and rental expense paid for the operating lease was $142,873 and $96,136 for the years ended December 31, 2024 and 2023, respectively. Inventory purchases were $220,870, $276,272 and $379,177 for the years ended December 31, 2025, 2024 and 2023, respectively.

As of December 31, 2025, the Company had a receivable due from an entity affiliated with a related party amounting to $52,387, which is recorded as a component of accounts receivable on the consolidated balance sheets. As of December 31, 2025, 2024 and 2023, the Company had a payable due to an entity affiliated with a related party amounting to $71,006, $151,293 and $72,400, which is recorded as a component of accounts payable on the consolidated balance sheets.

As described in Note 6, the Company entered into an agreement with a stockholder to repurchase shares of the Company's common stock.

Note 13 – Supplemental Cash Flow Information

The following is supplemental cash flow information for the years ended December 31:

	2025	2024	2023
Supplemental disclosures of cash flow information:			
Cash paid for income taxes	$ 7,611	$ 14,032	$ 30,809
Cash paid for interest	201,046	264,838	236,647
Cash paid for amounts included in the measurement of operating lease liabilities	2,505,868	2,612,735	2,691,469
Non-cash investing activities:			
Right-of-use assets obtained in exchange for operating lease liabilities	$ 1,943,534	$ -	$ 1,045,268

Note 14 – Commitments and Contingencies

The Company from time to time may be subject to lawsuits and other charges from customers, which are typical within the industry. In the opinion of management, the resolution of any open matters will not have a material effect upon the consolidated financial position, results of operations, or cash flows of the Company.

Note 15 – Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including April 29, 2026 which is the date the consolidated financial statements were available to be issued.

No subsequent events requiring consolidated financial statement adjustment and/or disclosure have been identified.

Brixey & Meyer

YOUR SUCCESS IS OUR PASSION

Exhibit B

Area Development Agreement
(with Exhibits)

Petland, Inc.

An Ohio Corporation
250 Riverside Street
P. O. Box 1606
Chillicothe, Ohio 45601-5606
(740) 775-2464
(800) 221-5935
franchise.development@petland.com
Web site: www.petland.com

AREA DEVELOPMENT AGREEMENT

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AREA DEVELOPMENT AGREEMENT

This Area Development Agreement ("Agreement") is entered into as of the ____ day of _____, 20___ ("Commencement Date"), by and between Petland Inc. ("Petland"), an Ohio corporation, with its principal place of business located at 250 Riverside Street, P. O. Box 1606, Chillicothe, Ohio 45601-5606, and _____ ("Developer") with its principal place of business located at and its Principals (as defined herein below).

RECITALS

WHEREAS, Petland has developed and owns the System (defined below as "Our System" or "System");

WHEREAS, Petland intends to identify Our System in the Territory with the Proprietary Marks; and

WHEREAS, Developer wishes to obtain certain rights to develop Petland®, "Safari Stan's Pet Center®" or "Dream Tails" sites under Our System in the Territory.

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments set forth herein, agree as follows:

1 DEFINITIONS

As used in this Agreement the following words and phrases shall have the meanings attributed to them in this Article:

Action - any cause of action, suit, proceeding, claim, demand, investigation or inquiry (whether a formal proceeding or otherwise) asserted or instituted by a third party with respect to which the indemnity described in Article 12 applies.

Agreement - this Area Development Agreement.

Appraiser(s) - one or more independent third parties selected by the parties to this Agreement in accordance with the terms and conditions hereof.

Business Days - each day except Saturday, Sunday and United States Government legal holidays.

Commencement Date - the date given in the introduction of this Agreement.

Competing Business - means the retail sale of tropical, marine, and pond fish, fish supplies, aquariums and aquarium supplies, coral, plant selections and related aquatic products, aquarium services, or any business which operates or grants franchises or licenses to others to operate a business that provides similar services and/or products as those offered by Petland.

Confidential Information - all data or facts, not available to the public or which do not become available to the public, which data and facts shall include but not be limited to all architectural drawings and plans, memoranda, notes, disks, digital information of any kind, whether from Petland's websites or otherwise, financial statements, trademarks, trade dress, copyrights, logos, signage, blueprints, sketches, methods, processes, designs, plans, property, reports, documents, analytical tools, business plans, business contacts, information regarding operations, manufacturing, administration, merchandising, marketing, costing, and production information and all extracts and copies thereof prepared by either party or its officers, agents, employees, attorneys, representatives, or consultants, which when used together as they relate to Our System reasonably represent an entity employing the System, which is disclosed to or acquired by Developer directly or indirectly from Petland in the course of activities related to the development of a business relationship between Developer and Petland, or which is obtained by Developer through an inspection or tour of Petland's offices or facilities.

Confidential Operations Manual - means and shall include, without limitation, the Confidential Operations Manual, the various departmental operations manuals, the Advertising Manual, the Sales Manual, and other items as may be provided in the future, including administration and managers manual(s), certain pamphlets, memoranda, e-mail, and other publications prepared by Petland, whether or not in written, electronic, or tangible form and regardless of the media on which it is stored, and as may be added to, changed, modified, withdrawn, or otherwise revised by Petland setting out the standards, methods, procedures, and specifications of Our System.

Developer Indemnitees - Developer, Principals, and their respective directors, officers, employees, agents, shareholders, affiliates, successors and assigns and the respective directors, officers, employees, agents, shareholders, affiliates, successors and assigns of each.

Development Fee - a fee equal to the sum of $50,000.00 (for the first Franchise Unit to be established under the terms of this Agreement) plus $25,000 times the number of Franchise Units required to be developed thereafter pursuant to the Development Schedule.

Development Materials - a description of the Site, a feasibility study (including, without limitation, demographic data, photographs, maps, artist's renderings, site plans, a copy of the Occupancy Contract, and documentation indicating Developer's prospects to acquire the Site) and such other information related to the development of the Site as Petland reasonably requests.

Development Schedule - the schedule pursuant to which Developer shall develop Franchise Units in the Territory (see Article 3.1)

Event of Default - as defined in Article 10.

Franchise Agreement - an agreement pursuant to which Developer constructs, operates or intends to operate an Petland®, "Safari Stan's Pet Center®" or "Dream Tails" Franchise Unit during the Development Schedule. The Franchise Agreement shall be in a form identical to that required of new franchisees at the time of the execution of the Franchise Agreement except that the Franchise

Fee provided for in the Franchise Agreement shall conform to the Franchise Fee amount set forth in Article 4.2 of this Agreement.

Franchisee – the person(s) or entity(ies) defined in a Franchise Agreement.

Franchise Fee - an initial per Store franchise fee (more fully defined in the Franchise Agreement) paid by Developer to Petland specified in a Franchise Agreement.

Franchise Unit – a single retail Store that operates or is intended to operate in the Territory and which is also defined as a "Franchised Location" in the Franchise Agreement. Franchise Unit may also be referred to as "Store." A Franchise Unit may refer to a Petland®, a Safari Stan's Pet Center, or a Dream Tails retail location.

Headquarters - the location(s) designated from time to time by Petland as its principal place of business.

Indemnitees – Petland Indemnitees and Developer Indemnitees.

Losses and Expenses - all compensatory, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, reasonable fees of attorneys and other engaged professionals, court costs, settlement amounts, judgments, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described in Article 12.

National Training Center - the location(s) specified from time to time by Petland as the training center.

Occupancy Contract - the proposed agreement or document (including, without limitation, any lease, deed, contract for sale, contract for deed, land contract, management contract, license, or other agreement purporting to grant any right, title, or interest in or to the Site) pursuant to which Developer shall occupy or acquire rights in any Site.

Operating Partner - an individual designated as described in Article 5.2 who shall devote his/her full time and best efforts to the management and supervision of (i) Developer's duties and obligations hereunder; and (ii) the operation of the Store(s).

Other Concepts - Any other type of business involving the distribution or sale of products, services, merchandise or other items that do not use the Proprietary Marks but may utilize some part of or similar components of the System pursuant to which a Store is operated. Other Concepts specifically includes Stores or franchised locations.

Our System or System - means the uniform standards, methods, techniques, and expertise, procedures, and specifications developed by us for establishing, operating, and promoting an aquarium and fish care business specializing in the merchandising and sales of high quality fish and fish supplies, aquariums and aquarium supplies (including leasing, installation and maintenance of aquariums), ponds, water gardens and related items and services. The

distinguishing characteristics of Our System include, without limitation, operating methods, procedures, and techniques for the care and sale of live aquatic pets; distinctive store design, layout, décor and color scheme; specially designed signage, aquariums, and aquatic fixtures; operating methods, procedures, and techniques; procedures, methods, and techniques for inventory and cost controls; record keeping and reporting; personnel management and training; marketing, merchandising, advertising, sales, and promotional techniques; the Confidential Operations Manual, and Confidential Information, all of which may be changed, improved, further developed, or otherwise modified by us from time to time.

Owner - the party (if other than the Developer) owning or controlling the Site and being a party (with Developer) to the Occupancy Contract.

Payment(s) - all transfers of funds from Developer to Petland required pursuant to this Agreement, including, without limitation, the Development Fee and reimbursement of expenses.

Petland Indemnitees - Petland, its directors, officers, employees, agents, members, affiliates, successors and assigns and the respective directors, officers, employees, agents, shareholders, members and affiliates of each.

Permanent Disability - any physical, emotional or mental injury, illness or incapacity which would prevent the afflicted person from performing his/her obligations hereunder for more than 90 consecutive days as determined by a licensed physician selected by Petland.

Preliminary Site Consent - written communication from Petland to Developer notifying Developer that a proposed site has received the consent of Petland.

Principal(s) - the persons listed on Exhibit A, who are (and such other persons or entities to whom Petland shall consent from time to time) the record and beneficial owners of, and have the right to vote their respective interests (collectively 100%) in the Securities of Developer or the securities or partnership interest of any person or entity designated by Petland which owns or controls a direct or indirect interest in the Securities of the Developer.

Project Manager - an individual designated as described in Article 5.3 who shall devote his/her full-time and best efforts to the coordination and completion of the construction of a Franchise Unit.

Proprietary Marks - certain trademarks, trade names, trade dress, service marks, emblems and indicia of origin designated by Petland from time to time for use in connection with the operation of Stores pursuant to the System in the Territory, including, without limitation, “Petland®,” “Safari Stan’s Pet Center®,” “Dream Tails,” and “Fish Gear®.”

Publicly-Held Entity - a corporation or other entity whose equity securities are (i) registered pursuant to applicable law; (ii) widely held by the public; and (iii) traded on a public securities exchange or over the counter pursuant to applicable law.

Representative - an individual, designated as described in Article 5.1 who (i) owns an equity interest in the Developer and (ii) is authorized to act on behalf of, and bind, Developer with respect to this Agreement.

Security - the capital stock of, partner's interest in, or other equity or voting interest in Developer including such interests issued or created subsequent to the date hereof.

Site - the proposed location of any Franchise Unit.

Standards – Petland's standards and specifications, as amended from time to time by Petland, in its sole discretion, contained in, and being a part of, the Confidential Information pursuant to which Developer shall develop and operate Petland® Stores in the Territory.

Store or Stores – refers to a Petland®, "Safari Stan's Pet Center®" or "Dream Tails" Store(s) or Franchise Unit(s).

Term - the duration of this Agreement commencing on the Commencement Date and continuing until the date specified on the Development Schedule for the opening of the last Store to be opened.

Territorial Expenses - such costs and expenses incurred by or assessed with respect to Petland's (or other described party's) employees, agents and/or representatives in connection with activities in the Territory which Developer is obligated to pay pursuant to this Agreement including, without limitation, hotel/lodging, transportation and meals, and other related or incidental expenses.

Territory - the geographical area described and delineated as follows:_____ (the Territory may be further described in a map attached hereto and signed by both the Area Developer and Petland); provided, however, the Territory shall not include any institutions (such as hospitals or schools), airports, airport properties, parks (including theme, entertainment or amusement parks), casinos, military bases and sports arenas otherwise located within the Territory, nor a specifically identified restricted area surrounding any Stores located within the Territory as of the date of this Agreement nor shall it be deemed to convey any exclusivity with respect to the use of the Proprietary Marks.

Transfer - the sale, assignment, conveyance, license, devise, bequest, pledge, mortgage or other encumbrance, whether direct or indirect, of (i) this Agreement; (ii) any or all rights or obligations of Developer herein; or (iii) any interest in any Security, including the issuance of any new Securities.

Transferee Owner(s)- the owner of any and all record or beneficial interest in the capital stock of, partner's interest in, or other equity or voting interest in any transferee of a Transfer occurring pursuant to the terms of Article 8.

Wage Expenses - such wages and/or salaries (including a reasonable allocation of the cost of benefits) of, or with respect to, Petland's (or other described party's) employees, agents and/or representatives to be reimbursed to Petland or such party as described herein.

2 DESIGNATED RIGHTS; TERM

2.1 Petland grants to Developer the right, and Developer accepts the obligation, subject to the terms and conditions herein, to develop and operate the number of Stores set forth in the Development Schedule (set forth in Article 3.1) as may be approved by Petland in accordance with its then current site consent procedures. The Stores shall be developed and operated in the Territory pursuant to the System. For so long as no Event of Default has occurred and is continuing and no event has occurred that, with the giving of notice or lapse of time, or both, would constitute an Event of Default, Petland will neither develop, nor authorize any other person or entity to develop, Stores in the Territory during the Term.

2.2 Petland reserves the right to use some parts of or similar components of the System in connection with Other Concepts.

2.3 Petland expressly reserves the right, and Developer acknowledges that Petland has the exclusive unrestricted right, to engage in or establish Other Concepts, directly and indirectly, through its employees, developers, franchisees, licensees, agents and others within the Territory. Such Other Concepts may compete with Developer directly or indirectly. Developer shall have no rights with respect to Other Concepts.

2.4 Subject to Articles 3 and 4 hereof, Developer shall exercise the rights granted herein for each Stores by executing, delivering and otherwise performing pursuant to a Franchise Agreement.

2.5 Unless sooner terminated as provided herein, this Agreement shall commence on the Commencement Date and continue until the expiration of the Term. This Agreement shall automatically expire on the date specified in Article 3.1 as the opening date for the last Store to be opened.

Upon any termination or expiration of this Agreement, (i) Developer shall not develop additional Stores in the Territory pursuant to this Agreement; provided, however, that Developer may complete development of and/or operate Stores for which a Franchise Agreement has been fully executed and Petland has received the Franchise Fee, subject to the terms and conditions thereof; and (ii) Petland may develop, or authorize others to develop, Stores in the Territory.

3 DEVELOPMENT SCHEDULE; SITE SELECTION; OCCUPANCY CONTRACT; DEVELOPMENT MANUALS

3.1 Developer shall develop, open, commence operation of and continuously operate pursuant to the respective Franchise Agreements a minimum of (___) [SELECT: ___ Petland®/____ Safari Stan®/___Dream Tails] Stores in the Territory, pursuant to the Development Schedule as follows:

Store No.	Date of Preliminary Site Consent	Date Franchise Agreement Signed & Franchise Fees Paid	Date on Which Substantial Progress is Required	Date Open & Operating

A. The Franchise Agreement for each Store location must be fully executed and all Franchise Fees paid within the time frames set forth in the foregoing Development Schedule.

B. Time is of the essence, with respect to each of the development obligations specified in this Article.

3.2 Each Store and the cumulative number of Stores indicated in the Development Schedule shall be open and operating by the date(s) specified therein. Petland's consent to any Site or execution of a Franchise Agreement shall not waive, extend or modify the Development Schedule. Unless otherwise agreed and approved by Petland, the Stores shall refer to Stores operating pursuant to the System. Developer may not develop any Stores other than the Stores identified in Article 3.1. If the Developer shall: (A) close any location, whether voluntarily or involuntarily; or (B) lose the right to possess the premises, by fire or other casualty, or otherwise, the Developer shall locate and secure a suitable alternative location or premises approved by Petland within six (6) months from the closure or loss of possession of the original site, and shall be open for business at the new location not more than twelve (12) months following the closing or loss of possession of the original location. If a suitable alternative location is not secured and opened as hereinabove described, this Agreement and the right of the Developer to develop additional locations under this Agreement shall terminate. The opening of a location in replacement of another location under this Article shall not satisfy the Developer's obligation to open locations under Article 3.1 of this Agreement.

3.3 Petland makes no representation or warranty as to the number of Stores that can be operated in the Territory. Developer assumes all cost, liability, expense, risk and responsibility for locating, obtaining, and developing Sites for Stores, and for constructing and equipping Stores at such Sites. Prior to execution of each Franchise Agreement, Developer shall obtain Petland's consent to each Site pursuant to the time frames set forth in Article 3.1 above in accordance with Petland's then existing Site selection criteria and procedures including submission of all Development Materials to Petland and with respect to each Store to be developed hereunder, completion of one (1) Site visit by Petland at Petland's sole cost and expense, if required by Petland.

3.4 The Franchise Agreement shall be signed and Franchise Fee paid for each Store on or before the time designated in the schedule set forth in Article 3.1.

3.5 Neither Petland's (i) consent to, nor (ii) assistance in the selection of, any Site shall constitute Petland's representation or warranty that a Store operated at such Site will be profitable or meet any financial projection.

3.6 Petland shall have the right to review and consent to the Occupancy Contract prior to the execution thereof. A copy of the proposed Occupancy Contract shall be provided to Petland within forty-five (45) days of the date of Preliminary Site Consent. The Occupancy Contract shall be executed by all necessary parties within thirty (30) days following Petland's consent thereto. Developer shall furnish Petland a complete copy of the executed Occupancy Contract within ten (10) days after execution. Unless it conveys to Developer fee simple title to the Site, the Owner shall consent to and execute Petland's standard Collateral Assignment of Lease (attached as an Exhibit to each Franchise Agreement to be executed hereunder), (a copy of which, executed by Franchisee and Owner, shall be furnished to Petland along with the executed Occupancy Contract within ten (10) days after execution), or the Occupancy Contract shall include the following covenants:

A. Reserving to Petland the right, at Petland's election, to receive an assignment of the occupancy contract upon termination or expiration of the Franchise Agreement;

B. Granting Petland the right, at Petland's election, to take an automatic assignment of the Occupancy Contract if Developer defaults under the Occupancy Contract;

C. Permitting Developer to assign the Occupancy Contract to Petland (and permitting Petland to assume the Occupancy Contract at its option) at any time;

D. Requiring the Owner to provide Petland all sales and other information Owner may have related to the operation of the Store, as Petland may request;

E. Requiring the Owner concurrently to provide Petland with a copy of any written notice of deficiency under the Occupancy Contract sent to Developer and granting to Petland, in its sole discretion, the right (but not the obligation) to cure any deficiency under the Occupancy Contract, should Developer fail to cure such deficiency, within fifteen (15) business days after the expiration of Developer's period to cure any such default;

F. Evidencing Developer's right to display Petland's Proprietary Marks (in accordance with the specifications required by Petland, subject only to the provisions of applicable law; and

G. Requiring that the premises be used for the operation of an Store.

H. Owner and Developer shall not amend the Occupancy Contract in any way which is inconsistent with the provisions of Articles 3.6 (A) through (G), inclusive.

3.7 Notwithstanding the terms of Article 3.6, Developer shall:

A. deliver to Petland, immediately after delivery to or by Developer, any notice of default under the Occupancy Contract which threatens or purports to terminate the Occupancy Contract or result in a foreclosure thereof;

B. permit Petland to enter the Store premises to protect the Proprietary Marks or the System or to cure any Event of Default or default under the Occupancy Contract or the applicable Franchise Agreement, all at Developer's expense; and

C. not amend the Occupancy Contract in any way which is inconsistent with the provisions of Articles 3.6, A through H, inclusive.

3.8 If Developer is the Owner of the Site, Developer (or the Franchisee under the Franchise Agreement for the Site) must still enter into an Occupancy Contract or lease for the premises and provide Petland with Petland's standard Collateral Assignment of Lease (attached as an Exhibit to each Franchise Agreement to be executed hereunder). Any transfer, renewal, extension, or amendment of the Franchise Agreement shall not affect this requirement unless expressly so provided.

3.9 Developer shall abide by the terms of the Franchise Agreement executed in connection with each Site.

3.10 Petland shall provide Developer access to a copy of Petland's® Confidential Operations Manual as of the date hereof for a typical Store or Petland's then current prototype. Developer acknowledges Petland's ownership of the Confidential Operations Manual and any such plans and specifications, together with any copyright rights in or to such materials. Developer shall observe Petland's reasonable requests concerning copyright notices.

4 FEES AND PAYMENTS

4.1 In consideration of the development rights granted herein, Developer shall pay the Development Fee to Petland upon execution of this Agreement. The Development Fee is fully earned when paid. Developer shall not be entitled to any refund of any portion of the Development Fee under any circumstances.

4.2 The Franchise Fee to be paid by Developer for each new Store to be developed under the Development Schedule set forth in Article 3.1 hereof shall be $50,000, payable upon execution of the Franchise Agreement for each Store in accordance with the Development Schedule. Developer shall receive a credit of $50,000 for the first Franchise Unit to be established under the terms of this Agreement and $25,000 against the payment of the Franchise Fee due for each Store established thereafter.

4.3 All payments shall be submitted to Petland at the address provided in Article 13 hereof, in care of the "Chief Financial Officer," or such other address as Petland shall designate in writing. Payments shall be received by Petland (i) upon execution hereof in the case of the Development Fee; (ii) upon execution of each Franchise Agreement; and (iii) upon notice for all

other Payments. Delinquent Payments shall bear interest from the due date until received by Petland at 1.0% per month or the maximum rate permitted by law, whichever is less.

4.4 Developer shall not withhold or off-set any portion of any Payment due to Petland's alleged non-performance under this Agreement or any other agreement by and between Petland and Developer or their respective parent corporations, subsidiaries or affiliates.

5 REPRESENTATIVE; OPERATING PARTNER; TRAINING

5.1 Developer hereby designates as the Representative. Any replacement Representative shall be designated within ten (10) days of the prior Representative's resignation or termination. The Representative shall be the same individual for all Franchise Agreements anticipated under this Agreement. Each Representative shall attend and successfully complete Petland's training program at Petland's National Training Center within ninety (90) days of appointment (see Article 5.4).

5.2 Developer hereby designates as the Operating Partner (this may be the same person as the Representative if the Operating Partner meets the criteria noted below). Any replacement Operating Partner shall be designated within ten (10) days of the prior Operating Partner's resignation or termination. Each Operating Partner shall attend and successfully complete Petland's training program at Petland's National Training Center within ninety (90) days of appointment (see Article 5.4), and must maintain his or her primary residence within reasonable proximity of Developer's Stores.

5.3 Not less than sixty (60) days prior to the commencement of Store construction, Developer shall designate the Project Manager. The Project Manager may be the same person as a Representative or Operating Partner. Any replacement Project Manager shall be designated within ten (10) days of the prior Project Manager's resignation/termination.

5.4 Each Operating Partner and Representative shall be approved by Petland and shall have satisfactorily completed the training required by Petland and shall be certified or approved by Petland as meeting Petland's minimum qualifications on an annual basis. Developer shall bear all costs and expenses related to the required training for each Operating Partner and Representative. Petland's approval of any Operating Partner or Representative shall not be construed as Petland's endorsement of same and shall not be construed by Developer as a representation or warranty by Petland that any person accepted or consented to can or will perform the functions of the job for which the person is hired; Developer shall remain solely liable and responsible for all hiring decisions, regardless of Petland's approval of any Operating Partner or Representative.

5.5 Petland shall provide instructors, facilities and materials for training at the National Training Center, and may provide, at its option, other training programs at non-National Training Center locations, or through electronic or web based methods, as may be designated by Petland from time to time in the Confidential Operations Manual or otherwise in writing. Developer shall reimburse Petland for any Territorial Expenses or other direct expenses incurred by Petland for such other training programs.

5.6 Petland is not obligated to perform its training services to Developer's particular level of satisfaction, but as a function of Petland's experience, knowledge and judgment. Petland makes no representation or warranty that the person trained can adequately perform the job function to which the person is assigned. Developer acknowledges and accepts all responsibility for the proper job performance of each and every employee.

5.7 Except as provided herein, Developer shall bear all costs and expenses relating to any Representative, Operating Partner, and Project Manager training.

6 CONFIDENTIAL INFORMATION

6.1 Neither Developer nor any Principal shall communicate, disclose or use any Confidential Information except as (i) permitted herein or (ii) required by law, and shall use all reasonable efforts to maintain such information as secret and confidential. Neither Developer nor any Principal, without Petland's prior consent, shall copy, duplicate, record or otherwise reproduce any Confidential Information. Confidential Information may be provided to employees, agents, consultants and contractors only to the extent necessary for such parties to provide services to Developer. Prior to such disclosure of any Confidential Information, each of such employees, agents, consultants and contractors shall (a) be advised by Developer of the confidential and proprietary nature of the Confidential Information, and (b) agree to be bound by the terms and conditions of Article 6 of this Agreement and/or the Non-Disclosure and Non-Competition Agreement which is part of the Franchise Agreement documents. Notwithstanding such agreement, Developer shall indemnify the Petland Indemnitees from any damages, costs or expenses resulting from or related to any disclosure or use of Confidential Information by its agents, employees, consultants and contractors.

6.2 In the event Developer or Developer's employees, agents, consultants, or contractors receive notice of any request, demand, or order to transfer or disclose all or any portion of the Confidential Information, Developer shall immediately notify Petland thereof, and shall fully cooperate with and assist Petland in prohibiting or denying any such transfer or disclosure. Should such transfer or disclosure be required by a valid, final, non-appealable court order, Developer shall fully cooperate with and assist Petland in protecting the confidentiality of the Confidential Information to the maximum extent permitted by law.

6.3 Developer and each Principal acknowledge Petland's exclusive ownership of the Confidential Information, the System, and the Proprietary Marks. Neither Developer nor any Principal shall, directly or indirectly, contest or impair Petland's exclusive ownership of, and/or license with respect to, the Confidential Information, the System or the Proprietary Marks.

6.4 If Developer develops improvements (as determined by Petland) to the Confidential Information, Developer and the Principals shall each, without additional consideration, execute such agreements and other documentation as shall be deemed necessary by Petland, granting exclusive ownership thereof to Petland. All such improvements shall be Confidential Information.

6.5 Developer, each Principal, each Operating Partner, Representative and all other employees of Developer shall execute and deliver to Petland a Non-Disclosure and Non-Competition Agreement which is attached hereto as Exhibit B. Notwithstanding the execution of such Non-Disclosure and Non-Competition Agreement, Developer shall indemnify the Petland Indemnitees from any damages, costs or expenses resulting from or related to any disclosure or use of Confidential Information by any Principal, Operating Partner, Representative, Franchise Unit General Manager, Project Manager, Store Manager or other employees of Developer.

6.6 Immediately upon any termination or expiration hereof, Developer and each Principal, Operating Partner, Representative, Project Manager, and all other employees of Developer shall return the Confidential Information including, without limitation, that portion of the Confidential Information which consists of analyses, compilations, studies or other documents containing or referring to any part of the Confidential Information, prepared by Developer or such Principal, Operating Partner, Representative, Project Manager, and all other employees of Developer, their agents, representatives or employees, and all copies thereof.

7 DEVELOPER'S REPRESENTATIONS AND WARRANTIES; AFFIRMATIVE AND NEGATIVE COVENANTS

7.1 In the event Developer is a corporation, limited liability company or partnership, Developer represents and warrants to Petland as follows:

A. Developer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with all requisite power and authority to own, operate and lease its assets (real or personal), to carry on its business, to enter into this Agreement and perform its obligations hereunder. Developer is duly qualified to do business and is in good standing in each jurisdiction in which its business or the ownership of its assets requires.

B. The execution, delivery and performance by Developer of this Agreement, any Franchise Agreement and all other agreements contemplated herein has been duly authorized by all requisite action and no further action is necessary to make this Agreement, any Franchise Agreement or such other agreements valid and binding upon it and enforceable against it in accordance with their respective terms. Neither the execution, delivery nor performance by Developer of this Agreement, any Franchise Agreement or any other agreements contemplated hereby will conflict with, or result in a breach of any term or provision of Developer's articles of incorporation, by-laws, partnership agreement or other governing documents or under any mortgage, deed of trust or other contract or agreement to which Developer is a party or by which it or any of its assets are bound, or breach any order, writ, injunction or decree of any court, administrative agency or governmental body.

C. Developer's articles of incorporation, by-laws, partnership agreement and other governing documents expressly limit Developer's business activities solely to the development and operation (pursuant to this Agreement and the Franchise Agreements) of the Stores.

D. Copies of Developer's articles of incorporation, by-laws, partnership agreement, other governing documents and any amendments thereto, including board of director's or partner's resolutions authorizing this Agreement are attached hereto as Exhibit C.

E. A certified current list of all Principals is attached hereto as Exhibit A. Each of the Principals must sign and deliver to Petland the standard form of Guaranty and Assumption of Obligations attached to this Agreement as Exhibit D.

F. Copies of Developer's articles of incorporation, other governing documents, or partnership agreement which limit Transfers as described in Articles 8.2 and 8.3.

G. Each Security shall bear a legend (in a form to which Petland shall consent) indicating that any Transfer is subject to Articles 8.2 and 8.3.

7.2 Developer represents, warrants and covenants to Petland that (1) neither Developer, nor any individual or entity owning directly or indirectly any interest of Developer (if Developer is a business entity) or their respective affiliates or the funding sources for any of the foregoing is an individual or entity whose property or interests are subject to being blocked under Executive Order 13224 issued by the President of the United States of America, the Terrorism Sanctions Regulations (Title 31 Part 595 of the U.S. Code of Federal Regulations), the Terrorism List Governments Sanctions Regulations (Title 31 Part 596 of the U.S. Code of Federal Regulations), the Foreign Terrorist Organizations Sanctions Regulations (Title 31 Part 597 of the U.S. Code of Federal Regulations), and the Cuban Assets Control Regulations (Title 31 Part 515 of the U.S. Code of Federal Regulations), and all other present and future federal, state and local laws, ordinances, regulations, policies, lists (including, without limitation, the Specially Designated Nationals and Blocked Persons List) and any other requirements of any Governmental Authority (including, without limitation, the United States Department of the Treasury Office of Foreign Assets Control) addressing, relating to, or attempting to eliminate, terrorist acts and acts of war, each as hereafter supplemented, amended or modified from time to time, and the present and future rules, regulations and guidance documents promulgated under any of the foregoing, or under similar laws, ordinances, regulations, policies or requirements of other states or localities ("OFAC Laws and Regulations") or is otherwise in violation of any of the OFAC Laws and Regulations; (2) neither Developer nor any individual or entity owning directly or indirectly any interest of Developer or their respective affiliates or the funding sources for any of the foregoing, (a) is under investigation by any government authority form, or has been charged with, or convicted of, OFAC Laws and Regulations, (b) has been assessed any penalties under these laws, or (c) has had any of its funds seized or forfeited in any action under these laws; (3) neither Developer nor any individual or entity owning directly or indirectly any interest of Developer or their respective affiliates or the funding sources for the foregoing is directly or indirectly owned or controlled by the government of a county that is subject to an embargo imposed by the United States Government, nor acting on behalf of a government; (4) has taken all reasonable measures to ensure compliance with all OFAC Laws and Regulations ; and (5) Developer shall take all reasonable measures to continue compliance with all OFAC Laws and Regulations during the term of this Agreement.

7.3 Developer affirmatively covenants with Petland as follows:

A. Developer shall perform its duties and obligations hereunder and under any Franchise Agreement and shall require each Operating Partner to dedicate his/her respective full time and best efforts to the development, construction, management, operation, supervision and promotion of the Stores in accordance with the terms and conditions hereof.

B. Developer shall promptly provide Petland with all information concerning any new process or improvements in the development, construction, management, operation, supervision or promotion of the Stores developed by Developer or any Principal without compensation. Developer and the Principals shall each execute such agreements and other documentation as shall be deemed necessary by Petland, granting Petland exclusive ownership thereof.

C. Developer shall comply with all requirements of applicable rules, regulations, statutes, laws and ordinances.

D. Developer shall maintain a current list of all Principals and deliver a certified copy thereof to Petland upon (i) any Transfer; or (ii) request.

E. Each Security issued subsequent to the date hereof shall be in compliance with Article 7.1G.

7.4 Developer acknowledges and/or negatively covenants with Petland as follows:

A. Developer shall not amend its articles of incorporation, by-laws, partnership agreement or other governing documents in a manner which is inconsistent with Articles 7.1C, 8.2 and 8.3.

B. Developer shall not, remove or permit removal from any Security or its partnership agreement, or issue any Security that does not have endorsed upon it, the legend described in Article 7.1G.

C. Developer and each Principal shall receive valuable, unique training, trade secrets and the Confidential Information which are beyond the present skills, experience and knowledge of Developer, any Principal and Developer's employees. Developer and each Principal acknowledges that (i) such training, trade secrets and the Confidential Information (a) are essential to the development of the Store and (b) provide a competitive advantage to Developer; and (ii) access to such training, trade secrets and the Confidential Information is a primary reason for their execution of this Agreement. In consideration thereof, Developer and each Principal covenant that, during the Term and for a period of three (3) years after the expiration or termination hereof, neither Developer nor any Principal shall, directly or indirectly:

    a. employ or seek to employ any person (or induce such person to leave his or her employment) who is, or has within one (1) year been employed as a director, officer or in any managerial capacity (i) by Petland, (ii) by any developer or franchisee of Petland, or (iii) in any other concept or system owned, operated or franchised by Petland;

b. own, maintain, operate or have any interest in any Competing Business;

c. own, maintain, operate or have any interest in any Competing Business which business is, or is intended to be, located in the Territory; or

d. own, maintain, operate or have any interest in any Competing Business which business is, or is intended to be, located within a twenty-five (25) mile radius of the exclusive designated territory of the Franchise Unit(s), the Territory, or any store, franchise unit or franchised location which is a part of a concept or system owned, operated, or franchised by Petland or within a twenty-five (25) mile radius of any other Petland®, Safari Stan®, or Dream Tails developer's Territory (as that Territory may be defined in a separate Area Development Agreement granted by Petland).

Articles 7.4C, 7.4C(b), 7.4C(c) and 7.4C(d) shall not apply to an interest for investment only of 5% or less of the capital stock of a Publicly-Held Entity if such owner is not a director, officer or manager thereof or consultant thereto.

7.5 Each of the foregoing covenants is independent of each other covenant or agreement contained in this Agreement or in any Franchise Agreement.

7.6 Petland may, in its sole discretion, reduce the area, duration or scope of any covenant contained in Article 7.3 without Developer's or any Principal's consent, effective upon notice to Developer. Developer and each Principal shall comply with any covenant as so modified.

7.7 Developer's representations, warranties, covenants and agreements herein are continuing representations, warranties, covenants and agreements each of which shall survive the expiration or termination hereof.

8 TRANSFER

8.1 Petland may assign this Agreement, or any of its rights or obligations herein, to any person or entity without Developer's or any Principal's consent; provided, however, that Petland's obligations which are assigned shall be fully assumed by the party to whom Petland assigns such obligations.

8.2 Developer and each Principal acknowledge that Developer's rights and obligations herein and in each Franchise Agreement are personal to Developer and that Petland has entered into this Agreement and will enter into each Franchise Agreement relying upon the business skill, experience and aptitude, financial resources and reputation of Developer and each Principal. Therefore, neither Developer nor any Principal, their respective successors or permitted assigns, shall complete, or allow to be completed, any Transfer without Petland's consent. Any purported Transfer, by operation of law or otherwise, without Petland's consent shall be null and void and constitute an Event of Default.

8.3 Petland may require satisfaction of any of the following conditions and such other conditions as Petland may reasonably require prior to consenting to any Transfer, each of which Developer acknowledges and agrees is reasonable and necessary:

A. No Event of Default shall have occurred and be continuing and no event shall have occurred which, with the giving of notice or lapse of time, or both, would constitute an Event of Default;

B. Developer and/or any affected Principal shall deliver a general release of any and all claims against the Petland's Indemnitees including, without limitation, claims arising under this Agreement and any Franchise Agreement, in a form acceptable to Petland;

C. Developer and/or any affected Principal shall remain liable for the performance of its obligations, covenants and agreements herein through the date of transfer and shall execute all instruments reasonably requested by Petland to evidence such liability;

D. the transferee and all Transferee Owners, as applicable, shall (i) make each of Developer's and Principal's representations and warranties; (ii) assume full, unconditional, joint and several liability for, and agree to perform from the date of Transfer, each of Developer's and Principal's obligations, covenants and agreements herein; and (iii) execute all instruments (in a form acceptable to Petland) reasonably requested by Petland to evidence the foregoing;

E. the transferee and all Transferee Owners shall satisfy, in Petland's reasonable judgment, Petland's then existing criteria for Petland developers or principals, as applicable, including, without limitation: (i) education; (ii) business skill, experience and aptitude; (iii) character and reputation; and (iv) financial resources;

F. the transferee and all Transferee Owners shall execute (without extending the Term) the standard form of development agreement then being offered to new System developers or other form of this Agreement as Petland requests and such other ancillary agreements as Petland may request for the development of the Stores, which shall supersede this Agreement and its ancillary documents and the terms of which may differ from the terms hereof; provided, however, that the transferee shall not be required to pay the Development Fee (transferee shall pay all Franchise Fees and other fees described in each Franchise Agreement which have not already been paid in full by Developer); and

G. at the transferee's expense, the transferee's Representative and Operating Partner, shall complete such training as then required (if not previously trained pursuant to the terms hereof), upon such terms and conditions as Petland may reasonably require.

8.4 Developer and each Principal agree that Petland shall have the right of first refusal with respect to all bona fide written offers to purchase which Developer receives with respect to any transfer. Any time that Developer receives a bona fide offer to purchase, Developer shall inform Petland in writing of all of the terms and conditions of the offer and provide Petland with

a copy of any written offer to purchase. Any such offer must be in writing and signed by the offeree to be considered bona fide. Petland may, within ninety (90) days after receiving the notice of the bona fide offer, notify Developer, in writing, of its election to exercise its right of first refusal with regard to such transfer on the same terms and conditions, only, as are contained in that offer. If the offer provides for any payments in the form of property other than cash, Petland can substitute cash for the fair market value of such property or services. If Petland waives or fails to exercise its right of first refusal and subject to the conditions continued in this Agreement can complete the proposed sale or transfer, but only to the bona fide offeree, and only in the same terms and conditions as were disclosed to Petland. Such sale must be completed within ninety (90) days after the expiration of Petland's right of first refusal period or if earlier, the date on which Petland waived its option rights in writing.

8.5 In the event Petland consents to any proposed Transfer, there shall be paid to Petland a fee of $50,000.00 or such greater amount as is necessary to reimburse Petland for its costs and expenses associated with reviewing the proposed Transfer including, without limitation, Territorial Expenses, legal and accounting fees and Wage Expenses. No such fee shall be payable with respect to a transaction with Petland described in Article 8.3.

8.6 If Developer is an individual, and in the event of the death or mental incapacity of the Developer, this Agreement shall terminate at the end of the ninety (90) day period that begins on Developer's date of death, or the date that Developer is declared to be mentally incompetent by a court of competent jurisdiction pursuant to applicable law, as the case may be; provided that Developer's legal representative may attempt to arrange for the transfer of this Agreement during the ninety (90) day period, and such transfer, when presented to Petland for approval, will be subject to the terms of Article 8.2, provided that no transfer fee will be payable. If this Agreement is not transferred as permitted within the ninety (90) day period and, as a result, this Agreement automatically terminates, the provisions of Article 2.6 shall be applicable. If Developer is a corporation, partnership or limited liability company, and in the event of the death or mental incapacity of the Operating Partner, or any Principal, this Agreement shall terminate at the end of the ninety (90) day period which commences on the date of death of the Operating Partner, or Principal or the date on which the Operating Partner, or Principal is declared to be mentally incompetent by a court of competent jurisdiction pursuant to applicable law, as the case may be; provided that the legal representative of the Operating Partner, or Principal may attempt to arrange for the transfer of the interest in the Developer during the ninety (90) day period, and such transfer, when presented to Petland for approval, will be subject to the terms of Article 8.2, provided that no transfer fee will be payable. If the interest of the Operating Partner or principal owner is not transferred as permitted within the ninety (90) day period and, as a result, this Agreement automatically terminates, the provisions of Article 2.6 shall be applicable.

8.7 Petland's consent to any Transfer shall not constitute a waiver of (i) any claims it may have against the transferor; or (ii) the transferee's compliance with the terms hereof.

9 CONSENT AND WAIVER

9.1 When required, Developer or any Principal shall make a written request for Petland's consent in advance and such consent shall be obtained in writing. Petland's consent

shall not be unreasonably withheld. The foregoing notwithstanding, where either party's consent is expressly reserved to such party's sole discretion, the exercise of such discretion shall not be subject to contest.

9.2 PETLAND MAKES NO REPRESENTATIONS OR WARRANTIES UPON WHICH DEVELOPER OR ANY PRINCIPAL MAY RELY AND ASSUMES NO LIABILITY OR OBLIGATION TO DEVELOPER, ANY PRINCIPAL OR ANY THIRD PARTY BY PROVIDING ANY WAIVER, ADVICE, CONSENT OR SERVICES TO DEVELOPER OR DUE TO ANY DELAY OR DENIAL THEREOF.

10 DEFAULT AND REMEDIES

10.1 The following shall constitute Events of Default by Developer or any Principal for which there shall be no opportunity to cure and for which notice of termination is not required: (i) the breach or falsity of any representation or warranty herein; (ii) any Transfer that (a) occurs other than as provided in Article 8 or (b) fails to occur within the time periods described in Article 8 (notwithstanding any lack of, or limits upon, the enforceability of any term or provision of Articles 7 or 8); (iii) Developer (a) is adjudicated, or is, bankrupt or insolvent, (b) makes an assignment for the benefit of creditors, or (c) seeks protection from creditors by petition in bankruptcy or otherwise or there is filed against Developer a similar petition which is not dismissed within thirty (30) days; (iv) the appointment of a liquidator or receiver for (a) all or substantially all of Developer's assets or (b) any Store is sought which is not dismissed within thirty (30) days; (v) Developer or any Principal pleads guilty or no contest to or is convicted of a felony or a crime involving moral turpitude or any other crime or offense that Petland reasonably believes is likely to adversely affect the Proprietary Marks, the System or the goodwill associated therewith (whether in the Territory or elsewhere) or Petland’s interest therein.

10.2 The following shall constitute Events of Default by Developer or any Principal for which there shall be a cure period of thirty (30) days after written notification from Petland: (i) failure to comply with the Development Schedule; (ii) failure to pay any Franchise Fee required hereunder and/or pursuant to any Franchise Agreement required to be executed pursuant to this Agreement on or before the date payable; (iii) failure to meet and/or maintain the Standards; (iv) failure to deliver executed covenants as required in Article 6; (v) failure to comply with or perform its covenants, obligations and agreements contained in this Agreement. If an Event of Default shall arise under any Franchise Agreement under which Franchisee has an opportunity to cure, the cure period under this Agreement shall be extended to coincide with the cure period of the Franchise Agreement.

10.3 Petland may, for breach of this Agreement upon the occurrences of any Event of Default under Articles 10.1 or 10.2: (a) terminate this Agreement and all rights granted hereunder without waiving, (i) any claim for damages suffered by Petland, or (ii) other rights, remedies or claims. Immediately upon termination, as is noted in Article 2.6 hereof, Developer’s right to open future Franchise Units within the Territory shall be rescinded, and this Agreement terminated. Petland shall thereafter have the right to open future company-owned locations in the Territory or to grant such rights to open future Franchise Units in the Territory to other parties as determined

in the sole discretion of Petland. Developer shall, however, retain the right to operate the Franchise Units previously opened in the Territory subject to all the terms and conditions of the Franchise Agreement(s) between the parties and may complete development of and/or operate Stores for which a Franchise Agreement has been fully executed and Petland has received the Franchise Fee, subject to the terms and conditions thereof.

10.4 Subject to the provisions of Article 10.6, all rights and remedies of either party shall be cumulative, and not exclusive, of any other right or remedy described herein or available at law or in equity. The expiration or termination of this Agreement shall not release any party from any liability or obligation then accrued or any liability or obligation continuing beyond, or arising from, such expiration or termination. Nothing in this Agreement shall impair either party's right to obtain injunctive or other equitable relief.

10.5 The failure of any party to exercise any right or remedy or to enforce any obligation, covenant or agreement herein shall not constitute a waiver by or estoppel of that party's right to any of the remedies described herein including, without limitation, to enforce strict compliance with any such obligation, covenant or agreement. No custom or practice shall modify or amend this Agreement. The waiver of, or failure or inability of any party to enforce, any right or remedy shall not impair that party's rights or remedies with respect to subsequent Events of Default of the same, similar or different nature. The delay, forbearance or failure of any party to exercise any right or remedy in connection with any Event of Default or default by any other developers shall not affect, impair or constitute a waiver of such party's rights or remedies herein. Acceptance of any Payment shall not waive any Event of Default.

10.6 Developer and each Principal shall, jointly and severally, pay all costs and expenses (including reasonable fees of attorneys and other engaged professionals) incurred by Petland in successfully enforcing, or obtaining any remedy arising from the breach of this Agreement. The existence of any claims, demands or actions which Developer or any Principal may have against Petland, whether arising from this Agreement or otherwise, shall not constitute a defense to Petland’s enforcement of Developer's or any Principal's representations, warranties, covenants, obligations or agreements herein.

10.7 IN THE EVENT OF A DISPUTE BETWEEN THEM WHICH IS NOT SUBJECT TO, NOR ARISES UNDER, ARTICLE 12, PETLAND, DEVELOPER AND PRINCIPALS HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE, EXEMPLARY, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, BUT SPECIFICALLY EXCLUDING, HOWEVER, DAMAGES TO THE REPUTATION AND GOODWILL ASSOCIATED WITH AND/OR SYMBOLIZED BY THE PROPRIETARY MARKS) AGAINST THE OTHER ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) AND AGREE THAT EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES SUSTAINED BY IT. IF ANY OTHER TERM OF THIS AGREEMENT IS FOUND OR DETERMINED TO BE UNCONSCIONABLE OR UNENFORCEABLE FOR ANY REASON, THE FOREGOING PROVISION SHALL CONTINUE IN FULL FORCE AND EFFECT.

10.8 Developer and each Principal agree that Petland's exercise of the rights and remedies set forth herein are reasonable. Petland may, in addition to pursuing any other remedies, specifically enforce such obligations, covenants and agreements or obtain injunctive or other equitable relief in connection with the violation or anticipated violation of such obligations, covenants and agreements.

11 INSURANCE

11.1 Developer shall obtain within thirty (30) days from the date hereof and maintain throughout the Term, such insurance coverage, including, without limitation, as may be (i) required by law; or (ii) prescribed by Petland from time to time as to types of coverage and amounts of coverage. (This coverage does not relieve Developer from the separate insurance obligations of each Franchise Agreement required thereunder.) Such insurance shall:

A. Name the Petland Indemnitees as additional insured parties and provide that coverage applies separately to each insured and additional insured party against whom a claim is brought as though a separate policy had been issued to each Petland Indemnitee;

B. contain no provision which limits or reduces coverage in the event of a claim by any one (1) or more of the insured or additional insured parties;

C. provide that policy limits shall not be reduced, coverage restricted, canceled, allowed to lapse or otherwise altered or such policy(ies) amended without Petland's consent, but in no event upon less than thirty (30) days prior written notice to Petland;

D. include i) Employer's liability and workers' compensation insurance; ii) comprehensive general liability and casualty insurance including products liability and bodily injury insurance; and ii) Business interruption. The current minimum levels for such insurance are two million dollars ($2,000,000) for personal injury and one million dollars ($1,000,000) for property damage provided by a carrier with an AM Best rating of A+.

11.2 A certificate of insurance shall be submitted for Petland's consent within ten (10) days following commencement of such coverage, and additional certificates of insurance shall be submitted to Petland thereafter, evidencing uninterrupted coverage. Developer shall deliver a complete copy of such policy(ies) within ten (10) days of request.

11.3 In the event of a claim of any one or more of the Petland Indemnitees against Developer, Developer shall, on request of Petland, assign to Petland any and all rights which Developer then has or thereafter may have with respect to such claim against the insurer(s) providing the coverage described in this Article.

11.4 Developer's obligation to obtain and maintain insurance or to indemnify any Petland Indemnitee shall not be limited by reason of any insurance which may be maintained by Petland Indemnitee, nor shall such insurance relieve Developer of any liability under this

Agreement. Developer's insurance shall be primary to any policies maintained by any Petland Indemnitee.

11.5 If Developer fails to obtain or maintain the insurance required by this Agreement, as such requirements may be revised from time to time, Petland may acquire such insurance, and the cost thereof, together with a reasonable fee for Petland's expenses in so acting and interest at 2.0% per month from the date acquired, shall be payable by Developer upon notice.

12 INDEMNIFICATION

12.1 Developer and each Principal will, at all times, indemnify and hold harmless, to the fullest extent permitted by law, the Petland Indemnitees from all "Losses and Expenses" incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following:

A. The infringement, alleged infringement, or any other violation or alleged violation by Developer or any Principal of any patent, mark or copyright or other proprietary right owned or controlled by third parties.

B. The violation, breach or asserted violation or breach by Developer or any Principal of any contract, federal, state or local law, regulation, ruling, standard or directive or any industry standard.

C. Libel, slander or any other form of defamation of Petland Indemnitees or the System, by Developer or any Principal.

D. The violation or breach by Developer or any Principal of any warranty, representation, agreement or obligation in this Agreement.

E. Acts, errors or omissions of Developer or any of its agents, servants, employees, contractors, partners, affiliates or representatives.

12.2 Developer and each Principal agree to give Petland Indemnitees immediate notice of any such action, suit, proceeding, claim, demand, inquiry or investigation.

12.3 Petland Indemnitees shall at all times have the absolute right to retain counsel of its own choosing in connection with any action, suit, proceeding, claim, demand, inquiry or investigation. Petland Indemnitees shall at all times have the absolute right to investigate any action, suit proceeding, claim or demand itself.

12.4 Developer and each Principal shall indemnify Petland Indemnitees for attorneys' fees, expenses, and costs incurred in connection with the enforcement of Petland Indemnitees' rights under Article 12. This provision shall not be construed so as to limit or in any way affect Developer's indemnity obligations pursuant to the other provisions of Article 12.

12.5 In the event that Petland's exercise of its rights under Article 12 actually results in Developer's insurer with respect to insurance required to be maintained by Developer pursuant to Article 11 (hereinafter, the "Insurer") refusing to pay on a third party claim, all causes of action

and legal remedies which Developer might have against the Insurer shall be automatically assigned to Petland Indemnitees without the need for any further action on Petland's or Developer's part. For the purposes of Article 12, "actually results" means that, but for Petland Indemnitees' exercise of its rights under Article 12, the Insurer would not have refused to pay on said third-party claim.

12.6 In the event that Petland Indemnitees' exercise of its rights under Article 12 actually results in the Insurer refusing to pay on a third-party claim, Developer shall be required to indemnify Petland Indemnitees for the latter's attorneys' fees, expenses and costs incurred in connection with that claim.

12.7 In the event that the Insurer subsequently reverses its previous decision to not pay a claim, by in fact paying that claim, Developer shall not be required to indemnify Petland for the latter's attorneys' fees, expenses and costs incurred in connection with that claim, just as if the Insurer had never denied the claim.

12.8 In the event that Developer encourages, requests, or suggests that the Insurer deny a claim, Developer shall indemnify Petland Indemnitees for its attorneys' fees, expenses and costs in connection with that claim.

12.9 Subject to the provisions of Article 12.2. above, in order to protect persons or property, or its reputation or goodwill, or the reputation or goodwill of others, Petland Indemnitees may, at any time and without notice, as in its judgment deems appropriate, consent or agree to settlements or take such other remedial or corrective action as it deems expedient with respect to the action, suit, proceeding, claim, demand, inquiry or investigation if, in Petland Indemnitees' sole judgment, there are reasonable grounds to believe that:

A. any of the acts or circumstances enumerated in Article 12.1 above have occurred; or

B. any act, error, or omission of Developer or any Principal may result directly or indirectly in damage, injury or harm to any person or any property.

12.10 In addition to their indemnity obligations under Article 12.4, Developer and each Principal shall indemnify Petland Indemnittees for any and all losses, compensatory damages, exemplary or punitive damages, fines, charges, costs, expenses, lost profits, settlement amounts, judgments, compensation for damages to Petland Indemnitees' reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of recall, refunds, compensation, public notices and other such amounts incurred in connection with the matters described, which result from any of the items set forth in Article 12.

12.11 Petland does not assume any liability whatsoever for acts, errors, or omissions of those with whom Developer or any Principal may contract, regardless of the purpose. Developer and each Principal shall hold harmless and indemnify Petland Indemnitees for all losses and expenses which may arise out of any acts, errors or omissions of these third parties.

12.12 Under no circumstances shall Petland Indemnitees be required or obligated to seek recovery from third parties or otherwise mitigate its losses in order to maintain a claim against Developer or any Principal. Developer and each Principal agree that the failure to pursue such recovery or mitigate loss will in no way reduce the amounts recoverable by Petland Indemnitees from Developer or any Principal.

12.13 Notwithstanding anything to the contrary contained in this Agreement, Developer is not required to indemnify Petland Indemnitees with regard to any infringement, alleged infringement or other violation or alleged violation by Developer or any Principal of any patent, mark, or copyright or other proprietary right owned or controlled by a third party, arising in connection with the use of the Proprietary Marks and System franchised to Developer when used in the manner authorized and required by Petland pursuant to this Agreement.

13 NOTICES

All notices required or desired to be given hereunder shall be in writing and shall be sent by personal delivery, expedited delivery service, facsimile or certified mail, return receipt requested to the following addresses (or such other addresses as designated pursuant to this Article 13):

if to Developer or any Principal: _____
_____

Facsimile No.:

if to Petland: Petland Inc.
250 Riverside Street
P. O. Box 1606
Chillicothe, Ohio 45601-5606
Facsimile No.

Notices posted by personal delivery, next day or same day expedited service or given by facsimile shall be deemed given the next business day after transmission. Notices posted by certified mail shall be deemed received three (3) Business Days after the date of posting. Any change in the foregoing addresses shall be effected by giving fifteen (15) days written notice of such change to the other party.

14 FORCE MAJEURE

No party shall be liable for any inability to perform resulting from acts of God or other causes (other than financial inability or insolvency) beyond their reasonable control; provided, however, that nothing herein shall excuse or permit any delay or failure (i) to remit any Payment on the date due; or (ii) for more than one hundred eighty (180) days. The party whose performance is affected by an event of force majeure shall, within 3 days of the occurrence of such event, give notice thereof to the other party setting forth the nature thereof and an estimate of its duration.

15 SEVERABILITY

15.1 Should any term, covenant or provision hereof, or the application thereof, be determined by a valid, final, non-appealable order to be invalid or unenforceable, the remaining terms, covenants or provisions hereof shall continue in full force and effect without regard to the invalid or unenforceable provision. In such event, such term, covenant or provision shall be deemed modified to impose the maximum duty permitted by law and such term, covenant or provision shall be valid and enforceable in such modified form as if separately stated in and made a part of this Agreement. Notwithstanding the foregoing, if any term hereof is so determined to be invalid or unenforceable and such determination adversely affects, in Petland's reasonable judgment, Petland's ability to realize the principal purpose of the Agreement or preserve its or Petland's rights in, or the goodwill underlying, the Proprietary Marks, the System, or the Confidential Information, Petland may terminate this Agreement upon notice to Developer.

15.2 Captions in this Agreement are for convenience only and shall not affect the meaning or construction of any provision hereof.

16 INDEPENDENT CONTRACTOR

16.1 Developer is and shall be an independent contractor and nothing in this Agreement shall be construed so as to create an agency or an employment relationship, a partnership or a joint venture between the parties. Neither party shall act or have the authority to act as agent for the other and neither Developer nor Petland shall guarantee the obligations of the other or in any way become obligated for the debts or expenses of the other unless agreed to in writing. Developer is not and shall not hold itself out as being an agent or an employee of, or a partner or joint venturer with Petland. Developer will prominently display in its Franchise Unit, so that it is clearly visible to the public, a sign or placard stating that the Franchise Unit is independently owned and operated by Franchisee.

16.2 Nothing herein authorizes Developer or any Principal to make any contract, agreement, warranty or representation or to incur any debt or obligation in Petland's name.

17 DUE DILIGENCE AND ASSUMPTION OF RISK

17.1 Developer and each Principal have received, read and understand this Agreement, the documents referred to herein and the Exhibits and Schedules hereto. Developer and each Principal have had ample time and opportunity to consult with their advisors concerning the potential benefits and risks of entering into this Agreement.

18 ENFORCEMENT

The parties to this Agreement and any related agreement (including Petland, Developer, Principal or Guarantor) agree that any claim or controversy arising out of or relating to this Agreement or the breach hereof or any other aspect of their relationship, including any period before the execution of this Agreement, shall be resolved as follows:

18.1 **Enforcement by Judicial Process**

(a) Without regard to the provisions below requiring mediation and/or arbitration of disputes, Petland shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in Article 10, to prevent the improper use of or an infringement upon its Proprietary Marks, to stop the opening of a Franchise Unit, to collect any Payment, to prevent or remedy a material breach of this Agreement by Developer or Principal if such breach could materially impair the goodwill associated with Petland's Names and Proprietary Marks (including actions with respect to the servicing of wholesale accounts), to enforce the Confidential Information provisions of this Agreement or the Non-Disclosure and Non-Competition Agreement executed by Developer or any Principal and any Guaranty and Assumption of Obligations Agreement executed by any Principal. Petland shall be entitled without bond to the entry of temporary restraining orders and temporary and permanent injunctions enforcing the aforementioned provisions. If a court determines a bond is necessary, Developer or Principal agrees that no bond shall be required. If Petland is successful in obtaining an injunction or any other relief against Developer or Principal, Developer or Principal shall pay Petland an amount equal to the aggregate of Petland's costs of commencing and prosecuting the action, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.

(b) Any claim or controversy arising out of or relating to this Agreement or the breach hereof or any other aspect of the parties' relationship, including any period before the execution of this Agreement, that is required to be submitted to mediation or arbitration in accordance with the terms of this Agreement but which is not, shall be brought in a court of competent jurisdiction sitting within the Ross County or Franklin County, State of Ohio. However, mediation and arbitration of any and all disputes, claims or disagreements required to be submitted to mediation or arbitration in accordance with the terms of this Agreement shall be a condition precedent to any other remedy under this Agreement or at law. And nothing herein shall be construed to prevent any court from referring any such claim or controversy to mediation or arbitration.

18.2 **Mediation**. Except for actions initiated by Petland by judicial process under the terms of Article 18.1 above, the parties (includes Petland, Developer, Principal or Guarantor) shall first submit any and all disputes, claims or disagreements to mediation which shall be conducted in Chillicothe or Columbus, Ohio at a mutually agreeable location ("Mediation"). Mediation of any and all such disputes, claims or disagreements shall be a condition precedent to any other remedy under this Agreement or at law. The Mediation shall occur within thirty (30) days of the service of a notice indicating the nature of the dispute by one of the parties. Upon said notice, Petland will select a neutral professional mediator located in Ross County, Ohio or Franklin County, Ohio to assist with the resolution of the dispute. The parties shall share the cost and expenses of the selected Mediator and the parties shall pay their own costs, attorney fees and expenses. If the dispute cannot be resolved by mediation, then the parties may proceed to arbitration.

18.3 **Arbitration**. Except for actions initiated by Petland by judicial process under the terms of Article 18.1 above, if the dispute is not resolved by Mediation as set forth herein, all disputes, claims or disagreements (including, without limitation, any claim that this Agreement, any provision thereof, any specification, standard, operating procedure or any other obligation of Developer or Petland is illegal, unenforceable or voidable under any law, ordinance or ruling) between the parties (includes Petland, Developer, Principal or Guarantor) shall be settled by binding arbitration administered by the American Arbitration Association ("AAA") pursuant to its Commercial Arbitration Rules. Arbitration shall be held in accordance with the United States Arbitration Act (9 U.S.C. § 1 et seq.). A single arbitrator shall be selected in accordance with standard AAA procedure, and the proceedings will be conducted in Chillicothe, Ohio or Columbus, Ohio. Any arbitrator appointed must have at least ten (10) years' experience in franchise matters and shall have the right to award or include in any award the specific performance of this Agreement. Both Developer and Petland agree to use commercially reasonable efforts to expedite the arbitration proceeding. The arbitrator shall meet with representatives of the parties as promptly as possible after his/her appointment to set an arbitration hearing date and outline the arbitration process. The parties agree and acknowledge that judgment upon an arbitration award may be entered in any court of competent jurisdiction. Prior to any decision or award, the parties shall share the cost and expenses of the selected arbitrator and the parties shall pay their own costs, attorney fees and expenses; however, the arbitrator may award reimbursement of all costs, expenses and attorney fees to the prevailing party.

18.4 **Individual Actions Only**. Any arbitration proceeding shall be conducted on an individual basis and not on a multi-plaintiff, consolidated, collective or class-wide basis.

18.5 **WAIVER OF JURY TRIAL**. TO THE EXTENT EITHER PARTY IS PERMITTED TO ENFORCE THIS AGREEMENT BY JUDICIAL PROCESS AND ELECTS TO DO SO, EACH OF THE PARTIES WAIVES ITS RIGHT TO A TRIAL BY JURY. THIS WAIVER SHALL APPLY TO ALL CAUSES OF ACTION THAT ARE OR MIGHT BE INCLUDED IN SUCH ACTION INCLUDING, BUT NOT LIMITED TO, CLAIMS RELATED WITH RESPECT TO THE ENFORCEMENT OR INTERPRETATION OF THIS AGREEMENT, ALLEGATIONS OF STATE OR FEDERAL STATUTORY VIOLATIONS, FRAUD, MISREPRESENTATION, OR SIMILAR CAUSES OF ACTION, AND IN CONNECTION WITH ANY LEGAL ACTION INITIATED FOR THE RECOVERY OF DAMAGES BETWEEN PETLAND AND DEVELOPER OR PRINCIPAL (INCLUDING ANY OWNERS OR GUARANTORS, IF APPLICABLE, AND INCLUDING ACTIONS INVOLVING AFFILIATES, OFFICERS, EMPLOYEES OR AGENTS OF PETLAND OR DEVELOPER) FOR BREACH OF THE FRANCHISE AGREEMENT.

18.6 **Waiver of Punitive Damages**. Petland and Developer (and the respective owners and guarantors, if applicable) agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and against any affiliates, owners, employees, or agents of the other, and agree that in the event of a dispute between or among any of them, each shall be limited to the recovery of actual damages sustained by it and any equitable relief to which it might be entitled.'

18.7 **Choice of Law; Exclusive Jurisdiction and Venue.** Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the state of Ohio and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Ohio, which laws shall prevail in the event of any conflict of law. Petland and Developer (and the respective owners, officers, affiliates and agents, if applicable) each agree to submit to the exclusive jurisdiction of the state and federal courts in Franklin County, Ohio or Ross County, Ohio, even if additional persons are named as parties to such litigation (unless the courts of the applicable state would have no jurisdiction over such additional persons). No action or proceeding involving this Agreement or any aspect of the relationship between the parties or their agents or affiliates shall be commenced by any party except in the state or federal courts governing Franklin County, Ohio or Ross County, Ohio, nor shall any such action be transferred to any other venue. DEVELOPER UNDERSTANDS THAT THIS CLAUSE COMPELS IT TO LITIGATE IN FRANKLIN COUNTY OR ROSS COUNTY IN THE STATE OF OHIO, AND DEVELOPER KNOWINGLY WAIVES ITS RIGHT TO OTHERWISE OBJECT TO THE EXCLUSIVE VENUES. Notwithstanding the foregoing, if Petland is permitted to seek injunctive relief under this Agreement, Petland may, at its option, bring such action in the county in which the Franchise Unit is located or the Developer's principal place of business is located.

18.8 **Waiver of Collateral Estoppel**. The parties agree they should each be able to settle, mediate, litigate, arbitrate, or compromise disputes in which they are involved with third parties, without having the disposition of such disputes directly affect the contract or relationship between Petland and Developer. Petland and Developer each agree that a decision of an arbitrator or court of law in litigation to which one of them is not a party shall not in any manner prevent the person that was a party to such action from making similar arguments, or taking similar positions, in any action between Petland and Developer. The parties waive the right to assert that principles of collateral estoppel prevent either of them from raising any claim or defense in an action between them as a result of such party having lost a similar claim or defense in another action.

18.9 **Limitation of Claims**. All claims, except for monies due to Petland or Developer's performance under this Agreement, arising under this Agreement or from the relationship between the parties are barred unless an action is filed and timely served on the opposing party within one (1) year from the date the party knew or should have known of the facts creating the claim, except to the extent any applicable law or statute provides for a shorter period of time to bring a claim or as otherwise required by law.

19 MISCELLANEOUS

19.1 Time is of the essence to this Agreement.

19.2 There are no third party beneficiaries to this Agreement except for the remedy provided for breach of Developer's or any Principal's covenant contained in Article 7.3.

19.3 This Agreement may be executed in any number of counterparts each of which when so executed shall be an original, but all of which together shall constitute one (1) and the same instrument.

19.4 All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, unless otherwise suggested by the text.

19.5 This Agreement will become effective only upon execution hereof by the President of Petland.

19.6 This Agreement is not a franchise agreement and does not grant Developer or any Principal any rights in or to the (i) System (except as expressly provided herein); or (ii) Proprietary Marks.

19.7 Developer shall not use the words “Petland”, “Petland” or “Fish Gear” or any part thereof, as part of its corporate or other name.

19.8 Developer and each Principal acknowledge that each has received a complete copy of this Agreement, the documents referred to herein and the Exhibits hereto at least seven (7) calendar days prior to the date on which this Agreement was executed. Developer and each Principal further acknowledge that each has received Petland’s Franchise Disclosure Document at least fourteen (14) calendar days prior to the date on which this Agreement was executed (or such earlier date as may be required by state law) or any Payments made to Petland pursuant to this Agreement.

20 ENTIRE AGREEMENT

This Agreement and the Exhibits, Addenda and Schedules hereto and the information and representations set forth in the Franchise Disclosure Document presented to Developer constitute the entire agreement between Petland, Developer and the Principals concerning the subject matter hereof. All prior agreements, discussions, representations (except those set forth in the Franchise Disclosure Document presented to Developer), warranties and covenants are merged herein. Nothing in this or any related agreement, however, is intended to disclaim the representations we made in the Franchise Disclosure Document that we furnished to you. THERE ARE NO WARRANTIES, REPRESENTATIONS, COVENANTS OR AGREEMENTS, EXPRESS OR IMPLIED, BETWEEN THE PARTIES CONCERNING THE SUBJECT MATTER HEREOF, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT AND THE FRANCHISE DISCLOSURE DOCUMENT PRESENTED TO THE DEVELOPER. EXCEPT THOSE PERMITTED TO BE MADE UNILATERALLY BY PETLAND HEREUNDER, NO AMENDMENT, CHANGE OR VARIANCE FROM THIS AGREEMENT SHALL BE BINDING ON EITHER PARTY UNLESS MUTUALLY AGREED TO BY PETLAND AND DEVELOPER AND EXECUTED IN WRITING.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement on the day and year first above written.

PETLAND INC.	DEVELOPER
	_____
By: _____	
Name: _____	
Title: _____	By: _____
	Name: _____
	Title: _____

EXHIBIT A
TO THE AREA DEVELOPMENT AGREEMENT
BETWEEN PETLAND, INC.
AND_____
DATED _____ , 20_____

Developer and its Owners

This form must be completed by Developer ("you") if you have multiple owners or if you or your business is owned by a business organization (like a corporation, partnership or limited liability company). Petland is relying on its truth and accuracy in awarding the territory to you.

1. Form of Entity. You are a (check one):

(a)	General Partnership	[ ]
(b)	Corporation	[ ]
(c)	Limited Partnership	[ ]
(d)	Limited Liability Company	[ ]
(e)	Other	[ ]

Specify: _____

You are formed under the laws of_____.

2. Owners. The following list includes the full name and mailing address of each person who is one of your owners and fully describes the nature of each owner's interest. Attach additional sheets if necessary.

Owner's Name and Address	Description of Interest
_____	_____
_	_
_____	_____
_	_
_____	_____
_	_
_____	_____
_	_

3. Governing Documents. Attached are copies of the documents and contracts governing the ownership, management and other significant aspects of the business organization (e.g., articles of incorporation or organization, partnership or shareholder agreements, etc.) of _____ _____.

This Exhibit "A" is current and complete as of , 20____..

[DEVELOPER]
By:_____
Name: _____
Its: _____

EXHIBIT B
TO THE AREA DEVELOPMENT AGREEMENT

Non-Disclosure and Non-Competition Agreement

This Non-Disclosure and Non-Competition Agreement is entered into as of the date or dates set forth below by and between (the "Undersigned") and Petland, Inc. ("Petland").

WHEREAS, Petland is the Franchisor of Petland®, Safari Stan®, and Dream Tails Stores and has the authority to disclose and discuss all information relating to the operations of a Franchise Unit (hereinafter referred to as "Petland's Business," "Business," or "Franchise Unit");

WHEREAS, confidential information will be disclosed to the Undersigned; and

WHEREAS, such confidential information gives Petland and the Undersigned a competitive advantage over those who do not know it and who may compete with Petland, its affiliates or its franchisees by operating Stores that may or may not utilize a similar concept.

NOW, THEREFORE, in order to induce Petland to transmit the aforesaid Information to it, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Undersigned hereby agrees as follows:

1. The term "Information" shall mean, but shall not be limited to, any and all information concerning the Business, including but not limited to all information contained in Petland's Confidential Operations Manuals or other Manuals provided to the Undersigned by Petland, all memoranda, notes, disks, digital information of any kind, whether from Petland's website or otherwise, cost analysis, trademarks, copyrights, logos, signage, blueprints, sketches, methods, processes, designs, plans, property, reports and documents, Petland's operational, manufacturing, administrative, merchandising, marketing, costing, production and related information, information concerning the business, operations and markets of Petland and Franchise Units , and all copies and extracts thereof, prepared by or on behalf of Petland or any of its officers, employees, attorneys, representatives, agents or consultants, which is disclosed to or acquired by the Undersigned directly or indirectly from Petland in the course of activities related to the purchase and sale of a franchise of said Business, or which is obtained by the Undersigned through an inspection of any facility employing Information.

2. The Undersigned agrees to retain all Information in strict confidence and not use it except as otherwise provided herein and the Undersigned agrees not to claim any right or interest in or to disclose Information to others.

3. The Undersigned shall have the right to communicate Information to its shareholders, officers, directors, members, Operating Partner, Representative, managers, employees, agents, and its attorneys and other representatives approved in advance by Petland to the extent necessary for such person to perform his/her functions in the execution of this Agreement or operation of a Franchise Unit.

4. The Undersigned agrees to cause any person to whom Information is disclosed to maintain the strict confidentiality of such Information and cause such persons to execute a written Confidentiality and Nondisclosure Agreement in a form prescribed by Petland. This Non-Disclosure and Non-Competition Agreement is to be executed by all partners if Developer or Franchisee is a partnership or limited partnership, all officers and shareholders if the Undersigned is a corporation, and all members if the Undersigned is a limited liability company. This Non-Disclosure and Non-Competition Agreement must also be executed by the Undersigned's Operating Partner, Representative, managers, and any other person with access to any Information.

5. In the event the relationship contemplated by any Area Development Agreement or Franchise Agreement between the Undersigned and Petland terminates or expires without renewal, then the Undersigned agrees not to use any of the Information to own, operate, lease to or develop a Competitive Business as that term is defined in the Area Development Agreement, executed simultaneous herewith or prior hereto ("Competitive Business"). The Undersigned shall also return to Petland all Information supplied to it by Petland pertaining to the business or Franchise Unit, and shall not retain any copies or other reproductions, or extracts thereof, prepared by the Undersigned or any of its officers, employees, attorneys, representatives or consultants, in connection with the Franchise Unit. The Undersigned, or an authorized representative of the Undersigned shall provide a certificate to Petland that all of the foregoing have in fact been destroyed.

6.(a) The Undersigned acknowledges that the Information disclosed to the Undersigned and all other aspects of the franchise system are highly valuable assets of Petland, and the Undersigned agrees that it shall not, without the prior written consent of the Petland (i) during the term of any franchise agreement, area development agreement or any similar agreement between the undersigned (or a person or entity affiliated with the undersigned) and Petland (collectively, a "Franchise Agreement"), directly or indirectly, including, without limitation, individually or in partnership or jointly or in conjunction with any person, as principal, agent, shareholder or in any other manner whatsoever, carry on, be engaged in or be concerned with or interested in or advise, lease property of any kind to, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person or entity engaged in or concerned with or interested in any Competitive Business unless such Competitive Business is operated pursuant to a written license or other agreement with Petland, and (ii) for a period of three (3) years from the date of the Area Development Agreement's or any Franchise Agreement's termination or expiration (whichever is later) without renewal, directly or indirectly, including, without limitation, individually or in partnership or jointly or in conjunction with any person, as principal agent, shareholder or in any other manner whatsoever, carry on, be engaged in or be concerned with or interested in or advise, lease property of any kind to, lend money to, guarantee the debts or obligations of, or permit its name or any part thereof to be used or employed by any person or entity engaged in or concerned with or interested in any Competitive Business within a twenty-five (25) mile radius of the exclusive designated territory of the Franchise Unit(s), the Territory, or any store, franchise unit or franchised location which is a part of a concept or system owned, operated, or franchised by Petland or within a twenty-five (25) mile radius of any other Petland®, Safari Stan®, or Dream Tails developer's Territory (as that Territory may be defined in a separate Area Development Agreement granted by Petland), unless such other business is

operated pursuant to a written license or other agreement with Petland. The Undersigned agrees to cause all persons to whom it has disclosed Information to execute a written Covenant Not to Compete in a form prescribed by Petland.

(b) the Undersigned also acknowledges and agrees that if the Undersigned should violate the provisions of this Section 6 of this Non-Disclosure and Non-Competition Agreement with respect to the operation of a competing business following expiration or termination of this Confidentiality and Nondisclosure Agreement and Covenant not to Compete, then the period for which the prohibition stated therein shall be applicable shall be extended until two (2) years following the date the Undersigned ceases all activities that are in violation of such provision.

7. The Undersigned acknowledges that it will be difficult to measure accurately the damages to Petland from any breach by the Undersigned of the covenants and restrictions set forth herein, that the injury to Petland from any such breach would be incalculable and irremediable and the damages would not, therefore in and of themselves, be an adequate remedy. The Undersigned therefore agrees that in the event it shall breach or attempt to breach any of the terms of this Agreement, Petland shall be entitled as a matter of right to obtain from any court of competent jurisdiction without posting bond or other security, an injunction (i) prohibiting the Undersigned from any further breaches of this Agreement; (ii) rescinding any action taken by the Undersigned contrary to the terms of this Agreement; and (iii) authorizing Petland to recover from the Undersigned any and all salaries, fees, commissions, income, profits or other remuneration or gain which the Undersigned may have received or to which it may have become entitled to receive from or by reason of the conducting of any activity in violation of the terms, conditions or covenants of this Agreement. Developer expressly agrees that Petland will not be required to post a bond or other security at any stage of injunctive proceedings, waives any such requirement and authorizes any court of competent jurisdiction to issue an injunction (temporarily, preliminarily or permanently) without bond. The issuance of such an injunction will not prevent Petland from obtaining such other relief as is appropriate under the circumstances, such as the award of other monetary damages.

8. This Agreement shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise by the laws of the state of Ohio and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Ohio, which laws shall prevail in the event of any conflict of law. The parties to this Agreement agree to submit to the exclusive jurisdiction of the state and federal courts in Franklin County or Ross County, Ohio, even if additional persons are named as parties to such litigation (unless the courts of the applicable state would have no jurisdiction over such additional persons). No action or proceeding involving this Agreement or any aspect of the relationship between the parties or their agents or affiliates shall be commenced by any party except in the state or federal courts governing Franklin County or Ross County, Ohio, nor shall any such action be transferred to any other venue.

9. In the event any Paragraph or portion of any Paragraph in this Agreement shall be determined to be invalid or unenforceable for any reasons, such invalidity or unenforceability shall not affect the validity and enforceability of the remaining valid and enforceable Paragraphs

hereof, which shall be construed as if such invalid or unenforceable Paragraph or Paragraphs had not been inserted.

[SIGNATURES BEGIN ON THE NEXT PAGE.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year written below.

PETLAND INC.

By: _____
Name: _____
Title: _____

Dated:
_____

DEVELOPER

_____

By: _____
Name: _____
Title: _____

Dated:
_____

EXHIBIT C
TO THE AREA DEVELOPMENT AGREEMENT

DEVELOPERS ORGANIZATIONAL DOCUMENTS AND CORPORATE RESOLUTIONS
AS REQUIRED BY ARTICLE 7.1 (D)

EXHIBIT D
TO THE AREA DEVELOPMENT AGREEMENT

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____day of _____ , 20____, by _____, an individual.

1. In consideration of, and to induce Petland, Inc. (the "Franchisor") to enter into an Area Development Agreement dated , 20_____ (the "Agreement"), with _____ ("Developer"), each of the undersigned hereby personally and unconditionally (a) guarantees to the Developer, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that the Assignee (hereinafter referred to as "Developer") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including without limitation the provisions of Section 18 (all of which shall be referred to as the "Obligations").

2. Each of the undersigned waives: (1) acceptance and notice of acceptance of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of obligations hereby guaranteed; (4) any right he may have to require that an action be brought against Developer or any other person as a condition of liability; (5) any and all other notices and legal or equitable defenses to which he may be entitled; and (6) any right to disclosures from the Developer regarding the financial condition of Developer or any guarantor of Developer.

3. Each of the undersigned consents and agrees that: (1) his direct and immediate liability under this guaranty shall be joint and several; (2) he shall render any payment or performance required under the Agreement upon demand if Developer fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by the Franchisor of any remedies against Developer or any other person; (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Developer or to any other person, including without limitation 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 his guaranty, which shall be continuing and irrevocable during the term of the Agreement; and (5) no claim, including a claim for contribution or subrogation, which any of the undersigned may have against a co-guarantor of any of the Obligations or Developer shall be enforced nor any payment accepted until the Obligations are paid in full and the payments are not subject to any right of recovery.

[SIGNATURES BEGIN ON THE NEXT PAGE]

IN WITNESS WHEREOF, each of the undersigned has executed this Guaranty and Assumption of Obligations on the date set across from his or her respective signature.

_____ X_____
Date Guarantor:

_____ X_____
Date Guarantor:

_____ X_____
Date Guarantor:

_____ X_____
Date Guarantor

EXHIBIT E
(to Area Development Agreement)

RECEIPT FOR AREA DEVELOPMENT AGREEMENT

Under federal law, we may not grant you a franchise for an area development agreement unless you have had a signature-ready copy of the agreement and all attachments, with all blanks except for the date of the agreement filled in, for at least seven (7) calendar days before you pay us any money in connection with the agreement or sign the agreement.

To show that we have complied with the law, please fill in the date when you received the area development agreement from us:

Date You Received Area Development Agreement: _____

* *

Please return this receipt to us as soon as you have filled in the date. We can proceed further only after you return this receipt.

Thank you for your careful attention to this matter.

Signature:_____

Print Name: _____

Exhibit C

Petland Franchise Agreement
(with Exhibits)

(Add) DREAM TAILS boutique

Franchise Agreement

between

Petland, Inc.

and

Franchisee

Date

Location



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EXHIBIT J PURCHASE AGREEMENT

EXHIBIT K RECEIPT FOR FRANCHISE AGREEMENT

Petland, Inc.

Franchise Agreement

This Franchise Agreement is entered into this _____ day of _____, _____ (the "Effective Date"), by and between Petland, Inc., an Ohio corporation with its principal place of business located at 250 Riverside Street, Chillicothe, Ohio 45601-5606 ("Franchisor," "we," "us"), and _____, an [individual] [partnership][corporation][limited liability Franchisee], with its principal place of business located at _____("Franchisee" or "you").

PREAMBLE

(a) Our Mission. For more than 50 years, we have aspired to be the retail pet industry leader. Our branded stores offer tropical and marine fish, pet birds, small animals, reptiles, puppies, kittens (collectively "pets" or "animals"), and the best foods and accessories on the market to care for them. We make the health and well-being of our pets our highest priority. We match the right pet with the right person and meet the needs of both. For our customers who already have pets, we are dedicated to enhancing their knowledge and enjoyment of the human animal bond. We promote animal care with ongoing staff training programs, in-store animal care systems and community service programs.

(b) Our System. In furtherance of our mission, we have developed a unique system for establishing, operating, and promoting a retail pet business specializing in the sale of pets and the merchandising of pet supplies, pet services, and pet related items. The distinguishing characteristics of Our System (as defined below) presently include, without limitation: operating methods, procedures, and techniques for the care and sale of pets; distinctive store design, layout, décor and color scheme; specially designed signage, kennels, and aquatic fixtures; operating methods, procedures, and techniques for retail store operation including without limitation, inventory and cost controls; record keeping and reporting; personnel management and training; marketing, merchandising, advertising, sales, and promotional techniques; our Confidential Operating System (as defined below) and other Confidential Information (as defined below) that we provide to our franchisees.

(c) Our Licensed Marks. We own certain valuable trade names, trademarks, and service marks, including but not limited to, PETLAND ~~and~~, SAFARI STAN'S PET CENTER, and DREAM TAILS. These Licensed Marks (as defined below) have appreciated over the years and there is significant goodwill associated with them.

(d) Our Franchisees. In furtherance of our mission, we grant to our franchisees the right to use Our System and Licensed Marks in the operation of retail pet stores at designated locations. You recognize and acknowledge the benefits of becoming our franchisee, and thereby being identified and associated with us and being able to use Our System and the Licensed Marks. You endorse our mission, and you desire to be our franchisee.

AGREEMENT

1. GRANT OF FRANCHISE

(a) We grant to you, and you hereby accept, the non-exclusive limited right to operate a retail pet store using Our System and Licensed Marks at the Franchised Location (as defined below), under one of the following trade names and marks (or such other trade name and marks as we may subsequently designate):

(check and initial one as appropriate)

_____ the Petland trade name and marks (hereinafter "Petland")

_____ the Safari Stan's Pet Center trade name and marks (hereinafter "Safari Stan")

_____ the Dream Tails trade name and marks (hereinafter "Dream Tails")

(b) As used herein, "you" shall be deemed to include not only _____ [name of individual], but shall also include all partners of the entity that may execute (or receive an assignment of) this Agreement (if the entity is a partnership); all shareholders, directors, and officers of the entity that executes this Agreement (if the entity is a corporation); and all members and managers of the entity that executes this Agreement (if the entity is a limited liability company) as set forth on Exhibit A. By their signatures, all partners, shareholders, directors, officers, members, and managers of the entity that signs this Agreement acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement and Exhibit A.

(c) You shall use Our System and the Licensed Marks as they may be improved, changed, or further developed from time to time strictly according to this Agreement and our standards. You shall devote full time and to use your best efforts to operate the Franchise, and to recommend, promote, and encourage patronage of all of retail stores in Our System.

(d) Franchisee's Acknowledgement.

AQUARIUM ADVENTURE. We have developed a store concept featuring the sale of fish, aquatic animals, aquariums, and aquatic, aquarium, and fish supplies under the "AQUARIUM ADVENTURE" trademark. We agree that while this Agreement is in full force and effect and you are not in default under any of its terms, we shall not operate or grant a franchise to any other party to operate an Aquarium Adventure® store within the Territory (as defined below) without first obtaining your consent or participation.

2. TERRITORY/FRANCHISED LOCATION

(a) Territory. You are entitled to ~~an exclusive~~a designated territory with a population of not less than 25,000 people as shown on Exhibit B. Following the procedures set out in this Agreement, your specific site shall be selected and once selected shall be designated as your

Franchised Location and set forth on Exhibit B. You agree to use the Franchised Location solely for the operation of the Franchise as provided herein, and to refrain from using, or permitting the use of the Franchised Location for any other purpose or activity at any time. After the Effective Date and so long as you are not in default, we will not reduce your territory and we shall not operate or grant a franchise to any other party to operate a retail pet store within your Territory. We specifically retain the right to sell products and services through other channels of distribution, including the Internet, social networking websites, catalogs, telemarketing and other direct marketing sales within and outside of your Territory.

(b) Delivery. You are not prohibited or restricted from soliciting sales or accepting orders from customers residing outside of your Territory. Provided, however, if you are permitted to make sales from your store on our Authorized E-Commerce sites, you will be restricted from delivering e-commerce sales to customers located within a five (5) mile radius of any other Petland®, Safari Stan®, or Dream Tails store and other franchisees will be prohibited from making deliveries within a five (5) mile radius of your store.

3. PAYMENTS TO FRANCHISOR

(a) Initial Franchise Fee – New Store. The initial franchise fee is Fifty Thousand Dollars ($50,000.00) which is to be paid upon execution of this Agreement ("Initial Franchise Fee"). If you previously entered into an Area Development Agreement then the Initial Franchise Fee required herein shall be governed by the terms of the Area Development Agreement but shall be paid in full upon execution of this Agreement. For thirty (30) days after our receipt of your payment of the Initial Franchise Fee, you shall have a one-time limited right to terminate this Agreement. If you exercise this option, however, all monies paid to us are non-refundable, and any other debts incurred to or by us in connection with the store development process must be paid as a condition of exercising this option.

(b) Franchise Fees Non-Refundable. Our efforts in developing Our System, our grant of this Franchise, and our execution of this Agreement constitute the sole consideration for the franchise fees and such fees shall be fully earned by us upon execution and delivery of this Agreement and are non-refundable.

(c) Royalty Fee. If this is your first or second Franchise with us, you shall pay to us a weekly royalty equal four and one-half percent (4.5%) of Gross Revenues from the Franchise ("Royalty Fee"). The term "Gross Revenues" is defined below. If this Agreement is for your third or more Franchise with us, the Royalty Fee will be reduced to 2.25% of the Gross Revenues generated at the Franchise (the "Reduced Royalty"). The Reduced Royalty shall be payable to us in the same manner as the Royalty Fee. The Reduced Royalty will remain in effect for the applicable Franchise so long you own and continue to operate at least three (3) Franchises with us. In the event the you are entitled to a Reduced Royalty fee for the Franchise granted pursuant to this Agreement at the time you have executed this Agreement, but you cease operating at least three (3) Franchises with us at any given time during the term hereof, then upon such moment, your Reduced Royalty shall end and you shall begin to pay us the full Royalty Fee (which, to avoid confusion, is 4.5% of Gross Revenues) from the Franchise under this Agreement. Notwithstanding the number of Franchises you may open and operate with us, and notwithstanding which individual Franchises may cease to be owned and operated by you during the reporting period for which the Reduced Royalty is

sought, you shall pay the full Royalty Fee on the two (2) Franchises which have the oldest chronological dates of opening. Therefore, you acknowledge and agree that should the Franchise granted to you under this Agreement become one of the two oldest operating Franchises with us, and you are otherwise eligible for a Reduced Royalty, you shall begin paying us the full Royalty Fee on this Franchise and not the Reduced Royalty.

(d) Fees Related to Build-out and Opening. To prepare for the build-out and opening of your store location, you must pay us some or all of the following additional fees: store merchandising and setup assistance, furniture and fixture costs, fixture coordination and construction services fee, site work, construction plans and specifications fee and an on-site training team and grand opening assistance fee. The amount of these fees and your obligation to pay these fees will be set forth either on (i) the Special Stipulations attached hereto as Exhibit I, or (ii) the Purchase Agreement which is attached hereto as Exhibit J.

(e) National Advertising Fund Contribution Fee. You shall pay us a reoccurring fee, in the amount that we designate from time to time, which will not exceed two percent (2%) of your Gross Revenues (such fee the "National Advertising Fund Contribution Fee"). Currently the National Advertising Fund contribution level is 0.5% of Gross Revenues, as calculated for the preceding period of seven days. However, we reserve the right to modify such, subject to the terms set forth herein. The National Advertising Fund Contribution Fee shall be paid to us on the Wednesday of each week. The National Advertising Contribution Fee shall be used by us pursuant to the terms and conditions set forth in Section 14.e. below. We are not required to spend any amount of money on advertising in your Territory.

(f) Delinquent Report Fee. If you are late in submitting any Required Report (as defined below), you shall pay a "Delinquent Report Fee" to us of Twenty Five Dollars ($25.00) per day for each day that such report is past due. The fee shall be separately imposed for each Required Report that you fail to submit by the due date of such report.

(g) Late Fees and Interest. If we do not receive any payments due from you by the applicable due dates, we will charge you a late fee of ten percent (10%) of the then outstanding balance on each past due amount. All payments due from you, including but not limited to franchise fees, royalty fees, advertising fees, late fees, purchases, and other amounts that are not timely received by us, shall bear interest at the rate of eighteen percent (18%) per annum or any lesser rate required by law, from the date payment is first due to the date payment is received by us. You acknowledge that this does not obligate us to accept any payments after the due date or require us to extend you credit.

(h) Other Fees. All merchandise, goods, fixtures, equipment, services, or other purchases by you from us shall be paid according to credit terms established by us at the time of purchase. We reserve the right to modify credit terms from time to time.

(i) Application of Payments. In the event you fail to make any payment when due, we have the right to apply payment(s) made by you to any past due or current account as we, in our sole discretion, deem appropriate.

(j) Bank Draft Plan. You shall make payments of the Royalty Fee, and all other amounts due to us through a bank draft plan on a bank account you are required to establish and maintain for the purpose of making payments to us according to the terms of the Confidential Operating System or as we otherwise direct. You shall execute such documents as may be required from time to time by us to permit us to withdraw from your general operating account the amounts due to us. A form similar to Exhibit G may be required by your financial institution authorizing the bank draft.

(i) In the event you fail to timely submit any Required Reports (as defined below), we will withdraw an estimated amount for the Royalty Fee based on the average sales for the last two (2) reported months or any other reasonable estimate we determine.

(ii) You may not make any change in your banking relationships, including any change in the account number of your general operating account, or any change in banks, without our prior written approval.

4. TERM AND RENEWAL

(a) Initial Term. The initial term shall be twenty (20) years from the date the Franchise initially opens for business; subject to the default and termination provisions ("Initial Term"). The term of this Agreement is not related to or affected by the term of any lease, sublease, purchase, or other agreement related to the real property upon which the Franchise is located.

(b) Renewal Term You may renew this Franchise for one additional term of twenty (20) years so long as you comply with each of the following conditions:

(i) You have given us written notice of your election to renew between six months and one year prior to the end of the Initial Term;

(ii) You are not in default under any provision or amendment of this Agreement, or any other agreement between us, and have been in full compliance with all material terms and conditions of such agreements during their terms;

(iii) You have access to the Franchised Location, or a suitable substitute location, which is in compliance with our then-current specifications and standards;

(iv) We determine that you have the financial capacity to operate the Franchise and to occupy the premises of the Franchise throughout the renewal term;

(v) You execute our then current form of franchise agreement, which agreement shall supersede in all respects this Agreement, and the terms of which may differ from the terms of this Agreement;

(vi) You execute a general release, in a form prescribed by us, of any and all claims or potential claims against us and our subsidiaries and affiliates, and any respective

officers, directors, agents, and employees in their corporate and individual capacities through the date of renewal;

(vii) You comply with our then-current qualifications and training requirements, including, without limitation, training requirements specifically designed for renewing franchisees; and

(viii) If required by us, you remodel the Franchise to conform to the then-current standards as outlined by us in writing.

5. LICENSED MARKS

(a) Ownership. You expressly acknowledge our rights in and to the Licensed Marks and agree not to represent in any manner that you have acquired any ownership rights in the Licensed Marks. You further acknowledge and agree that any and all goodwill associated with Our System and identified by the Licensed Marks (including all future distinguishing characteristics, improvements and additions to or associated with Our System) is our property and shall inure directly and exclusively to our benefit. Upon the expiration or termination of this Agreement for any reason, no monetary amount shall be assigned as attributable to any goodwill associated with your use of the Licensed Marks or Our System.

(b) Limited Use and Infringement of the Licensed Marks. You agree to display and use only the Licensed Marks and Our System as required in the Franchise. You agree not to use any other marks except with our prior written consent. You understand and agree that any use of the Licensed Marks or Our System other than as expressly authorized by this Agreement without our prior written consent may constitute an infringement of our rights. You must sign an "Assignment of Telephone Numbers, Facsimile Numbers, Email Addresses, and URLs" in the form attached hereto as Exhibit H. You further agree that your right to use the Licensed Marks and Our System does not extend beyond the termination or expiration of this Agreement. You expressly covenant that, during the term of this Agreement and thereafter, you shall not, directly or indirectly, infringe our rights, or contest or aid others in contesting, anywhere in the world, the validity of our right to use the Licensed Marks or Our System, or take any other action against our interests anywhere in the world.

(c) Third Parties. You shall promptly notify us in writing of any possible infringement of the Licensed Marks or Our System or any use by others of a trademark, service mark, or other property that may be similar to the Licensed Marks that comes to your attention. We have the sole right to determine whether to take any action in response to any possible infringement or other illegal use, and that we shall control any such action taken. You agree to fully cooperate with us and our affiliates in any enforcement action.

(d) Different Licensed Marks. We reserve the right to designate one or more new, modified, or replacement Licensed Marks for use by franchisees and to require you to use any such new, modified, or replacement Licensed Marks in addition to or in lieu of any previously designated Licensed Marks. There is no limit to our right to modify our Licensed Marks. If, in our opinion, it is desirable to modify or discontinue the use of any of the Licensed Marks and/or use one or more additional or substitute Licensed Marks, you must comply with our directions within a

reasonable time after receiving notice which shall not be longer than six (6) months. Any expenses or costs associated with such new, modified, or replacement Licensed Marks shall be your sole responsibility. Nothing in this section affects your obligation to maintain signage and otherwise display the Licensed Marks in accordance with Our System standards.

6. BUSINESS CONSULTING

Prior to your opening the Franchise, we will provide you with the following business counseling and advisory services on the same basis as we make available to other similarly situated franchise owners: assistance in planning and developing your business; assistance with developing your business plan, budget, and loan request; provided however, that we make no representation, warranty, or guarantee relating to the projections or objectives set forth in any such business plans, development budgets, or loan requests; and you agree to exercise due diligence and independent judgment prior to relying upon any such business plans, development budgets, or loan requests.

7. STORE DEVELOPMENT PROCESS

(a) Support. We provide extensive assistance with the selection, construction, and opening of franchises as described below.

(b) Site.

(i) Within twelve (12) months of the Effective Date you must select and obtain our acceptance of a site location for your Franchise.

(ii) At your cost, we provide assistance with the following:

a. Selecting a site for your Franchise, which shall comply with such site criteria as we may prescribe from time to time; and

b. Market evaluation, site evaluation, preliminary floor plans and layouts for the Franchise Location (not architectural plans).

(iii) At your cost, we will provide all preliminary plans, final plans, and specifications (including all changes and modifications). Material modifications may not be made to such plans without our prior written consent.

The amount of these fees and your obligation to pay these fees will be set forth on the Purchase Agreement which is attached hereto as Exhibit J.

(c) Construction by Us. So long as we are constructing the store (which is at your expense), we will arrange for all permits and certifications as may be required for the lawful construction of the Franchise, together with copies of any building inspection reports and certifications from all governmental authorities having jurisdiction over the Franchised Location and the Franchise.

(d) Construction by You.

(i) You are entitled to take full responsibility for construction of your store. In that event, you will comply with our Store Development Process which contains specifications for the design and layout of the Franchise including required computers, fixtures, equipment, furnishings, décor, and signs. You shall be solely responsible for strictly complying with our standards for design and construction, compliance, certification, and scheduling grand opening activities. You will be liable for any fees, costs, and expenses we incur due to delays or your failure to comply with our standards (for instance, fees, costs and expenses for travel and time for trainers if the grand opening is delayed).

(ii) You shall complete or arrange for the completion of the construction of the Franchise in accordance with the approved site and building plans and open the Franchise to the public not later than the first of the following events: (a) the date on which your lease requires you to commence business; or (b) eighteen (18) months after the Effective Date. You shall secure to us and our agents the right to inspect the construction at any reasonable time. You shall correct, upon our request and at your expense, any deviation from the approved site layout and plan, and shall furnish to us a copy of the certificate of completion from your architect that the Franchise was built in accordance with the approved final plans and specifications, and in compliance with the Americans With Disabilities Act. You shall provide us with certification that all required utility, sign, health, sanitation, business and other permits and licenses have been obtained from any applicable governmental authority, including any certificate of occupancy and approvals necessary to operate the Franchise. You will provide us with copies of all required insurance policies or such other evidence of insurance coverage and payment of premiums as we may request. You will obtain our approval of the completed construction prior to opening all or any part of the Franchise.

(e) Franchised Location.

(i) Purchase Agreement or Lease. You may own, purchase, or lease real property from third parties for the establishment of the Franchise. We assist with lease negotiations. You shall submit to us for approval a copy of the proposed purchase or lease agreement thirty (30) days prior to the proposed execution of the purchase agreement or lease. You shall not execute any such lease prior to obtaining our approval; provided, however, that our failure to provide you with written approval or disapproval of the proposed lease within thirty (30) days after we receive it shall constitute our approval. Even if you own the real estate, you must still enter into a lease for the premises and give us a collateral assignment.

(ii) Specific Provisions. Any purchase or lease agreement must provide that we will be furnished copies of all sales information submitted by you to the owner or lessor. Any lease shall provide:

a. That we may enter the Franchise to make any modification necessary to protect the health and safety of the pets or to protect the Licensed Marks;

b. A "Collateral Assignment of Lease" in the form substantially the same as that attached hereto as Exhibit D, executed by you and the lessor of the Franchised Location, providing us notice of your default of the lease, a right to cure such default and the right to assume the lease, as well as the further right to sublease or assign to another franchise owner (and if we exercise our rights under the Collateral Assignment of Lease, we shall have the option to acquire all fixtures, equipment and other leasehold improvements on the Franchised Location at fair market value);

c. That we may act as prime lessee under the lease and to sub-lease such site to you;

d. That each lease for the Franchised Location shall state that the premises shall be used only for Petland® (or Safari Stan® or Dream Tails) store and contain substantially the provisions listed below. Absence of such provisions from the terms of any proposed lease shall be reasonable grounds for us to disapprove such lease;

e. An acknowledgment by the lessor that: (i) the tenant is a franchisee of Petland, Inc., an international Franchisee involved in the franchising of full line, retail pet stores, (ii) the tenant must ensure that the operation of the store in the leased premises shall be in compliance with the standards that the public has come to recognize and expect of Petland, Inc. stores, and (iii) the store must be operated in compliance with the standards established by Petland, Inc., as they may be from time to time revised;

f. An acknowledgment by the lessor that: (i) it has reviewed and accepts the standard Petland, Inc. franchise development package for construction of the premises, including, but not limited to, signage, logos, color schemes, graphics, ceiling tile, and floor coverings, and (ii) it understands that Petland, Inc. may, from time to time during the term of the lease, revise and alter the standard franchise development package, and it agrees that the tenant franchisee may make alterations and improvements to the leased premises in keeping with the revised standards established by Petland, Inc.;

g. Petland, Inc.'s address for notice purposes:

Petland, Inc.
250 Riverside Street
Chillicothe, Ohio 45601-5606
Attn: VP of Business Development

h. The following language: "[A]nything contained in this lease to the contrary notwithstanding, Lessor agrees that, without its consent, this lease and the right, title, and interest of the tenant hereunder, may be assigned by the tenant to Petland, Inc., an Ohio Corporation, or its designee,

provided that said Petland, Inc. or its designee shall execute such documents evidencing its agreement to thereafter keep and perform, or cause to be kept or performed, all of the obligations of the tenant arising under this lease from and after the time of such assignment.";

i. The following language: "Lessor agrees that Lessor shall, upon written request of Petland, Inc., disclose to Petland Inc., all reports, information, or data in Lessor's possession with respect to sales made in, upon or from the leased premises.";

j. The following language: "Lessor shall give written notice to Petland, Inc., (concurrent with the notice to tenant), of any default by tenant under the lease and Petland, Inc. shall have, after the expiration of the period during which the tenant may cure such default, an additional thirty (30) days to cure, at its sole option, any such default.";

(iii) Any lease of the Premises shall be for a term that, with renewal options exercisable by you, is not less than the Initial Term of this Agreement unless we otherwise approve. You shall take all actions necessary to maintain the lease of the Franchised Location during the term of this Agreement. Any default by which your lease may be terminated shall also be deemed a default of this Agreement; and

(iv) You shall deliver a copy of the fully executed lease to us within fifteen (15) days of its execution.

(f) Purchase of Fixtures, Equipment. We will sell you fixtures, furnishings, signs, improvements, equipment, and other related facilities, products, and services required for the operation of the Franchise. Any other items that you select must meet the then-current quality standards set forth in our Confidential Operating System or otherwise in writing, subject to compliance with applicable laws and regulations. If you purchased any initial items of fixtures, equipment, supplies, and or services from approved sources other than us (e.g. non-Petland provided materials, such as an office desk, chairs, refrigerator, and the like), you shall pay for such items in full, and provide us with documentation of such payment prior to taking occupancy of the Franchised Location.

(g) Signs. You shall acquire from us all required signs for use at or in connection with the Franchise, unless we provide prior written authorization for alternative arrangements. All signage must conform to Our System exterior signage specifications and all signage must be submitted to us for approval prior to purchase and installation.

8. INITIAL TRAINING

Prior to your opening a new store, we will provide you with an initial training program which shall include, but not be limited to, attendance at approximately forty-five (45) hours of training academy sessions at a location to be specified by us for you and an unlimited number of individuals you designate. In addition to these training sessions, you and an unlimited number of individuals you designate shall train in an existing store location that we select. This on-the-job

training, without compensation, will be for a period of up to two (2) weeks. If we determine that a longer period of on the job training is required, we may then require that you spend up to two (2) additional weeks in on the job training. All travel, lodging, meals, salary, benefits, and incidental expenses for the training sessions and on the job training for both you and your designees shall be your responsibility. We will not charge you a fee in connection with your attendance at the training described in this section. You must complete the training program to our satisfaction. If we determine that you are unable to satisfactorily complete the training program described above, we shall have the right to terminate this Agreement. For the transfer of an existing store, training may be modified depending on your experience, the experience of your staff and other factors. The amount of training and the fees for such services will be addressed in a separate agreement with ~~Petland~~us.

9. STORE OPENING

(a) Grand Opening. For new stores, after you complete the initial training, we will assist you with the grand opening of your store. This required assistance includes the full time assistance of one (1) of our qualified representatives at your store for five (5) days prior to the grand opening. One of our representatives shall also provide you with assistance at your store for up to one (1) week following the grand opening. We charge an additional fee for the mandatory assistance described in this section.

(b) Loaned Materials. We provide you on a loan basis one (1) set of any written materials that we make available to other franchisees, including the Confidential Operating System and supporting electronic and written materials as we may develop and/or amend from time to time (either on our website(s) or, when we deem appropriate, by hard copy).

(c) Items for Retail Sale. We provide you a portion of the required pet and merchandise inventory listing and the merchandising plan.

(d) Initial Stocking Order. We provide you a product listing, a portion of the required inventory, and merchandise plan.

(e) Forms. We provide you access to operations and accounting forms for store operations and reporting transactions to us. These are available electronically.

10. OPERATIONS

We have established and you shall maintain standards of quality, appearance, and operation for the Franchise. For the purpose of giving distinctiveness to the Licensed Marks, enhancing the public image and reputation of businesses operating under Our System, and for the purpose of increasing the demand for services and products provided by franchise owners and us, you shall operate the Franchise in strict conformity with our standards. All of our rules, regulations, and policies are by their terms mandatory, including, without limitation, those contained in the Confidential Operating System. Without limiting the foregoing, you agree as follows.

(a) Maintain Franchise. You shall maintain the Franchise, and all fixtures, furnishings, signs and equipment thereon, in conformity with our then-current standards at all times during the term

of this Agreement, and shall make such repairs and replacements thereto as we may require. Without limiting the generality of the foregoing, you specifically agree:

(i) To keep the Franchise at all times in a high degree of sanitation, repair, order, and condition, including, without limitation, such periodic repainting of the exterior and interior of the Franchise and to perform such maintenance and repairs to all fixtures, furnishings, uniforms, signs and equipment as we may from time to time reasonably direct;

(ii) To meet and maintain at all times all governmental standards and ratings applicable to the operation of the Franchise or such higher minimum standards and ratings as set forth by us from time to time in the Confidential Operating System or otherwise in writing;

(iii) To make no structural improvements to the Franchise or the Franchised Location without our prior approval; and

(iv) To cause your employees to wear apparel that strictly conforms to the specifications, design, color, and style approved by us from time to time.

(b) Repairs. You shall make such repairs and replacements to the Franchise as we may require in order to maintain Our System standards.

(c) Remodeling. You agree that, in order to maintain a modern, progressive, sanitary, and uniform image, we shall have the right, at any time and from time to time after the expiration of five (5) years from the Effective Date, to require you to perform such remodeling, repairs, replacements, and redecoration in and of the Franchise, equipment, and furnishings as we deem necessary and practical to bring the Franchise, including equipment and fixtures, up to the then-current standards of newly developed stores. Notwithstanding the foregoing, we may require that you replace, at your expense, carpeting, tile, or other floor coverings, and recover interior wall surfaces every two (2) years.

(d) Key Positions. You agree to hire and train a sufficient number of employees to staff your store according to our specifications. You should use your sound discretion to hire these employees. We do not hire, fire, discipline, or control your employees, and nothing in the Disclosure Document, this Franchise Agreement or any agreement creates a joint-employment arrangement or relationship with your employees. Training for the employees shall occur one week prior to merchandising week, at either a Franchisee owned or mentor franchisee's store. Franchisee agrees not to solicit, hire, retain, or recruit any employee of another franchisee or of Franchisor without the prior written consent of Franchisor.

(e) Standards. In order to satisfy our customers' expectations of reasonable product selection and to effectively advertise pets and products systemwide, it is necessary for us to control specific inventory selections and manage the mix of SKUs in the stores. In this way, the overall system presents to our customers a uniform image, appropriate pet selections, and suitable merchandise inventory. You shall be responsible for the day-to-day operations of your Franchise

in strict conformity with our standards as described in our Confidential Operating System. Therefore, you specifically agree:

(i) Fixtures. To purchase and install, at your expense, all such fixtures, furnishings, signs, and equipment, as we may require, and meet the specifications of the approved site layout and plan, and all other such items as we may prescribe from time to time; and to refrain from installing, or permitting to be installed, on or about or in connection with the Franchise, any such item not meeting our standards and specifications.

(ii) Pets, Containers. You agree that you will not acquire pets from specific unapproved suppliers and/or breeders that we have identified; we may modify that listing at any time. You are responsible for verifying that animal suppliers meet the standards set forth by the Franchisor, which standards may be changed from time to time in the sole discretion of the Franchisor. Franchisor also maintains the right to require that you periodically certify your compliance with the Franchisor's standards. We reserve the right to decide the types of pets you carry. Upon your request, we will provide information regarding the quality levels of the products, pets, or services that we require. All sales and deliveries of pets, pet supplies, and pet related items by you shall be packed in containers suitably inscribed with the appropriate trademarks. You may purchase containers from us or from another source provided the containers meet our specifications. Upon your request, we will provide you with these specifications. You shall maintain at least ninety five percent (95%), based on cost value, of the initial pet selection according to the departmental pet categories when the Franchise store opened for business. We have the right to conduct audits to confirm your compliance with this obligation. You may not engage in online sales or any other e-commerce activities as it relates your Franchise unless you have received written permission from us and you are in compliance with our E-Commerce Policy, which we may modify in our sole discretion.

(iii) Inventory. To maintain in sufficient supply, and use at all times, only operating products, materials, supplies, and expendables, including paper goods, as conform with our then-current standards and specifications, and to refrain from using non-conforming items without our prior consent. Subject to the Confidential Operating System, the current minimum representation is one hundred percent (100%) of the total number of Franchisor's private label stock keeping units (SKU's). You shall at all times maintain your inventory stock equal to at least ninety-five percent (95%), based on cost value, of the then-current inventory level required by us in our initial stocking order to new franchisees operating a franchise of similar size and format to your Franchise. You agree not to add or subtract merchandise items to your inventory mix without our prior written approval. We regularly add or subtract merchandise items to/from your inventory mix based upon our analysis of your sales. We have the right to conduct audits to confirm your compliance with this obligation.

(iv) Product Selection. To sell and to offer for sale all such products, goods and services as we may require, and those that we approve, which are not subsequently disapproved, as meeting our quality standards and specifications. In addition to any required remodeling, repairs, replacement, and redecoration, in order to introduce new products or services through all Our System units, you may be required to expend additional amounts on new, different, or modified equipment or fixtures necessary to offer such new services or products. In such event, you shall have up to thirty (30) days to complete any modifications necessitated by the introduction of such new products and/or services.

(f) Quality Control. At any reasonable time, you shall permit us or our agents to remove from the Franchise, at our option, certain samples of any products, materials, supplies, and expendables without payment therefore, in amounts reasonably necessary for testing by us or any independent laboratory, to determine whether such samples meet our then-current standards and specifications, with no liability to you for any damage to such samples as a result of such testing.

(g) Inhumane Conditions. In our sole discretion, we may enter your store and take immediate possession of and/or remove from the store any and all pets which, in our opinion, are exposed to inhumane or life threatening treatment or conditions while under your charge. In this event, we will assume the care and treatment of such pets, or assume the overall direction for the care and treatment of the pets within the store (which may include placing our personnel within the store). You shall at all times while we are in possession and/or control of the pets be subject to our direction with regard to the care of the pets. Our right to maintain possession of the pets or provide direction shall extend for the period required to establish your competency to resume possession and direction of care. The determination as to your competency shall be made exclusively by us as we deem appropriate. Unless we direct you otherwise, you shall not place orders for or take possession of any additional pets during this period. Our actions during this time shall not be a waiver of, nor stop us from pursuing any other remedy which may be available to us. You shall bear all costs associated with our actions in this matter and shall pay such costs to us upon demand.

(h) Approved Suppliers. You shall purchase all fixtures, furnishings, signs, equipment, inventory, uniforms, advertising materials, services, and other supplies, products, and materials required for the operation of the Franchise solely from suppliers who demonstrate, to our continuing reasonable satisfaction, the ability to meet our reasonable standards, specifications, and requirements for such items regarding quality, variety, service, safety, and health; who possess adequate quality controls and capacity to supply your needs promptly and reliably; who have a sound financial condition and business reputation; who will supply such items to a sufficient number of franchise owners to enable us to economically monitor compliance by the supplier with our standards, specifications, and requirements; and who have been approved for such items in writing by us and not thereafter disapproved. If you desire to purchase any items from an unapproved supplier, you shall submit to us a written request for such approval in accordance with procedures we prescribe from time to time. We reserve the right to increase or decrease the number of approved suppliers and to designate ourselves an approved supplier and to make a profit or otherwise receive value in kind or rebates from the designation of approved suppliers and/or from the sale of supplies to you.

(i) Store Open. Unless otherwise specifically approved by us, your Franchise shall be open for the conduct of business at such times and for the minimum number of hours specified by us in the Confidential Operating System, or, if different, for such hours as may be required by the terms of any lease of the Franchised Location; and you shall at all times staff the Franchise with such number of employees and operate the Franchise diligently so as to maximize the revenues and profits therefrom.

(j) Materials. You shall use only business stationery, business cards, marketing materials, advertising materials, printed materials, or forms which we have approved in advance. You shall not employ any person to act as your representative in connection with local promotion of your Franchise in any public media without our prior written approval. Any and all supplies or materials you purchase, lease, or license shall always meet those standards we specify in the Confidential Operating System or otherwise in writing.

(k) Customer Service. You shall respond promptly to customer complaints and shall take such other steps as may be required to ensure positive customer relations. This includes promptly responding to phone calls, letters, e-mails, and other customer communications. If such complaints are not resolved swiftly and in the spirit of fairness, we reserve the right to resolve such complaints as we deem appropriate. You shall be responsible for any costs we incur in having to provide such customer service for you.

(l) Inspections. You hereby grant to us and our agents the right to enter the Franchise, without notice, at any time during store hours for the purpose of conducting inspections of the Franchise, your books, records, computer system and reports, and you agree to render such assistance as we may reasonably request and to take such steps as may be necessary immediately to correct any deficiencies detected during such an inspection upon our request or that of our agents.

(m) Business Practices. Because complete and detailed uniformity under many varying conditions may not be possible or practical, and in order to remain competitive and respond to new technology, customer needs, and market conditions, we specifically reserve the right to vary standards for any franchise owner based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, existing business practices, or any other conditions that we deem to be of importance to the successful operation of such business. You shall have no recourse against us on account of any variation from standard specifications and practices granted to any franchise owner and shall not be entitled to require us to grant you a like or similar variation.

(n) Equipment Updates. Upon our request, you shall install, update, or replace any equipment, including cash registers, and/or computers, or software including, without limitation, software designed to facilitate or enhance communications and software designed for the purpose of recording receipts at point of sale, and to utilize equipment including locked totaling devices and software of such kind and in such manner as we may require.

(o) Franchisee's Inability to Manage Franchise. You hereby grant to us the right to take such steps as are necessary to manage the Franchise for you in the event of your death or in the event that an independent third party (such as a medical doctor) reasonably determines that you are

incapacitated or incapable of running the Franchise, and to receive a reasonable fee for such services.

(p) Field Service. Whether a new or existing operation, we will provide field service assistance by our representatives on a periodic basis subject to our scheduling and staff availability. Field service assistance includes the preparation by our representatives of written evaluations of store operations, animal care, merchandising, management skills, and marketing, as well as telephone consultations regarding such matters.

(q) Periodic Training. We will provide periodic training sessions and seminars for your management and employees at locations we designate. We reserve the right to require that you and/or certain of your managers or employees attend the training or seminars. You are required to attend one training session every year as we determine and to attend ~~the~~our annual scheduled ~~Petland, Inc.~~ trade show. You are responsible for all travel, lodging, meals, salary, benefits, and incidental expenses for you and your employees associated with attendance at such programs. We reserve the right to charge an additional fee for each person attending such programs.

11. ADDITIONAL OPERATING ASSISTANCE

(a) In order to maintain standards of quality, appearance, and operation for Our System, we may provide you with such of the following ongoing assistance as we deem appropriate:

(i) Periodic assistance in local advertising, marketing, press releases, public information, community service, and children's educational programs;

(ii) Periodic individual or group counseling in the operation of the Franchise rendered in person, by seminar, or by newsletters, bulletins, electronic, or other means made available from time to time to all of Our System's franchise owners;

(iii) Advice concerning operating problems, new techniques, or operating methods disclosed by reports submitted to or inspections made by us;

(iv) Advice and guidance with respect to new and improved methods of operation or business procedures we develop, use of the Confidential Operating System, management materials, promotional materials, advertising formats, and the Licensed Marks;

(v) Periodic product selection information, pricing strategies, and merchandising "planograms," provided, however, that any information regarding pricing is suggested only and you shall determine the prices at which you sell your products and services;

(vi) Provide the then-current services included in the loyalty program;

(vii) The opportunity to participate in group purchasing programs for inventory, supplies, insurance, and equipment that we may, from time to time, use, develop, sponsor, or provide and upon such terms and conditions as we may determine;

(viii) Periodic advisory services and preliminary floor fixture drawings (not architectural plans) for store updates and remodeling; and

(ix) Periodic inspections of the Franchise and our other franchises and of the products and services they offer.

(b) Upon your reasonable request and for an additional fee, we may:

(i) Assist you in determining leasehold improvements that should be made and provide a complete set of drawings and specifications for leasehold construction; provide materials, engage qualified contractors, and/or supervise the improvements, including plumbing, electrical, service heating system, air conditioning, exhaust and ventilation, wall and ceiling improvements, store front changes, and floor preparation;

(ii) Supply, supervise and/or install equipment, fixtures, and/or signage;

(iii) Supply, deliver and/or supervise the merchandising and display of inventory. We will provide an ordering list which you may alter as you see fit; and

(iv) Provide, at competitive prices, standardized paper goods and supplies with imprinted name and artwork.

12. FRANCHISEE'S RESPONSIBILITY / CHANGES TO ASSISTANCE

Notwithstanding any assistance that we may provide from time to time, you are responsible for all compliance and operations matters relating to your Franchise, including determining that all necessary permits have been obtained and that all requirements for construction and operation have been met. We reserve the right to alter our training and assistance programs at any time without notice.

13. CONFIDENTIAL OPERATING SYSTEM

(a) To protect the reputation and goodwill of the businesses operating under Our System and to maintain standards of operation under the Licensed Marks, you shall conduct the Franchise in accordance with various written instructions and confidential manuals known as the Confidential Operating System, including any and all modifications and amendments thereto during the term of this Agreement. You must adopt and use as your continuing operational routine the required standards, services style, procedures, techniques and management systems described in the Confidential Operating System You agree that the Confidential Operating System is among our confidential and proprietary information, belongs solely to us, and is only on loan from us during the term of this Agreement. When any provision in this Agreement requires that you comply with any of our standards, specifications, or requirements, such standard, specification, or requirement shall be such as is set forth in this Agreement or in the Confidential Operating System.

(b) You must keep the Confidential Operating System confidential and limit access to your employees on a need-to-know basis.

(c) We may revise the contents of the Confidential Operating System and supporting electronic and written materials to implement new or different requirements for the operation of the Franchise, and you expressly agree to comply with all such changed requirements which are by their terms mandatory. There may be additional expenses to implement such requirements.

(d) You shall at all times ensure that you are aware of the most recent and up-to-date version of the Confidential Operating System. In the event of any disagreement as to the contents thereof, the terms and dates of the master version maintained by us at our principal place of business shall be controlling.

14. ADVERTISING AND MARKETING

Recognizing the value of advertising and the importance of standardized promotion to further the goodwill and public image of Our System, you agree as follows:

(a) Local Advertising and Promotion.

(i) Each month, you shall spend on local advertising a minimum of five percent (5%) of Gross Revenues. Such expenditures shall be made directly by you, subject to our approval.

(ii) You must send us samples of all local advertising and promotional materials (not prepared or previously approved by us) for approval before you use them. If we do not deny your request in writing within fifteen (15) days from when we receive your proposed materials, your materials are approved. You shall not use any advertising or promotional materials that we have denied.

(b) System-wide Advertising and Promotion. You shall participate in advertising and other promotional program(s) we conduct with other franchised and Franchisee-owned stores. Our programs may include prize contests, club memberships, direct mailing, newspaper, electronic media and other similar programs. We shall, from time to time, provide you ads, ad mats, and other types of advertising materials. If we provide you such programs and materials, we shall determine the fees and terms to be charged for them.

(c) Cooperative Advertising and Promotion. If we or a majority of franchisees in your media (at least 66% of them) area determine that a cooperative media area advertising program should be formed, you must participate in and pay your pro rata share for that cooperative advertising program. Any such cooperative advertising program will be separate from the National Advertising Fund (as described below). We will determine the market area based upon research conducted by market research and rating organizations. You shall participate in any such cooperative advertising program which may include, but not be limited to, print, online advertising and social media promotions, video production and use through varied platforms, email and direct mail, and using advertising and creative material approved by us. Upon the establishment of a cooperative advertising program, you shall remit to us, or our designee, two percent (2%) of Gross Revenues for each period of seven (7) days following the establishment of

the cooperative advertising program. The payment shall be made via bank draft on the corresponding dates of the Royalty Fee payments. Your participation in the cooperative advertising program is mandatory. Payments paid to a cooperative advertising program will be credited towards your required minimum 5% monthly advertising expenditure, thus reducing the same by an amount equal to your actual payment to a cooperative advertising program.

(d) Grand Opening Advertising. You agree to spend no less than $5,000 and up to $20,000 (depending on the size of store and market and as specified by ~~Petland~~us) for grand opening advertising and promotion between the seven (7) days prior to opening and seven (7) days following opening of operations. You may include within this grand opening advertising amount any grand opening or similar one-time promotional payments required by the lessor of the Franchised Location (if any) during the initial 30-day period after opening.

(e) Signage, Franchise Notice. You shall install and maintain in complete operating condition, at your cost and in a prominent location, an outdoor sign and interior graphics, according to our standard specifications. All signs, graphics, and other identification, painting, colors, and layout of the premises and changes thereto, require our written approval before you can implement them. You shall display three (3) signs, which we will provide, as directed by us in a prominent location within the Franchise containing information for interested potential franchisees and including the following notice: "This store is operated under a license from Petland, Inc."

(f) National Program. We have established and administer and control a marketing fund (the "National Advertising Fund") for the advertising, marketing and public relations programs and materials we deem appropriate. You shall contribute the National Advertising Fund Contribution Fee to the National Advertising Fund in the amount we periodically specify, which will not exceed two percent (2%) of Gross Revenues for the preceding period of seven days, and shall be payable on the Wednesday of each week. We reserve the right to increase the amount of the National Advertising Fund contribution, in our sole discretion, provided you will not be required to contribute more than two percent (2%) of Gross Revenues.

We will designate all programs that the National Advertising Fund finances, with sole control over the creative concepts, materials, and endorsements used and their geographic, market, and media placement and allocation. The National Advertising Fund may pay for preparing and producing video, audio, and written materials and electronic media and using social media; maintaining and administering one or more System Websites; administering regional and multi-regional marketing and advertising programs, including purchasing trade journal, direct mail, radio and other media advertising and using advertising, promotion, and marketing agencies and other advisors to provide assistance; and supporting public relations, market research, and other advertising, promotion, and marketing activities. The National Advertising Fund may pay federal, state, and local lobbying activities which further the System, the brand and/or the services that the System offers. The National Advertising Fund may make contributions to political action committees~~, so long as such contributions are only made with the funds which have been contributed by us~~.

We will account for the funds in the National Advertising Fund separately from our other funds and not use the National Advertising Fund for any of our general operating expenses,

except to compensate us for the reasonable salaries, administrative costs, travel expenses and overhead we incur in administering the National Advertising Fund and its programs and expenses, including conducting market research, preparing advertising, promotion, and marketing materials, researching or funding research on legal restrictions against the services and operations offered by Petland®, Safari Stan®, or Dream Tails stores, and collecting and accounting for National Advertising Fund contributions. The National Advertising Fund will not be our asset. The National Advertising Fund may spend in any fiscal year more or less than the total National Advertising Fund contributions in that year, borrow from us or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. We will use interest earned on National Advertising Fund contributions to pay costs before spending the National Advertising Fund's other assets. We will prepare an annual, unaudited statement of National Advertising Fund collections and expenses and give you the statement upon written request. We may incorporate the National Advertising Fund or operate it through a separate entity whenever we deem appropriate. The successor entity will have all the rights and duties specified in this subsection.

We are not required to spend National Advertising Fund funds proportionately by geographic area or origination of fund contribution. We have the right, but not the obligation, to use collection agents and institute legal proceedings to collect National Advertising Fund contributions at the National Advertising Fund's expense. We also may forgive, waive, settle, and compromise all claims by or against the National Advertising Fund. Except as expressly provided in this Subsection, we assume no other direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing, or administering the National Advertising Fund.

(g) We may at any time increase, defer or reduce the National Advertising Fund contributions and, upon 30 days' prior written notice to you, reduce or suspend the National Advertising Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the National Advertising Fund operations for one or more periods of length.

(h) ClubPet, Other Programs. You shall participate in a national ClubPet program and other similar national programs developed by us. We may modify the ClubPet program or any other program at any time. You shall not develop, on your own, substantially similar programs, or any other program without our prior permission.

(i) Internet. We have established and maintain an internet website at www.petland.com which provides information about Our System and the services that we and our franchisees provide (collectively, the "System Website"). We may (but are not required to) include at the applicable System Website an interior page containing information about your Franchise. In addition to the System Website each store location may establish an individual store website to promote its location which must be provided by an approved vendor and conform to ~~the Petland~~our website brand standards. We may approve customized content or features on the store website at your expense on a case by case basis. All proposed information is subject to our prior approval. We may collect data via the website from prospective customers residing within your Territory. If we collect such information, we will provide such data to you. You shall contact each prospective customer and shall be responsible for servicing any account which

results from this contact. You are expressly prohibited from creating or maintaining your own independent website and agree not to do so. We may use the National Advertising Fund's assets to develop, maintain and update System Websites.

(j) Miscellaneous. You shall participate in all other advertising and marketing programs we designate as mandatory. We reserve the right to require you to contribute to the advertising programs at a larger percentage of Gross Revenues than is specified if the operators of sixty six percent (66%) or more of all units in operation (including those operated by us) within the area affected by the scope of the program (as we determine) have agreed to make such increased contribution. Amounts paid into the advertising programs pursuant to this Section shall not be allocated on a pro rata basis among franchisees, nor shall we undertake any obligation to administer such programs to ensure that any particular franchise benefits directly or pro rata from such advertising or promotion. Funds remitted for purposes of a local cooperative advertising program shall, however, be allocated exclusively to the cooperative in which you participate. You shall expend additional sums on advertising, but no additional sums expended shall be in lieu of your required payments to us. All additional advertising programs you employ shall be in keeping with the standards set forth in the Confidential Operating System.

15. REPORTS REQUIRED BY FRANCHISOR/AUDIT/ACCOUNTING

(a) Monthly and Annual Reports.

(i) You shall submit monthly and year-to-date reports in formats we require, including Monthly Sales Transmittal, Monthly Sales Analysis, Cash Paid Out Summary, and Cash Reconciliation, as well as other relevant data of the Franchise. The monthly reports must be actually received by us on or before the twelfth (12th) calendar day of the month following the close of the reporting month (e.g. January's report must be received by February 12th).

(ii) In addition, you must submit a monthly balance sheet, income statement, and detailed general ledger, in the format we supply. These financial statements must be received by us on or before the last business day of the month following the close of the reporting month. Upon our request, you shall provide monthly sales tax returns, as well as annual federal income tax returns for the Franchise which may include personal tax returns if you act as a sole proprietor. The balance sheet and income statement shall be prepared in accordance with generally accepted accounting principles.

(iii) If you are a corporation, partnership, limited liability Franchisee, or other business association, you shall complete an annual report in the required format. The report shall be delivered annually within thirty (30) days after the close of your fiscal year. In addition, you shall submit interim reports at any time the information required for the report shall change.

(b) Delinquent Reports.

(i) If any required report is received late for any reason, you shall be liable for the Delinquent Report Fee. Payment of such fee does not relieve you of your

obligation to submit the report. The Delinquent Report Fee shall be separately imposed for each report that you fail to timely submit.

(ii) If any required report is not timely received, we have the right to engage independent accountants to prepare the reports on your behalf and you agree to cooperate fully with the independent accountants. You shall bear all fees, costs, and any other expenses we incur in connection with the missing report preparation.

(c) Franchisor's Right to Audit and Inspect.

(i) We (or our agents) have the right to enter your Franchise and to examine, among other things, your facilities, operations, books, records, and tax returns during reasonable business hours and at your expense. You shall keep complete and accurate books and records at your principal place of business for at least ten (10) years, in such detail as is required by the franchisee's accounting system.

(ii) We have the right to inspect the Franchise at any reasonable time and without prior notice to determine whether you are complying with this Agreement and with System standards. We have the right, among other things, to: (1) conduct or observe a physical inventory of the store; (2) remove samples of any products, materials and supplies for testing and analysis; (3) interview personnel of the store; (4) interview customers of the store; (5) photograph and videotape the premises of the store; (6) inspect and copy any books, records, and documents relating to the operation of the Franchise; and (7) inspect and record sales activity. You agree to fully cooperate with any inspections. You shall provide your customers with evaluation forms that we may periodically prescribe and shall participate and/or request that your customers participate in any surveys we or our agents conduct.

(iii) In the event any inspection or audit reveals an understatement of your Gross Revenues, you shall remit the Royalty Fee due on the amount of the understatement plus late fees plus interest within ten (10) days after receipt of the inspection or audit report. If the inspection or audit is necessary because you failed to timely furnish reports, supporting records, or other required information, or if an understatement of Gross Revenues for the period of any audit is greater than three percent (3%), then you shall reimburse us for the cost of the audit or inspection including, without limitation, the charges of any independent accountants and the travel expenses, room and board, and compensation of any and all of our personnel. These amounts shall be in addition to any other remedies we may have.

(d) Computer System and Access. You shall maintain an active e-mail account issued by us and shall maintain at least broadband access to the Internet for receiving bulletins, updates, and other information. Unless you have another method of accessing the Internet and e-mail, you must purchase computer hardware and software, as well as the services of an Internet provider to enable you to access our intranet system. We may require you to lease proprietary software from

us or a designated third party and to enter into a software license agreement with us or such third party. We reserve the right to access information and data produced by your computer system. In addition:

(i) You shall purchase and use the computer hardware and software specified in the Confidential Operating System, including, but not limited to, the point of sale software system;

(ii) We may contract with third parties to update the point of sale and/or inventory control systems software programs from time to time. We will provide you with any updated programs, and you shall be responsible for properly loading the updated program onto your computer in a timely manner. Thereafter, you shall use the updated point of sale and inventory control systems software programs; and

(iii) We may require you to replace any of the components of your computer system (hardware or software) if, in the future, we deem the component to be (1) undersized or otherwise insufficient for the efficient operation and management of the Franchise, or (2) incompatible with our computer hardware or software or the computer hardware or software that we designate for franchise network use.

(e) First Year Requirement of Having Franchisor Provide Services. During the first twelve (12) months of operating your Franchise, you shall have your financial reports prepared by us at a monthly fee of four hundred fifty dollars ($~~450~~525) due the first Wednesday of the month for that reporting month by bank draft. If you wish to have us continue to prepare your financial statements after the first twelve (12) months, you will pay us our then current fee for such services. The services and financial statements provided include preparation of a Balance Sheet; Income Statement and General Ledger; sales tax worksheet (not the actual sales tax returns); bank statement reconciliations, and various other reports. You shall furnish us the data required for us to prepare the financial statements, including but not limited to daily sales and deposit activity, daily check disbursement activity, payroll reports, monthly bank statements, month end outstanding trade payables, month end receivable balances, and month end physical inventory counts. Should you elect to terminate this service, you will provide thirty (30) days prior written notice to us. All amounts previously incurred shall be deemed to be fully earned by us and non-refundable. Notwithstanding the foregoing, if we provided any financing with respect to the Franchise, you are obligated to use the foregoing services until such time as the financing has been fully satisfied.

(f) Accounting System. You shall use an accounting system which is consistent with generally accepted accounting principles and a point of sale system which shall have capabilities to assist in the preparation of, but not be limited to, the following:

(i) Monthly check disbursement summary;

(ii) Monthly accounts payable summary;

(iii) Daily cash receipts and paid out detail reconciled to cash deposit;

(iv) Monthly cash receipts and paid out summary;

(v) Monthly physical inventory detail by department for pets;

(vi) Quarterly physical inventory detail for merchandise; and

(vii) Standard chart of accounts we supply and which you must use.

16. CONFIDENTIALITY, NON DISCLOSURE, NON-COMPETITION

(a) Requirement of Confidentiality. We will disclose Confidential Information to you during the course of this franchise relationship. You shall not acquire any interest in the Confidential Information, other than the right to use it to operate the Franchise. You agree that the Confidential Information is proprietary, includes our trade secrets, and that you:

(i) shall not use the Confidential Information in any other business or capacity;

(ii) shall maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement;

(iii) shall not make or permit the making of any unauthorized copies of any portion of the Confidential Information disclosed in any form;

(iv) shall limit exposure to the Confidential Information solely to those in a confidential relationship to us;

(v) shall prevent disassembly or the removal of pages from the Confidential Operating System; and

(vi) shall adopt and implement all reasonable procedures prescribed by us to prevent unauthorized use or disclosure of the Confidential Information.

You shall not contest our right to exclusively use the Confidential Information. You shall immediately report to us any use of the Confidential Information by any party that you know or suspect to be unauthorized. You agree to indemnify, defend, and hold us harmless for our losses due to your negligent or intentional disclosure and/or misuse of any Confidential Information. Immediately upon the termination of this Agreement for any reason, you agree to cease and forever abstain from using any Confidential Information and otherwise comply with the terms of this Agreement; you further agree to return to us at your expense all documents or other tangible evidence of any Confidential Information, both original and any reproductions. You shall enforce these provisions as to the "Bound Parties" as listed on Exhibit A.

(b) In Term Non-Competition. During the Term of this Agreement, you and the Bound Parties agree that except for the Franchise, you shall not:

(i) have any direct or indirect interest as a disclosed or beneficial owner in any Competitive Business (as defined below); provided, however, that you shall not be prohibited from owning equity securities of any business whose shares are

traded on a stock exchange or on the over-the-counter market so long as the ownership interest shall represent two percent (2%) or less of the total number of outstanding shares of such business;

(ii) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business anywhere; or

(iii) divert or attempt to divert any business related to the Franchise or Our System directly or indirectly to a Competitive Business.

(c) Post-Term Non-Competition. Upon expiration, termination, assignment, or transfer of this Agreement for any reason (other than as an approved affiliated transfer), you and the Bound Parties covenant that for a period of three (3) years thereafter that you shall not engage, directly or indirectly, as an owner, operator, or in any managerial capacity, in any Competitive Business, at or within a twenty-five (25) mile radius of the exclusive designated territory of your former Franchised Location, or any other Petland® ~~or~~, Safari Stan®, or Dream Tails, or Aquarium Adventure® Store or within a twenty-five (25) mile radius of any Petland®, Safari Stan®, or Dream Tails developer's Territory (as that Territory may be defined in a separate Area Development Agreement granted by ~~Petland)~~us), other than as an authorized franchise owner of another of our franchises. You agree that the purpose of this covenant is not to deprive you of your livelihood and will not do so, but is rather to protect the goodwill and interest of Our System and our Licensed Marks. You further agree that if you are engaged in any capacity (whether as an owner, operator, consultant, in any managerial capacity, employee or contractor), with any Competitive Business, wherever located, you assume the burden of proving that you have not used any Confidential Information, trade secrets, methods of operation, or any proprietary components of Our System. This protection shall be in addition to and not in lieu of all other protections for such trade secrets and confidential information available in law or in equity.

(d) Enforcement, Injunction. Each of the covenants shall be construed as independent of any other covenant or provision of this Agreement. Should any part of one or more of these restrictions be unenforceable, we agree that it shall be conformed to be enforced to the fullest extent permissible under the law. The running of any period of time specified in this Section shall be tolled and suspended for any period of time in which you are in violation of any restrictive covenant. You further expressly agree that the existence of any claim you may have against us whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section. Your obligations under this Section shall survive the termination or expiration of this Agreement. Any violation of this Section shall be deemed to be a material breach of this Agreement. You acknowledge that these prohibitions are necessary and reasonable due to the nature of our Confidential Information and that disclosure would irreparably harm us, other franchisees, and Our System. Accordingly, you agree that in addition to all other remedies at law or equity, we are entitled to seek injunctive relief against any actual or contemplated breach without posting a bond. Further, you agree that you will be liable for our costs and attorney fees to enforce this Section.

(e) Improvements Developed by Franchisee. You shall disclose to us prior to executing this Agreement all copyrighted or other pre-existing materials to which you claim ownership or any

other rights. You shall fully and promptly disclose to us all ideas, concepts, methods, and techniques relating to the development and/or operation of the Franchise conceived or developed by you and/or your affiliates or employees during the term of this Agreement. All such materials created or conceived by you or in collaboration with others during the term of this Agreement shall be our sole and exclusive property without further consideration to you. You hereby assign all right, title, and interest in and to any copyrights, trademarks, service marks, trade dress, and any good will associated therewith, inventions, patents, patent applications, extensions, and any other intellectual property or other matters. You further agree to execute any additional documentation necessary to perfect our ownership rights, including, without limitation, copyright, trademark, and patent applications, assignments, and/or recordings as we may request.

(f) Third Party Nondisclosure. You shall execute non-disclosure and non-competition agreements (in the form of Exhibit E) with your spouse, employees, managers, partners, shareholders, directors, and officers (and if you are an individual franchisee, your immediate family members) which contain the restrictions of this Section. We shall be a third party beneficiary of such agreements and you shall not amend, modify, or terminate any such agreement without our prior written consent. You shall provide us with the contact information for each of these people, and shall update such information as necessary.

17. TRANSFER AND ASSIGNMENT

(a) Transfer by Franchisee. The rights and duties created by this Agreement are personal to you and we have entered into this Agreement in reliance upon our perception of your individual or collective character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, you shall not directly or indirectly transfer in any way this Agreement (nor any interest in this Agreement), any part or all of the ownership of Franchisee, or the Franchise, or all or a substantial portion of its assets. Any unauthorized transfer is a breach of this Agreement, void, and of no effect. The term "transfer" includes your (or an owner's) voluntary, involuntary, direct, or indirect assignment, sale, gift, or other disposition of any interest in: (i) this Agreement; (ii) the Franchisee entity; (iii) the Franchise governed by this Agreement; or (iv) all or a substantial portion of the assets of the Franchise. A transfer of the Franchisee's ownership, possession, or control, or all or a substantial portion of its assets, may be made only with a transfer of this Agreement.

(b) Broker. We acknowledge and agree you may hire or engage third-party business brokers to assist in the potential transfer of your ownership of Franchisee, or the Franchise, or all or a substantial portion of its assets, provided that (a) you notify us in writing at least thirty (30) days' prior to engaging such third-party business broker, (b) you use best efforts to ensure such business broker has and will comply with all applicable franchise laws, (c) all such engagements are evidenced by written agreements, and (d) any and all transfers which occur pursuant to such engagement will comply with the requirements set forth in this Section 17. Franchisee is further prohibited from providing, licensing, or permitting the third-party business broker to use any or all of the Licensed Marks without prior written approval from us. If you engage such third-party business broker, you represent and warrant that we have no liability or obligation to pay any fees or commissions to any broker, finder, agent or investment banker with respect to the engagement. In the event of any other claim for broker's or finder's fees or commissions in connection with the negotiation, execution, or consummation of such engagement, then you shall

indemnify, hold harmless and defend us from and against any such claim based upon any statement, representation or agreement made by or allegedly made by you. Any breach of this Section 17(b) shall be a material default of this Agreement.

(c) Conditions to Franchisee's Transfer. You agree that there may be no transfers before the Franchise has opened for business. We shall not approve a proposed transfer unless you (and your owners) are in full compliance with this Agreement. We shall not unreasonably withhold our approval of a proposed transfer that meets all the applicable requirements of this Section. The proposed transferee and its owners must be individuals of good moral character and otherwise meet our then applicable standards for franchisees. All of the following conditions must be met before or concurrently with the effective date of the transfer:

(i) All amounts due and owing to us, our affiliates, or third parties whose debts or obligations we have guaranteed on your behalf, if any, are paid in full;

(ii) You have submitted all Required Reports and statements;

(iii) You have not violated any provision of this Agreement, the Franchise's lease, or any other agreement with us during both the sixty (60) day period before you requested our consent to the transfer and the period between your request and the effective date of the transfer;

(iv) The proposed transferee agrees to operate the Franchise as a Petland® ~~or~~, Safari Stan®, or Dream Tails Franchise, to sign the then-current form of franchise agreement, the provisions of which may differ materially from any and all of those contained in this Agreement, and to satisfactorily complete the initial or other required training program (unless the proposed transferee or its store manager has been in the continuous employ of a Petland® ~~or~~, Safari Stan®, or Dream Tails store and completed the initial training within two years from the proposed transfer date);

(v) The transferee pays us an initial franchise fee of fifty percent (50%) of the then-current Initial Franchise Fee for franchisees opening their first store. The transfer fee shall be paid upon execution of the franchise agreement;

(vi) You provide written notice to us at least thirty (30) days prior to the proposed effective date of the transfer and include information reasonably detailed to enable us to evaluate the terms and conditions of the proposed transfer, which at a minimum includes a written offer from the proposed transferee;

(vii) The proposed transferee provides information to us sufficient for us to assess the proposed transferee's business experience, aptitude, and financial qualification, and we approve the proposed transferee as a franchisee;

(viii) Neither the transferee nor its owners or affiliates have an ownership interest in, or perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business;

(ix) The proposed transferee agrees to renovate, refurbish, remodel, or replace, at its own cost, the real and personal property and equipment used in the Franchise within the time frame we specify in order to comply with our then current image, standards of operation, and performance capability;

(x) Your landlord allows you to transfer the Franchise's lease to the transferee;

(xi) If you or your owners finance any part of the purchase price, you and/or your owners agree that all of the transferee's obligations under promissory notes, agreements, or security interests reserved in the Franchise are subordinate to the transferee's obligation to pay fees and other amounts due to us and otherwise to comply with this Agreement;

(xii) You pay us a transfer fee of fifty percent (50%) of the then-current Initial Franchise Fee for franchisees opening their first store, which fee is required to cover our reasonable expenses related to the transfer, including training; provided, however, that no transfer fee will be charged (and our right of first refusal will not apply) for a transfer by you to an entity wholly-owned by you, between owners of a Franchisee entity, or to a spouse of Franchisee (or owner of the Franchisee) upon the death or disability of Franchisee (or the owner) so long as the transfer does not result in a change of control of the Franchisee. The transfer fee shall be paid upon the earlier of: a) transferee's attendance at the initial training program; b) our providing transferee access to any Confidential Information; or c) execution of a new franchise agreement with transferee;

(xiii) You execute a general release, in a form satisfactory to us, of any and all claims against us, our affiliates, and their respective shareholders, officers, directors, employees, and agents;

(xiv) You abide by all post-termination covenants, including, without limitation, the covenant not to compete; and

(xv) If Franchisee is an individual transferring this Agreement and the Franchise to an entity wholly-owned by you, you agree both to remain personally responsible for the entity's performance of its obligations under this Agreement and to continue to comply personally with all obligations under this Agreement.

(d) Controlling Interest. A person will be deemed to have a controlling interest in Franchisee if that person has the right to vote twenty-five percent (25%) or more of the voting securities or other forms of ownership interest of a corporation, partnership, or other form of entity, or is entitled to receive twenty-five percent (25%) or more of the net profits of any such entity, or is otherwise able to direct or cause the direction of that entity's management or policies.

(e) Franchisor's Approval of Transfer. We have thirty (30) days from the date of the written notice to approve or disapprove, in writing, your proposed transfer (assuming the conditions specified above have been satisfied). You acknowledge that the proposed transferee shall be evaluated by us based on the same criteria as those currently being used to assess new franchisees and that the proposed transferee shall be provided with such disclosures required by

state or federal law. We may review all information regarding the Franchise that you give the transferee, and we may give the transferee copies of any reports that you have given us or we have made regarding the Franchise.

(f) Right of First Refusal. You grant to us a thirty (30) day right of first refusal to purchase such rights, interest, or assets on the same terms and conditions as are contained in the written notice of the proposed transfer; provided, however, the following additional terms and conditions shall apply:

(i) The right of first refusal will be effective for each proposed transfer, and any material change in the terms or conditions of the proposed transfer shall be deemed a separate offer for which we shall have a new thirty (30) day right of first refusal;

(ii) The thirty (30) day right of first refusal period will run concurrently with the period in which the we have to approve or disapprove the proposed transferee;

(iii) If the consideration or manner of payment offered by a proposed transferee is such that we cannot reasonably be expected to furnish the same, then we may purchase the interest proposed to be sold for the reasonable cash equivalent. If the parties cannot agree within a reasonable time on the cash consideration, an independent appraiser shall be designated by us, whose determination will be binding upon the parties; all expenses of the appraiser shall be paid for equally by us and you; and, we will have an additional fifteen (15) days after the determination of the cash consideration to exercise our right of first refusal; and

(iv) If we choose not to exercise our right of first refusal, you shall be free to complete the transfer subject to compliance with this Section. If you do not complete the approved transfer within ninety (90) days after delivery of the initial written offer to us, or if there is a material change in the terms of the sale, we shall have an additional thirty (30) days' right of refusal on the same terms as were applicable to the initial offer. We have the unrestricted right to assign this right of first refusal to a third party, who then will have the rights described in this Section.

(g) Transfer by Franchisor. You acknowledge that we maintain a staff to manage and operate Our System and that staff members can change from time to time. You represent that you have not signed this Agreement in reliance on any shareholder, member, director, officer, or employee remaining with us in that capacity. We may change our ownership or form and/or assign this Agreement and any other agreement without restriction. After we assign this Agreement to a third party who expressly assumes the obligations under this Agreement, we no longer will have any performance or other obligations under this Agreement.

(h) Franchisee's Death or Disability. Upon your death or permanent disability (or an individual controlling a Franchisee entity), the personal representative of such person shall transfer your interest in this Agreement or such interest in the Franchisee entity to an approved third party. Such disposition of this Agreement or such interest (including, without limitation, transfer by bequest or inheritance) shall be completed within a reasonable time, not to exceed

one hundred eighty (180) days from the date of death or permanent disability (unless extended by probate proceedings), and shall be subject to all terms and conditions applicable to transfers contained in this Section; provided, however, that for purposes of this Section, we shall not charge a transfer fee. Failure to transfer the interest within said period of time shall constitute a breach of this Agreement. The term "permanent disability" shall mean a mental or physical disability, impairment, or condition that is reasonably expected to prevent or actually does prevent you (or an owner controlling your Franchisee entity) from supervising the management and operation of the Franchise for a period of one hundred eighty (180) days from the onset of such disability, impairment, or condition. In any event, the Franchise shall at all times be managed by a designated manager who has complied with all of our training requirements, regardless of any death or permanent disability covered by this Section.

18. DEFAULT AND TERMINATION

(a) Franchisor's Immediate Termination (Incurable Defaults). We have the right to immediately upon written notice terminate this Agreement and all rights granted to you, without giving you the opportunity to cure such default (subject to any state laws to the contrary) in any one or more of the following events:

(i) Unsafe or Unsanitary Conditions, or Inhumane Treatment of Animals. If you create or allow to exist any condition in or about the Franchise which we reasonably believe presents health or safety concerns to the Franchise's customers, employees, or animals, or if you otherwise engage in the inhumane treatment of any animals;

(ii) False Statements. If you make, or if we learn that you have made, any materially false statement to us, whether oral or written, in connection with this Agreement, or your application to become a Franchisee, or your operation of the Franchise;

(iii) Conviction of Felony or Other Crime or Other Conduct Impairing Our Licensed Marks. If you are convicted of a felony or other crime, or if you otherwise engage in conduct that substantially impairs the goodwill associated with our Licensed Marks;

(iv) Illegal Activity. If you fail to comply with any law or regulation applicable to the operation of the Franchise, including, but not limited laws (including statutes, ordinances or regulations) that pertain to the sale of animals and/or wildlife, which may materially affect how you may operate your Franchise, and if you fail to cure such non-compliance within ten (10) days after receiving notification of your non-compliance by an appropriate authority or civil complaint;

(v) Failure to Complete Training or to Open. If you (or your manager) fails to complete the initial training program to our satisfaction or to commence operations of the Franchise within the specified time period or if you fail to locate an approved site for your Franchise within the specified time period;

(vi) Unauthorized Opening. If you begin operating the Franchise without having obtained our required prior written consent;

(vii) Financial Reporting. If you under report your sales by five percent (5%) or more during any reporting period;

(viii) Loan Default. If you default under any loan or equipment lease from us, our affiliates, or a third party and fail to cure that default according to the terms of such agreement;

(ix) Insolvency, Assignments. If you (or your entity) becomes insolvent or is adjudicated bankrupt, or any action is taken by you, or by others against you under any insolvency, bankruptcy, or reorganization act (subject to federal bankruptcy law); or if you make an assignment for the benefit of creditors or a receiver is appointed for you;

(x) Unsatisfied Judgments, Levy, Foreclosure. If any material judgment (or multiple judgments that in the aggregate are material) is obtained against you and remains unsatisfied or of record for thirty (30) days, (unless an appeal has been filed) or if execution is levied against your business or any property used in the Franchise and not discharged within five (5) days, or if the real or personal property of the Franchise shall be sold after levy by any sheriff or other such government official;

(xi) Unauthorized Disclosure. If you or any person under your control intentionally or negligently discloses to any unauthorized person, or copies or reproduces the contents of the Confidential Operating System or any other trade secrets or Confidential Information of ours or our affiliates;

(xii) Unauthorized Transfer. If you sell, transfer, or otherwise assign the Franchise, an interest in the Franchise (or Franchisee entity), this Agreement, or a substantial portion of the assets of the Franchise without complying with the transfer provisions of this Agreement;

(xiii) Right to Possess Franchised Location. If you lose the right to occupy the Franchised Location for any reason;

(xiv) Abandonment, Force Majeure. If you cease to operate the Franchise or otherwise abandon the store for twenty four (24) hours or any period that indicates an intent by you to discontinue operation of the Franchise, unless and only to the extent that full operation of the Franchise is suspended due to a force majeure like fire, flood, earthquake, or similar circumstance beyond your control and not related to your financial condition;

(xv) Repeated Non-Compliance. If you receive three (3) notices of default within a twelve (12) month period, regardless of whether such defaults were timely cured; and

(xvi) Uncured Default. If you fail to cure any other default under this Agreement within ten (10) days after receiving written notice from us.

(b) Franchisor's Termination (Curable Defaults). We may immediately upon written notice terminate this Agreement if you fail to cure any of the following defaults after ten (10) days following your receipt of our default notice:

(i) Failure to Make Payments. If you fail to pay any amounts due to us or our affiliates when due;

(ii) Misuse of Licensed Marks. If you misuse or fail to follow our directions and guidelines concerning use of the Licensed Marks and fail to correct such misuse or failure within ten (10) days after delivery of notice from us;

(iii) Failure to Timely Pay Vendors. If you fail to timely pay any vendors or suppliers (including your landlord) more than three (3) times within a twelve (12) consecutive month period during the term of this Agreement;

(iv) Failure to Submit Require Reports. If you fail to submit any Required Report when due;

(v) Inaccurate Reports. If you understate your Gross Revenues in any Required Report or any submissions to your landlord or any governmental agency, and you fail to amend such report and pay any delinquencies or other amounts due;

(vi) Illegal Activity. If you fail to comply with any law or regulation applicable to the operation of the Franchise, including, but not limited laws (including statutes, ordinances or regulations) that pertain to the sale of animals and/or wildlife, which may materially affect how you may operate your Franchise;

(vii) Failure to Maintain Standards. If you fail to maintain our standards of operation for the Franchise as provided in this Agreement or the Confidential Operating System; and

(viii) Other Defaults. If you are otherwise in default of this Agreement or any other agreement between us, our affiliates, or your guarantor(s).

(c) Termination by Franchisee. Except for the limited right to terminate pursuant to Section 3(a), you have no right to voluntarily terminate this Agreement.

19. POST TERM OBLIGATIONS

(a) Upon the expiration or termination of this Agreement for any reason, you shall immediately be subject to the following:

(i) Franchise. Cease to be a Petland® ~~or~~, Safari Stan®, or Dream Tails franchise owner and cease to operate the former franchised business under Our System. You shall not thereafter, directly or indirectly, represent to the public that the

former franchised business is or was operated or in any way connected with Our System or hold yourself out as a present or former Petland® ~~or~~, Safari Stan®, or Dream Tails franchise owner at or with respect to the Franchised Location;

(ii) Reports. Submit all outstanding Reports and pay all sums owing to us, including those invoiced to you after this Agreement expires or is terminated. Such sums shall include, but not be limited to, actual and consequential damages, costs and expenses (including reasonable attorneys' fees) incurred by us as a result of your default or breach;

(iii) Confidential Information. Return to us the Confidential Operating System, all trade secrets, Confidential Information and materials, and such other materials as we may request, including without limitation, documents, forms, any customer or client lists, equipment, and other property of ours, together with all copies in whatever format they exist. You must surrender and return the Point of Sale database and all customer information. You shall retain no copy or record of any of the foregoing; provided you may retain your copy of this Agreement, any correspondence between the parties, and any other document that you reasonably need for compliance with any law;

(iv) Inventory, Equipment, Fixtures. Return to us existing Petland® ~~or~~, Safari Stan®, or Dream Tails brand inventory and other materials bearing the Licensed Marks or other indicia of ~~Petland, Inc~~ours. We may, in our sole discretion, repurchase equipment and fixtures at net book value subject to adjustment for the condition of the items and less restocking and handling charges. If we are not satisfied with the accuracy or fairness of your financial statements, or they are not available, we may have our accountants conduct an audit of your records and such results will be binding. Any cost for such audit will be paid by you;

(v) Advertising. Take such action as we may require to transfer and assign to us or our designee or to disconnect and forward all telephone numbers, facsimile numbers, white and yellow page telephone references and advertisements, all trade and similar name registrations, and business licenses and to cancel any interest that Franchisee may have in the same, including, without limitation, any action necessary to perform your obligations under the Assignment of Telephone Numbers, Facsimile Numbers, E-mail Addresses, and URLs attached hereto as Exhibit H; and

(vi) Licensed Marks. Cease to use in advertising, or in any manner whatsoever, any methods, procedures, or techniques associated with Our System in which we have a proprietary right, title, or interest; cease to use the Licensed Marks and any other marks and indicia of operation associated with Our System and remove all trade dress, physical characteristics, color combinations and other indications of operation under Our System from the Franchised Location. Without limiting the generality of the foregoing, you agree that you will remove all signage bearing the Licensed Marks, and, upon our request, deliver the fascia for such signs to us, and will remove any items that are characteristic of Our System trade dress from the

Franchised Location including repainting the Franchised Location in color schemes that are not confusingly similar to our standardized and recognizable colors. You acknowledge that our custom pet and aquarium units constitute our trade dress and at our option such units shall be surrendered to us. You agree that we or our designated agent may enter upon the Franchised Location at any time to make such changes at your sole risk and expense and without liability for trespass.

(b) Obligations. Nothing in this section shall limit your obligations to us and other parties, such as your landlord, suppliers, utility providers, and third party creditors.

(c) Liquidated Damages Upon Termination. We have relied on your promise to fulfill your obligations for the full term of this Agreement. If you terminate this Agreement before its expiration (or as otherwise permitted) we will suffer damages that will be impossible to calculate. Therefore, in addition to any other damages or remedies that we may have at law or equity, you agree to pay us the following damages amount, not as a penalty, but as a reasonable approximation of our damages given the circumstances and our mutual expectations. "Damages" means the sum of the amounts of the Average Monthly Royalty (as defined below) for each month in the Adjusted Remaining Term (as defined below), calculated for present value using an interest rate of five percent (5%) per annum. "Average Monthly Royalty" means the average monthly royalty required to be paid by you to us during the twenty-four (24) months prior to the effective date of termination (or during the number of months between the date when the Franchise opened for business and the effective date of termination, if less than twenty-four months). "Adjusted Remaining Term" means the lesser of: (a) one-half (1/2) of the term remaining under this Agreement, or (b) five (5) years. You shall pay us the Liquidated Damages within thirty (30) days following the effective date of the termination of this Agreement.

The parties have expressly bargained for this Subsection as an essential part of the consideration for this Agreement and agree that the calculation of Liquidated Damages as provided above is compensatory and not a penalty.

_____ _____

Franchisor's initials Franchisee's initials

20. CORPORATE RECORDS

If you are a corporation, limited liability Franchisee, partnership, or other entity:

(a) Upon execution (or transfer) of this Agreement, you shall furnish to us a copy of your Articles of Incorporation, Certificate of Incorporation, Bylaws, a list of shareholders showing the percentage interest of each. You shall promptly provide us copies of any amendments or changes to these documents. If your entity is other than a corporation, you shall furnish the corresponding documents that apply to your entity (e.g. Limited Liability Franchisee Articles of Organization and Operations Agreement);

(b) You shall provide copies of such corporate records material to the Franchise as we may request from time to time or as required by the Confidential Operating System; and

(c) You shall maintain stop-transfer instructions on your corporate records against the transfer of any securities with voting rights, subject to the restrictions of this Agreement, and each stock certificate (or ownership interest) shall have conspicuously endorsed upon it a legend in substantially the following form:

> *"The sale, transfer, pledge, or hypothecation of this stock is subject to the terms and conditions of the Petland, Inc. Franchise Agreement dated _____ between Petland, Inc. and the issuer of these shares. Reference is made to the provisions of said Franchise Agreement and to the Articles and Bylaws of this corporation."*

21. OTHER FRANCHISE AGREEMENTS

You acknowledge that you are aware that we have in the past entered into and may in the future enter into franchise agreements with you or other franchisees at other locations containing terms and provisions different from those contained in this Agreement, even though the other franchise agreements are for the same general purpose as this Agreement. You are also aware that our obligations and rights in respect to our various franchisees may differ materially in certain circumstances. You further acknowledge that if you enter into any other franchise agreements with us for locations other than the location franchised under this Agreement, the other franchise agreements may contain terms different from the terms of this Agreement. You acknowledge and agree that you are not entitled to require us to grant you any rights, terms, or conditions as may be contained in any other franchise agreements we execute.

22. GRANT OF SECURITY INTEREST

In consideration of our grant of the license to you, and to ensure your faithful performance of all of the terms and obligations of this Agreement, you hereby grant to us a security interest in the Franchise and all assets associated therewith, including, without limitation, all furniture, fixtures, equipment, leasehold improvements, inventory and goodwill. We both agree that this Agreement shall constitute a "security agreement" as defined by Ohio Revised Code Section 1309.01(A)(12) and Article 9 of the Uniform Commercial Code ("UCC"). You agree to perform all acts and to execute and deliver to us all instruments (including UCC financing statements) which we may require to perfect such security interest and to assure that it continues until all of your obligations to us under this Agreement have been completely fulfilled. We agree to subordinate our claims to those of your commercial lenders solely for the purpose of your obtaining initial business funds.

23. LIEN ON SIGNAGE

You agree that this Agreement shall constitute a lien upon all exterior sign fascia bearing any Licensed Marks which are to be displayed on the exterior of the Franchise and in the event of any termination or expiration of this Agreement, you agree to remove immediately such fascia bearing any of the Licensed Marks from Franchise. If you fail to make such alterations within 15 days after termination or expiration of this Agreement, you agree that we or our designated agents may enter upon the Franchise at any time to make such alterations, at your sole risk and expense, without liability for trespass. We shall be entitled to acquire all such sign fascia not removed by you in a timely manner for the sum of Ten Dollars ($10).

24. INSURANCE

(a) You shall, at your expense and no later than the earliest date on which you use any of the Licensed Marks, procure and maintain in full force and effect throughout the term of this Agreement the types of insurance enumerated in the Confidential Operating System or otherwise in writing which shall be in such amounts as we require and which shall designate us as an additional named insured, including: i) Employer's liability and workers' compensation insurance; and ii) Comprehensive general liability and casualty insurance including products liability and bodily injury insurance; and iii) Business interruption. The current minimum levels for such insurance are two million dollars ($2,000,000) for personal injury and one million dollars ($1,000,000) for property damage provided by a carrier with an AM Best rating of A-.

(b) You shall make timely delivery of certificates of all required insurance to us, each of which shall contain a statement by the insurer that the policy will not be cancelled or materially altered without at least 30 days' prior written notice to us.

(c) In the event you fail to comply with these provisions, we may, but are not required to, purchase appropriate coverage to protect our interests. You shall bear the costs of such coverage, plus an additional administration fee of Ten Dollars $10.00 for each day you are not in compliance.

(d) The procurement and maintenance of such insurance shall not relieve you of any liability to us under any indemnity requirement of this Agreement.

25. TAXES, PERMITS, INDEBTEDNESS, COMPLIANCE WITH LAWS

(a) You shall promptly pay when due any and all federal, state, and local taxes including without limitation unemployment and sales taxes, levied or assessed with respect to any services or products furnished, used, or licensed pursuant to this Agreement and all accounts or other indebtedness of every kind incurred by you in the operation of the Franchise.

(b) You shall comply with all applicable federal, state, and local laws, rules, and regulations; you shall also timely obtain any and all permits, certificates and licenses for the full and proper conduct of the Franchise.

(c) You hereby expressly covenant and agree to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchise.

26. INDEMNIFICATION AND INDEPENDENT CONTRACTOR

(a) You agree to protect, defend, indemnify, and hold us, and our respective directors, officers, agents, attorneys, and shareholders (jointly and severally, "Indemnitees") harmless and promptly to reimburse Indemnitees for, from, and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, consequently, directly or indirectly incurred (including without limitation attorneys' and accountants' fees) as a result of, arising out of, or connected with the operation of the Franchise.

(b) In all dealings with third parties including, without limitation, employees, suppliers, and customers, you shall disclose in an appropriate manner acceptable to us that you are an independent entity licensed by us. Nothing in this Agreement is intended by the parties to create a fiduciary relationship, nor to make you an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of us for any purpose whatsoever. It is understood and agreed that you are an independent contractor and are in no way authorized to make any contract, warranty, or representation or to create any obligation on behalf of us. All employees hired by or working for Franchisee shall be the employees of Franchisee and no employee of Franchisee shall be deemed to be an employee of Franchisor. Nothing herein contained shall be construed to create a partnership, joint venture, or agency between Franchisee and Franchisor or establish Franchisor as a joint-employer of Franchisee's employees, agents, contractors or representatives. We do not hire, fire, discipline, or control your employees, and nothing in the Disclosure Document, this Franchise Agreement or any agreement creates a joint-employment arrangement or relationship with your employees. Neither party here shall be liable for the debts or obligations of the other, unless the same are expressly assumed in writing. Franchisee alone will exercise day-to-day control over all operations, activities, and elements of the franchised business and under no circumstances shall Franchisor be deemed to do so. The parties agrees to file their own tax, regulatory, and payroll reports regarding their respective employees and operations, saving and indemnifying the other party hereto of and from any liability of any nature whatsoever thereof.

27. WRITTEN APPROVAL, WAIVER, AND MODIFICATION

(a) You shall make a timely written request for any approvals from us. Unless a different time period is specified in this Agreement, we shall respond with our approval or disapproval within 15 days of receipt of such request. If we have not specifically approved a request within such 15-day period, such failure to respond shall be deemed an approval of any such request.

(b) No waiver or modification of any of the terms of this Agreement shall be valid unless in writing, signed by both parties. Failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of such rights, and a waiver by either party of a default in one or more instances shall not be construed as a continuing waiver or as a waiver in other instances.

28. LIABILITY, SUCCESSORS

(a) If Franchisee consists of more than one person, their liability under this Agreement shall be joint and several.

(b) The rights and obligations of this Agreement shall be binding and inure to the benefit of the heirs, personal representatives, and permitted assigns and successors of the parties.

29. NOTICES

Any notice shall be in writing and shall be either mailed by certified mail, return receipt requested, or delivered by a recognized courier service, receipt acknowledged. Notices shall be addressed to the addresses listed in Paragraph 1 of this Agreement. Any notice complying with these provisions shall be deemed to be given three (3) days after mailing, or on the date of

receipt, whichever is earlier. Each party shall have the right to designate any other address for such notices by giving notice to the other party in the foregoing manner.

30. LEGAL ACTIONS, MEDIATION, ARBITRATION AND GOVERNING LAW

The parties to this Agreement and any related agreement (including Franchisor, Franchisee, Bound Parties or any Guarantor) agree that any claim or controversy arising out of or relating to this Agreement or the breach hereof or any other aspect of their relationship, including any period before the execution of this Agreement, shall be resolved as follows:

(a) Enforcement by Judicial Process.

(i) Without regard to the provisions below requiring mediation and/or arbitration of disputes, Franchisor shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in Article 10, to prevent the improper use of or an infringement upon its Licensed Marks, to stop the opening of a Franchise Location, to collect any Payment, to prevent or remedy a material breach of this Agreement by Franchisee Bound Parties or any Principal if such breach could materially impair the goodwill associated with Franchisor's Names and Licensed Marks (including actions with respect to the servicing of wholesale accounts), to enforce the Confidential Information provisions of this Agreement or the Non-Disclosure and Non-Competition Agreement executed by Franchisee, Bound Parties and any Guaranty and Assumption of Obligations Agreement executed by any Principal. Franchisor shall be entitled without bond to the entry of temporary restraining orders and temporary and permanent injunctions enforcing the aforementioned provisions. If a court determines a bond is necessary, Franchisee, Bound Parties or Guarantor agrees that no bond shall be required. If Franchisor is successful in obtaining an injunction or any other relief against Franchisee, Bound Parties or any Guarantor, Franchisee, Bound Parties or any Guarantor shall pay Franchisor an amount equal to the aggregate of Franchisor's costs of commencing and prosecuting the action, including, without limitation, reasonable attorneys' fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses.

(ii) Any claim or controversy arising out of or relating to this Agreement or the breach hereof or any other aspect of the parties' relationship, including any period before the execution of this Agreement, that is required to be submitted to mediation or arbitration in accordance with the terms of this Agreement but which is not, shall be brought in a court of competent jurisdiction sitting within the Ross County or Franklin County, State of Ohio. However, mediation and arbitration of any and all disputes, claims or disagreements required to be submitted to mediation or arbitration in accordance with the terms of this Agreement shall be a condition precedent to any other remedy under this Agreement or at law. And nothing herein shall be construed to prevent any court from referring any such claim or controversy to mediation or arbitration.

(b) Mediation. Except for actions initiated by Franchisor by judicial process under the terms of Section 30(a)(i) above, the parties (includes Franchisor, Franchisee, Bound Parties or Guarantor) shall first submit any and all disputes, claims or disagreements to mediation which shall be conducted in Chillicothe or Columbus, Ohio at a mutually agreeable location ("Mediation"). Mediation of any and all such disputes, claims or disagreements shall be a

condition precedent to any other remedy under this Agreement or at law. The Mediation shall occur within thirty (30) days of the service of a notice indicating the nature of the dispute by one of the parties. Upon said notice, Franchisor will select a neutral professional mediator located in Ross County, Ohio or Franklin County, Ohio to assist with the resolution of the dispute. The parties shall share the cost and expenses of the selected Mediator and the parties shall pay their own costs, attorney fees and expenses. If the dispute cannot be resolved by mediation, then the parties may proceed to arbitration.

(c) Arbitration. Except for actions initiated by Franchisor by judicial process under the terms of Section 30(a)(i) above, if the dispute is not resolved by Mediation as set forth herein, all disputes, claims or disagreements (including, without limitation, any claim that this Agreement, any provision thereof, any specification, standard, operating procedure or any other obligation of Franchisee or Franchisor is illegal, unenforceable or voidable under any law, ordinance or ruling) between the parties (includes Franchisor, Franchisee, Bound Parties or Guarantor) shall be settled by binding arbitration administered by the American Arbitration Association ("AAA") pursuant to its Commercial Arbitration Rules. Arbitration shall be held in accordance with the United States Arbitration Act (9 U.S.C. § 1 et seq.). A single arbitrator shall be selected in accordance with standard AAA procedure, and the proceedings will be conducted in Chillicothe, Ohio or Columbus, Ohio. Any arbitrator appointed must have at least ten (10) years' experience in franchise matters and shall have the right to award or include in any award the specific performance of this Agreement. Both Franchisee and Franchisor agree to use commercially reasonable efforts to expedite the arbitration proceeding. The arbitrator shall meet with representatives of the parties as promptly as possible after his/her appointment to set an arbitration hearing date and outline the arbitration process. The parties agree and acknowledge that judgment upon an arbitration award may be entered in any court of competent jurisdiction. Prior to any decision or award, the parties shall share the cost and expenses of the selected arbitrator and the parties shall pay their own costs, attorney fees and expenses; however, the arbitrator may award reimbursement of all costs, expenses and attorney fees to the prevailing party.

(d) Individual Actions Only. Any arbitration proceeding shall be conducted on an individual basis and not on a multi plaintiff, consolidated, collective or class wide basis.

(e) Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement shall be interpreted under the laws of the state of Ohio and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Ohio, which laws shall prevail in the event of any conflict of law. Franchisor and Franchisee (and their respective owners, officers, affiliates and agents, if applicable) each agree to submit to the exclusive jurisdiction of the state and federal courts in Franklin County, Ohio or Ross County, Ohio, even if additional persons are named as parties to such litigation (unless the courts of the applicable state would have no jurisdiction over such additional persons). No action or proceeding involving this Agreement or any aspect of the relationship between the parties or their agents or affiliates shall be commenced by any party except in the state or federal courts governing Franklin County, Ohio or Ross County, Ohio, nor shall any such action be transferred to any other venue. FRANCHISEE UNDERSTANDS THAT THIS CLAUSE COMPELS IT TO LITIGATE IN FRANKLIN COUNTY OR ROSS COUNTY IN THE STATE OF OHIO, AND

FRANCHISEE KNOWINGLY WAIVES ITS RIGHT TO OTHERWISE OBJECT TO THE EXCLUSIVE VENUES. Notwithstanding the foregoing, if Franchisor is permitted to seek injunctive relief under this Agreement, Franchisor may, at its option, bring such action in the county in which the Franchise Location is located or the Franchisee's principal place of business is located.

31. SEVERABILITY AND CONSTRUCTION

(a) If any portion of this Agreement is held by any court or other tribunal of competent jurisdiction to be unenforceable in such jurisdiction, the remainder of such provision will not be affected and will be given full effect, without regard to such unenforceable portion. It is the intention of the parties that if any portion of this Agreement is unenforceable in any jurisdiction, the remainder of such provision will not be affected and will be given full effect without regard to such portion, or conformed to provide us the greatest protection available.

(b) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts together shall constitute one and the same instrument.

(c) The table of contents, headings, and captions are for convenience and reference only and are not to be construed as separate parts of this Agreement. All terms and words used herein shall be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement shall be construed independently of any other section or provision of this Agreement.

32. CUMULATIVE RIGHTS AND REMEDIES

All rights and remedies under this Agreement are cumulative. There are no exclusive rights or remedies that preclude enforcing or obtaining any others.

33. REASONABLE BUSINESS JUDGMENT

Reasonable Business Judgment shall be applied by us in all circumstances involving or requiring our approval or consent, unless another standard is provided for in this Agreement. Reasonable Business Judgment means that our determination or choice shall prevail even in cases where other alternatives are also reasonable so long as we intend to benefit or are acting in a way that could benefit Our System. For example, such a benefit could involve enhancing the value of the Licensed Marks, increasing customer satisfaction, minimizing possible customer brand or location confusion, or increasing the financial strength of the Franchisor. You acknowledge that we have a legitimate interest in promoting the long-term goals of a franchised system, and the long-term interests of both the Franchisor and all franchise owners, taken together, require that we have the latitude to exercise our Reasonable Business Judgment.

34. NO PUNITIVE OR EXEMPLARY DAMAGES OR LOST PROFITS

You waive to the fullest extent permitted by law, any right or claim to punitive or exemplary damages against us. You further waive to the fullest extent permitted by law, any right or claim for lost profits or future damages against us. You agree that in any dispute with us, your claims

for damages shall be limited to those actual losses or damages that you sustain as of the date on which the alleged claim(s) arose.

35. INJUNCTIVE RELIEF

You acknowledge and agree that in addition to all other remedies at law or equity, we are entitled to seek injunctive relief against any actual or contemplated breach without posting a bond in excess of $1,000. Further, you agree that you will be liable for our costs and attorney fees to enforce this agreement.

36. WAIVER OF JURY TRIAL

BOTH PARTIES IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING (INCLUDING A COUNTERCLAIM) WHETHER AT LAW OR EQUITY OR BROUGHT BY EITHER PARTY.

_____

Franchisee's initials

37. DEFINITIONS

Whenever used in this Agreement, the following words and terms shall have the respective meanings ascribed to them as follows:

"Agreement" means this entire written agreement, all of its exhibits, each of which is incorporated into this Agreement and is a material term of this Agreement.

"Competitive Business" means the retail sale of pets, pet supplies, and related services and products (including, without limitation, any products or services similar to those offered by Franchisor) or any business which operates or grants franchises or licenses to others to operate a business that provides similar services and/or products as those offered by the Franchisor.

"Confidential Information" means any proprietary and confidential information including trade secrets and any information relating to Our System that is competitively advantageous and not generally known by the public, whether or not in written or tangible form and regardless of the media on which it is created or stored, including without limitation, specifications, methods and techniques, operating systems and techniques, record-keeping and reporting methods, accounting systems, customer lists, management systems and techniques, training techniques, specifications for signs, displays, business forms, and business stationery to be used by franchisees, designs, the Confidential Operating System, ideas, research and development, know-how, software, processes, technologies, unpublished lists of franchisees and suppliers, suggested pricing and cost information, business and marketing plans and proposals, and any copies thereof. Confidential Information does not include information which (a) is or becomes publicly known through no fault of yours; (b) is rightfully obtained by you prior to our disclosure to you; (c) is learned by you from a third party whom you reasonably believe has a right to disclose it; (d) is developed by or for you independently from any information received by us.

"Confidential Operating System" means and shall include, without limitation, any collection of written video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, the various departmental operations manuals, the Advertising Manual, the Sales Manual, and other items as may be provided in the future, including administration and managers manual(s), certain pamphlets, memoranda, e-mail, and other publications prepared by Franchisor, whether or not in written, electronic, or tangible form and regardless of the media on which it is stored, all of which Franchisor or its agents produce , and as may be added to, changed, modified, withdrawn, or otherwise revised by Franchisor, setting out the standards, policies, methods, procedures, and specifications of Our System.

"Franchise" means the business to be carried on by Franchisee in accordance with Our System and the Licensed Marks at the "Franchised Location" as defined below.

"Franchised Location" means the specific location set forth in Exhibit A.

"Franchisee" shall be deemed to include not only the individual or entity defined as "Franchisee" in the introductory section of this Agreement, but shall also include all partners of the entity that execute this Agreement, (if the entity is a partnership); all shareholders, directors, and officers of the entity that execute this Agreement (if the entity is a corporation); and all members and managers of the entity that execute this Agreement (if the entity is a limited liability Franchisee). By their signatures, all partners, shareholders, directors, officers, members, and managers of the entity that sign this Agreement as Franchisee acknowledge and accept the duties and obligations imposed upon each of them, individually, by the terms of this Agreement.

"**Gross Revenues"** means and shall include the aggregate of all sales and other revenue of whatever kind and nature in connection with the Franchise, whether sold by you or others, whether on or off the premises, and from all sources whether for check, cash, credit, or otherwise including, without limitation, proceeds from any business interruption insurance. Gross Revenues shall not include the amount of any sales or equivalent tax imposed by any federal, state, provincial, municipal or other governmental authority directly on sales and collected from customers, provided that amount is added to the selling price and actually paid to the governmental authority. Refunds actually issued customers during the period being reported, where an item purchased is returned to inventory, shall be deducted from Gross Revenues. (Amounts deducted from Gross Revenues as refunds shall not exceed the original sales transaction amount for the particular item(s) being returned). Each charge for sale upon installment or credit shall be treated as a sale for the full price in the period of seven days during which the charge or sale shall be made, irrespective of the time when Franchisee shall receive payment, whether full or partial.

"Licensed Mark(s)" means the trademarks and service marks identified on Exhibit C, and such other trade names, trademarks, service marks, designs, graphics, logos, and other commercial symbols, as well as materials in which we claim copyright protection, that we may designate, or withdraw, to be used in connection with the Franchise, whether registered or unregistered in the United States, foreign countries, or foreign registries.

"Our System" means the uniform standards, methods, techniques, and expertise, procedures, and specifications developed by us for establishing, operating, and promoting a retail pet business

specializing in the sale of pets, merchandising and sale of pet supplies, pet services, and pet related items. The distinguishing characteristics of Our System include, without limitation, operating methods, procedures, and techniques for the care and sale of pets; distinctive store design, layout, décor and color scheme; specially designed signage, kennels, and aquatic fixtures; operating methods, procedures, and techniques; procedures, methods, and techniques for inventory and cost controls; record keeping and reporting; personnel management and training; marketing, merchandising, advertising, sales, and promotional techniques; the Confidential Operating System, and Confidential Information, all of which may be changed, improved, further developed, or otherwise modified by us from time to time.

"Required Reports" mean those reports as described in the Confidential Operating System. The current Required Reports include Monthly Sales Transmittal, Monthly Sales Analysis, Cash Paid Out Summary, Cash Reconciliation, Balance Sheets, Income Statements, a detailed General Ledger, and Corporate governance documents and such others as may be required or changed from time to time.

"Territory" shall mean the area designated on Exhibit B.

38. ACKNOWLEDGMENTS

You hereby acknowledge the following:

(a) True and Accurate Information. You represent and warrant that all the information in any applications, financial statements, and submissions to us is true, complete, and accurate in all respects. You expressly acknowledge that we are relying upon the truthfulness, completeness, and accuracy of such information.

(b) Receipt of Federal Disclosure Document. You acknowledge that we or our agent have provided you with a franchise disclosure document not later than the earlier of the first personal meeting held to discuss the sale of a franchise, fourteen (14) calendar days before the execution of this Agreement, or fourteen (14) calendar days before any payment of any consideration. You further acknowledge that you have read such franchise disclosure document and understand its contents.

Franchisee's Initials: _____

(c) Receipt of Agreement. You acknowledge that we have provided you with a copy of this Agreement and all related documents, fully completed, at least seven (7) calendar days prior to your execution of this agreement.

Franchisee's Initials: _____

(d) Independent Counsel. You acknowledge that you have had ample opportunity to consult with your own attorneys, accountants, and other advisors and that our attorneys have not advised or represented you with respect to this Agreement or the relationship hereby created.

(e) Independent Financial Advisor. You acknowledge that you and your advisers have sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise.

(f) Entire Agreement. This Agreement and all of the attached Exhibits contain all of the terms and conditions agreed upon by the parties concerning the subject matter of this Agreement. No other agreements concerning this subject matter, written or oral, shall be deemed to exist or to bind any of the parties and all prior agreements, understandings and representations, are hereby merged and superseded. Nothing contained in this Agreement and all of the attached Exhibits is intended to disclaim the representations made in the Franchise Disclosure Document. None of our officers, employees or agents has any authority to make any representation, promise, or warranty not contained in this Agreement or any federal disclosure document for prospective franchisees required by applicable law. You acknowledge, represent and agree that you have executed this Agreement without reliance upon any representation, promise, or warranty that is not set forth in this Agreement, its Exhibits, or our federal disclosure document.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties have duly executed this Agreement on the date first written above.

FRANCHISOR:

By:_____

Name: _____

Title:_____

FRANCHISEE:

By:_____

Name: _____

Title:_____

EXHIBIT A
(to Franchise Agreement)

ACKNOWLEDGMENT REGARDING OWNERSHIP OR OTHER INTERESTS/BOUND PARTIES

Acknowledgment Regarding Controlling Persons / Bound Parties. Franchisee hereby acknowledges that Franchisee is a(n) (check one):

□	individual	□	corporation
□	partnership	□	limited liability Franchisee
□	joint venture	□	other business form _____ (describe)

Franchisee hereby warrants and represents that the following persons own, either legally or beneficially, voting control of Franchisee:

NAME, ADDRESS, TELEPHONE NUMBER	TYPE OF OWNERSHIP (LEGAL OR BENEFICIAL)	PERCENTAGE OF INTEREST OWNED

Franchisee hereby represents that each of these bound persons (including Franchisee) has signed the "Form of Non-Disclosure and Non-Competition Agreement" attached to the Franchise Agreement as Exhibit E; and Franchisee acknowledges that Franchisor is relying on all of Franchisee's representations and warranties as a material basis for entering into this Agreement, and that the information set forth above is true and correct.

FRANCHISEE:

By:_____

Name: _____

Title: _____

EXHIBIT B
(to Franchise Agreement)

TERRITORY/FRANCHISED LOCATION

The Parties hereby agree as follows:

The Franchisor and Franchisee agree to a Territory as defined herein below:

_____
_
_____
_____
_____
_____
____

Franchisor initials here: _____ Franchisee initials here: _____

Dated this ____ day of _____, _____.

PETLAND, INC. **FRANCHISEE:**

By:_____ By:_____

Name: _____ Name: _____

Its:_____ Its:_____

The Franchisor and Franchisee agree to a Franchised Location as defined herein below:

_____
_____
_

Franchisor initials here:_____ Franchisee initials here: _____

Dated this ____ day of _____, _____.

PETLAND, INC. **FRANCHISEE:**

By:_____ By:_____

Name: _____ Name: _____

Its:_____ Its:_____

EXHIBIT C
(to Franchise Agreement)

LICENSED MARKS

FRANCHISE AGREEMENT DATED _____

BETWEEN _____ AND _____

Licensed Marks. Franchisor is the sole and exclusive licensor of the following service marks and trademarks currently used in connection with Our System. Franchisee shall be authorized to utilize only such Licensed Marks as from time to time are authorized hereunder:

PETLAND **(Word Mark)**	**Registration No.: 1,061,413**
Petland	**Registration No.: 1,113,136**
Petland	**Registration No.: 3,191,017**
AQUARIUM ADVENTURE	**Registration No.: 2,222,507**
AQUARIUM ADVENTURE **(Word Mark)**	**Registration No.: 2,220,316**
PETS MAKE LIFE BETTER! **(Word Mark)**	**Registration No.: 3,269,078**
PETS FOR A LIFETIME! **(Word Mark)**	**Registration No.: 3,048,714**
AMBROSIA	**Registration No.: 1,640,710**

(Word Mark)	
FISH GEAR **(Word Mark)**	**Registration No: 3,055,142**
PETLAND PETS MAKE LIFE BETTER! **(Word Mark)**	**Registration No.: 3,518,092**
SAFARI STAN'S PET CENTER **(Word Mark)**	**Registration No.: 3,460,325**
SAFARI STAN'S PET CENTER **(Word Mark)**	**Registration No.: 3,460,326**
GOOD DOG **(Word Mark)**	**Registration No: 3,640,078**
GOOD DOG **(Word Mark)**	**Registration No.: 3,640,079**
HERE KITTY **(Word Mark)**	**Registration No.: 3,757,996**
PUPPY BOOST **(Word Mark)**	**Registration No.: 3,630,367**
LIL' GIMMES! **(Word Mark)**	**Registration No.: 3,618,861**
BIG GIMMES! **(Word Mark)**	**Registration No.: 3,618,862**

BITTER WORKS
(Word Mark)

Registration No.: 3,630,305

PETLAND
(Word Mark)

Registration No.: 3,743,851



Registration No.: 4,424,582

RE-FRESH-IT

Registration No.: 4,778,402



Registration No.: 4,974,512



Registration No.: 4,974,508



Registration No.: 4,974,507



Registration No.: 4,974,510



Registration No.: 4,974,506



Registration No.: 4,974,509

GOOD DOG **(Word Mark)**	**Registration No.: 5,563,886**
MOSS HOLLOW **(Word Mark)**	**Registration No.: 5,558,937**
MOSS HOLLOW **(Word Mark)**	**Registration No.: 5,740,649**
PETLAND'S HEARTLAND NATURALS **(Word Mark)**	**Registration No.: 5,950,858**
GIMMES **(Word Mark)**	**Registration No.: 5,956,668**
TWEETERS **(Word Mark)**	**Registration No.: 5,735,378**
HEARTLAND NATURALS **(Word Mark)**	**Registration No.: 6,267,252**
GOOD DOG **(Word Mark)**	**Registration No.: 6,391,418**
MOSS HOLLOW **(Word Mark)**	**Registration No.: 6,396,966**
PETLAND'S HEARTLAND NATURALS **(Word Mark)**	**Registration No.: 6,316,045**

	**Registration No.: 6,348,158**
REPTIGEAR **(Word Mark)**	**Registration No.: 6,493,537**
PETLAND **(Word Mark)**	**Application No.: 90/648,336**
HERE KITTY **(Word Mark)**	**Registration No.:** 7,742,292
WHERE PETS FIND THEIR PEOPLE **(Word Mark)**	**Application No.: 98/759,272**
WHERE PUPS FIND THEIR PEOPLE **(Word Mark)**	**Application No.: 98/759,275**
WHERE PETS AND PEOPLE FIND EACH OTHER **(Word Mark)**	**Application No.: 98/759,278**
WHERE PUPS AND PEOPLE FIND EACH OTHER **(Word Mark)**	**Application No.: 98/759,281**
DREAM TAILS	**Application No.: 99/114,319**

EXHIBIT D
(to Franchise Agreement)

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, the undersigned ("Assignor") hereby assigns, transfers and sets over unto Petland, Inc. an Ohio corporation ("Assignee") all of Assignor's right, title and interest as tenant in, to and under that certain lease, a copy of which is attached hereto (the "Lease") respecting premises commonly known as _____
_____
_ (the "Premises"). This Assignment is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment or the Lease unless Assignee shall take possession of the premises demised by the Lease pursuant to the terms hereof and shall expressly agree in writing to assume the obligations of Assignor there-under.

In the event Assignor owns the land and/or building in which the store is located, Assignor does hereby grant an option to Assignee or its designee to lease such premises on a triple-net basis for the remainder of the then-current term of the franchise agreement, at a reasonable commercial rental rate, as determined by a licensed commercial real estate broker selected by Assignee.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under the franchise agreement for a Petland® Safari Stan®, or Dream Tails store to be operated at the Premises, between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing said Franchise Agreement, Assignee shall have the right and is hereby empowered to take possession of the Premises, expel Assignor there-from, and, in such event, Assignor shall have no further right, title or interest in the Lease.

Assignor agrees that it will not suffer or permit any surrender, termination, amendment or modification of the Lease without the prior written consent of Assignee. Throughout the term of the Franchise Agreement and any renewals thereof, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than thirty (30) days prior to the last day that said option must be exercised, unless Assignee otherwise agrees in writing, and upon failure of Assignor to so elect to extend or renew the Lease as aforesaid, Assignor hereby appoints Assignee as its true and lawful attorney-in-fact to exercise such extension or renewal options in the name, place and stead of Assignor for the sole purpose of effecting such extension or renewal.

Assignor acknowledges and agrees that Petland, Inc., an Ohio Corporation, is an intended third party beneficiary of this instrument, and as such may enforce its terms, and effect the assignment from Assignor without the requirement of obtaining Assignor's written consent or assent to such assignment.

The parties agree that this Collateral Assignment shall be effective and binding upon Assignor upon Assignor's execution, whether or not Lessor executes its consent below.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this _____ day of _____, 20__.

Assignor:

By:_____
Name:
_____
Title:_____

Lessor's Consent

The undersigned, _____ ("Lessor"), as Lessor of the above-described Premises, hereby confirms its consent to the Collateral Assignment and releases Assignor from all further obligations under the Lease which accrue after the date of this Assignment. Lessor acknowledges that upon a default by Assignor under the Lease or under the franchise agreement for a Petland® ~~or~~, Safari Stan®, or Dream Tails store to be operated at the Premises, between Assignee and Assignor (the "Franchise Agreement"), or in the event of a default by Assignor under any document or instrument securing said Franchise Agreement, Assignee shall have the right to take an assignment of the Lease.

Lessor:

By:_____
Name:
_____
Title:_____

EXHIBIT E
(to Franchise Agreement)

FORM OF NON-DISCLOSURE AND NON-COMPETITION AGREEMENT

This Agreement is made as of _____, 20__. The parties to this Agreement are _____ (the "Franchisee"), Petland, Inc. ("Franchisor"), and _____, an individual ("Affiliate" or "You"). In consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

A. Franchisee is in the business of operating a retail pet store selling pets and related products and services under the trade name "Petland" ~~or~~, "Safari Stan", or Dream Tails pursuant to a Franchise Agreement with Franchisor. In the operation of its business, Franchisee uses various techniques, systems, procedures, standards, manuals, data, specifications, and other confidential and proprietary materials of Franchisor. In addition, Franchisee may also develop or acquire additional confidential and proprietary information and materials. Such matters may include information relating to the identity of Franchisor's and the Franchisee's customers, the nature and amount of their purchases, pricing practices, receipts, ingredients, the identity of suppliers, sales volumes, costs, expenses, and other information.

B. During the course of your affiliation with the Franchisee, you will have access to proprietary and confidential information of Franchisee and Franchisor. You acknowledge that Franchisee and Franchisor have reasonable, necessary, and legitimate business interests in protecting their proprietary and confidential information, ongoing business, and good will. Further, you acknowledge that the following restrictive covenants are reasonable and necessary to protect such legitimate business interests.

1. Confidential Information.

(a) Requirement of Confidentiality. You will have access to Confidential Information (as defined below) during the course of your affiliation with Franchisee. You shall not acquire any interest in the Confidential Information, other than the right to use it as directed by Franchisee. You agree that the Confidential Information is proprietary, includes trade secrets, and that you:

(i) shall maintain the absolute confidentiality of the Confidential Information during and after the term of this Agreement;

(ii) shall not use the Confidential Information in any other business or capacity;

(iii) shall not make or permit the making of any unauthorized copies of any portion of the Confidential Information disclosed in any form;

(iv) shall limit exposure to the Confidential Information solely to those in a confidential relationship to Franchisee and Franchisor;

(v) shall prevent disassembly or the removal of pages from the Confidential Operating System (as defined below); and

(vi) shall adopt and implement all reasonable procedures prescribed by Franchisee and Franchisor to prevent unauthorized use or disclosure of the Confidential Information.

(b) No Contest/Indemnification. You shall not contest the right of Franchisee and Franchisor to exclusively use the Confidential Information. You shall immediately report to Franchisee any use of the Confidential Information by any party that you know or suspect to be unauthorized. You agree to indemnify, defend, and hold Franchisee and Franchisor harmless for any losses due to your negligent or intentional disclosure and/or misuse of any Confidential Information.

(c) Definitions.

(i) "Confidential Information" means any proprietary and confidential information including trade secrets and any information relating to Our System that is competitively advantageous and not generally known by the public, whether or not in written or tangible form and regardless of the media on which it is created or stored, including without limitation, specifications, methods and techniques, operating systems and techniques, record-keeping and reporting methods, accounting systems, customer lists, management systems and techniques, training techniques, specifications for signs, displays, business forms, and business stationery to be used by franchisees, designs, the Confidential Operating System, ideas, research and development, know-how, software, processes, technologies, unpublished lists of franchisees and suppliers, suggested pricing and cost information, business and marketing plans and proposals, and any copies thereof. Confidential Information does not include information which (a) is or becomes publicly known through no fault of yours; (b) is rightfully obtained by you prior to Franchisee's or Franchisor's disclosure to you; (c) is learned by you from a third party whom you reasonably believe has a right to disclose it; (d) is developed by or for you independently from any information received by Franchisee or Franchisor.

(ii) "Confidential Operating System" means and shall include, without limitation, any collection of written video, audio and/or software media (including materials distributed electronically), regardless of title and consisting of various subparts and separate components, the various departmental operations manuals, the Advertising Manual, the Sales Manual, and other items as may be provided in the future, including administration and managers manual(s), certain pamphlets, memoranda, e-mail, and other publications prepared by Franchisor, whether or not in written, electronic, or tangible form and regardless of the media on which it is stored, all of which Franchisor or its agents produce , and as may be added to, changed, modified, withdrawn, or otherwise revised by Franchisor, setting out the standards, policies, methods, procedures, and specifications of Our System.

(iii) "Licensed Mark(s)" means the trademarks and service marks PETLAND, SAFARI STAN, DREAM TAILS, and such other trade names, trademarks, service marks, designs, graphics, logos, and other commercial symbols, as well as materials in which Franchisor claims copyright protection as Franchisor may

designate, and not thereafter withdraw, to be used in connection with the Franchise, whether registered or unregistered in the United States, foreign countries, or foreign registries.

(iv) "Our System" means the uniform standards, methods, techniques, and expertise, procedures, and specifications developed by us for establishing, operating, and promoting a retail pet business specializing in the sale of pets, merchandising and sale of pet supplies, pet services, and pet related items. The distinguishing characteristics of Our System include, without limitation, operating methods, procedures, and techniques for the care and sale of pets; distinctive store design, layout, décor and color scheme; specially designed signage, kennels, and aquatic fixtures; operating methods, procedures, and techniques; procedures, methods, and techniques for inventory and cost controls; record keeping and reporting; personnel management and training; marketing, merchandising, advertising, sales, and promotional techniques; the Confidential Operating System, and Confidential Information, all of which may be changed, improved, further developed, or otherwise modified by us from time to time.

2. Improvements. You shall disclose to Franchisee prior to executing this Agreement all copyrighted or other pre-existing materials to which you claim ownership or any other rights. You shall fully and promptly disclose to Franchisee all ideas, concepts, methods, and techniques relating to the development and/or operation of the Franchise conceived or developed by you and/or your affiliates or employees during the term of this Agreement. All such materials created or conceived by you or in collaboration with others during the term of this Agreement shall be the sole and exclusive property of Franchisor without further consideration to you. You hereby assign to Franchisor all right, title, and interest in and to any copyrights, trademarks, service marks, trade dress, and any good will associated therewith, inventions, patents, patent applications, extensions, any other intellectual property, or other matters. You further agree to execute any additional documentation necessary to perfect Franchisor's ownership rights, including, without limitation, copyright, trademark, and patent applications, assignments, and/or recordings as Franchisor may request.

3. Non-Competition Restrictive Covenant.

(a) Non-Competition. During the term of this Agreement and for a period of three (3) years following the termination of your affiliation with Franchisee, you agree that except for your affiliation with the Franchise, you shall not:

(i) have any direct or indirect interest as a disclosed or beneficial owner in any Competitive Business (as defined below); within a twenty-five (25) mile radius of your former Franchise or any other Petland®, Aquarium Adventure® ~~or~~, Safari Stan®, or Dream Tails store; provided, however, that you shall not be prohibited from owning equity securities of any business whose shares are traded on a stock exchange or on the over-the-counter market so long as the ownership interest shall represent two percent (2%) or less of the total number of outstanding shares of such business;

(ii) perform services as a director, officer, manager, employee, consultant, representative, agent, or otherwise for a Competitive Business anywhere;

(iii) divert or attempt to divert any business related to the Franchise or Our System directly or indirectly to a Competitive Business;

(g) Additional Definitions.

(i) "Competitive Business" means the retail sale of pets, pet supplies, and related services and products (including, without limitation, any products or services offered by the Franchisor) or any business which operates or grants franchises or licenses to others to operate a business that provides similar services and/or products as those offered by the Franchisor.

(h) Purpose. You agree that the purpose of this covenant is not to deprive you of your livelihood and will not do so, but is rather to protect the goodwill and interest of Our System and the Licensed Marks. You agree that if you are engaged as an owner, operator, consultant, or in any managerial capacity in any such business, you assume the burden of proving that you have not used any Confidential Information, trade secrets, methods of operation, or any proprietary components of Our System. This protection shall be in addition to and not in lieu of all other protections for such trade secrets and confidential information available in law or in equity.

4. Effect of Termination. Immediately upon the termination of this Agreement for any reason, you agree to cease and forever abstain from using any Confidential Information and otherwise comply with the terms of this Agreement. You further agree to return to Franchisee at your expense all documents or other evidence of any Confidential Information, whether in written or electronic form, both original and any reproductions.

5. Third Party Beneficiary. Franchisor shall be a third party beneficiary of this Agreement and you shall not amend, modify, or terminate this agreement without the prior written consent of Franchisee and Franchisor. You shall provide Franchisee with your contact information and shall update such information as necessary.

6. Severability and Construction. Each of the covenants shall be construed as independent of any other covenant or provision of this Agreement. Should any part of one or more of these restrictions be unenforceable, all parties agree that it shall be conformed to be enforced to the fullest extent permissible under the law. The running of any period of time specified in this section shall be tolled and suspended for any period of time in which you are in violation of any restrictive covenant. You further expressly agree that the existence of any claim you may have against Franchisee or Franchisor whether or not arising from this Agreement, shall not constitute a defense to the enforcement of the covenants in this section. Your obligations under this section shall survive the termination or expiration of this Agreement. Any violation of this section shall be deemed to be a material breach of this Agreement.

7. Waiver/Modification. No waiver or modification of any of the terms of this Agreement shall be valid unless in writing, signed by both parties. Failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of such rights, and a waiver by

either party of a default in one or more instances shall not be construed as a continuing waiver or as a waiver in other instances.

8. **Governing Law.** This Agreement shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise by the laws of the state of Ohio and any dispute between the parties shall be governed by and determined in accordance with the substantive laws of the state of Ohio, which laws shall prevail in the event of any conflict of law. The parties to this Agreement agree to submit to the exclusive jurisdiction of the state and federal courts in Franklin County or Ross County, Ohio, even if additional persons are named as parties to such litigation (unless the courts of the applicable state would have no jurisdiction over such additional persons). No action or proceeding involving this Agreement or any aspect of the relationship between the parties or their agents or affiliates shall be commenced by any party except in the state or federal courts governing Franklin County or Ross County, Ohio, nor shall any such action be transferred to any other venue.

9. **Injunction/Remedies**. You agree that in order to protect the Franchisee's and Franchisor's interests if there is a breach or threatened breach of this Agreement, the Franchisee or Franchisor will be entitled to obtain, in addition to any other remedy, a temporary or permanent injunction and consent order for specific performance of this Agreement, without being required to furnish a bond or other security. If an injunction is issued, but is later vacated, you agree to waive any claim for damages as a result of the issuance of the injunction. You agree that if you have any claims or causes of action against Franchisee or Franchisor arising out of your affiliation with the Franchisee, such claims or causes of action will not constitute defenses to the Franchisee's or Franchisor's enforcement of this Agreement. You further agree to indemnify and hold the Franchisee and Franchisor harmless from any loss or expenses (including attorney's fees) that the Franchisee or Franchisor incurs as a result of your breach of this Agreement.

FRANCHISEE: **AFFILIATE:**

By:_____
Name: _____ Printed Name: _____
Title:_____

EXHIBIT F
(to Franchise Agreement)

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of _____, 20____, by _____, an individual.

1. In consideration of, and to induce Petland, Inc. (the "Franchisor") to enter into a franchise agreement dated _____, 20_____ (the "Agreement"), with _____ ("Franchisee"), each of the undersigned hereby personally and unconditionally (a) guarantees to the Franchisee, and its successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that the Assignee (hereinafter referred to as "Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including without limitation the provisions of Section 18 (all of which shall be referred to as the "Obligations").

2. Each of the undersigned waives: (1) acceptance and notice of acceptance of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or nonperformance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to the indebtedness or nonperformance of obligations hereby guaranteed; (4) any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability; (5) any and all other notices and legal or equitable defenses to which he may be entitled; and (6) any right to disclosures from the Franchisee regarding the financial condition of Franchisee or any guarantor of Franchisee.

3. Each of the undersigned consents and agrees that: (1) his direct and immediate liability under this guaranty shall be joint and several; (2) he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by the Franchisor of any remedies against Franchisee or any other person; (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which the Franchisor may from time to time grant to Franchisee or to any other person, including without limitation 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 his guaranty, which shall be continuing and irrevocable during the term of the Agreement; and (5) no claim, including a claim for contribution or subrogation, which any of the undersigned may have against a co-guarantor of any of the Obligations or Franchisee shall be enforced nor any payment accepted until the Obligations are paid in full and the payments are not subject to any right of recovery.

In witness whereof, each of the undersigned has executed this Guaranty and Assumption of Obligations on the date set across from his or her respective signature.

_____**X**_____
Date Printed Name of Guarantor:_____

_____**X**_____
Date Printed Name of Guarantor:_____

_____**X**_____
Date Printed Name of Guarantor:_____

_____**X**_____
Date Printed Name of Guarantor:_____

EXHIBIT G
(to Franchise Agreement)

FORM OF BANK AUTHORIZATION

AUTHORIZATION TO HONOR CHECKS OR ELECTRONIC FUNDS TRANSFER DRAWN BY AND PAYABLE TO PETLAND, INC.

BANK ACCOUNT IN THE NAME OF	STORE #	BANK ACCOUNT NUMBER
1.	2.	3.

To the Bank Designated:

You are hereby requested and authorized to honor and to charge to the account described, checks or electronic funds transfer ("EFT") drawn on such account which are payable to the above named Payee. The name(s) of the depositor(s) on such checks will be printed by standard business machines. It is agreed that your rights with respect to each such check or EFT shall be the same as if it bore a signature authorized for such account. It is further agreed that if any such check or EFT is not honored, whether with or without cause you shall be under no liability whatsoever. This authorization shall continue in force until revocation in writing is received by you.

4. _____
Name of Franchisee (please print)

Date:_____

5. _____
Signature of Franchisee

FULL NAME OF BANK 6.
STREET ADDRESS 7.
CITY, STATE, ZIP CODE 8.

Drawee Bank Please Note: There is an Indemnification Agreement below.

Indemnification Agreement
To the Bank Designated:

In consideration of your compliance with the request and authorization printed on the Authorization Form hereof, the Payee agrees with respect to any such action:

(1) To Indemnify you and hold you harmless from any loss you may suffer as a consequence of your actions resulting from or in connection with the execution and issuance of any check, EFT, draft or order, whether or not genuine, purporting to be executed by the Payee and received by you in the regular course of business for the purpose of payment, including any costs or expenses reasonably incurred in connection herewith.

(2) To Indemnify you for any loss arising in the event that any such check, EFT, draft or order shall be dishonored, whether with or without cause and whether intentionally or inadvertently.

(3) To defend at our own cost any action which might be brought by any depositor or any other persons because of your actions taken pursuant to the foregoing request, or in any manner arising by reason of your participation.

NOTICE TO OPERATOR

1. ATTACH ONE VOIDED CHECK HERE.
2. BE SURE ALL 8 SPACES SHOWN ABOVE ARE COMPLETED.
3. RETURN ALL THREE COPIES IMMEDIATELY.

Petland, Inc.

EXHIBIT H
(to Franchise Agreement)

ASSIGNMENT OF TELEPHONE NUMBERS, FACSIMILE NUMBERS, EMAIL ADDRESSES, AND URLS AND SPECIAL POWER OF ATTORNEY

1. _____ [Franchisee's legal name] ("Franchisee"), to induce Petland, Inc. ("Franchisor") to grant Franchisee a franchise, assigns to Franchisor all telephone numbers, facsimile numbers, email addresses, and URLs and listings Franchisee advertises, publicizes, or otherwise makes known to customers or the public in the operation of a Petland® ~~or~~, Safari Stan®, or Dream Tails franchise, both now and in the future.

2. This assignment will automatically become effective immediately upon Termination (meaning "termination, expiration, or nonrenewal") of Franchisee's franchise agreement with Franchisor. When the franchise is terminated, Franchisee agrees to do whatever is necessary to cause the companies providing service to the Petland® ~~or~~, Safari Stan®, or Dream Tails franchise to promptly transfer its telephone numbers, facsimile numbers, email addresses, and URLs and associated directory listings to Franchisor or its designee.

3. Franchisee agrees to pay these service providers, on or before the date when the franchise is Terminated, all amounts Franchisee owes it in connection with the directory or directories. Franchisee further agrees to indemnify Franchisor for any amounts, obligations, or expenses, including legal fees, Franchisor must pay the service providers before the service providers will carry out this agreement.

4. Franchisee appoints Franchisor as attorney-in-fact to sign any documents and do any things necessary to carry out this agreement if Franchisee fails to sign or to do them within three (3) business days after termination of the franchise agreement with Franchisor. Franchisee further agrees to indemnify Franchisor for any expenses, including legal fees, that Franchisor incurs which would not have been incurred if Franchisee had performed as promised under this agreement.

Dated: _____

FRANCHISEE:

By:_____
Name:_____
Its:_____

EXHIBIT I
(to Franchise Agreement)

SPECIAL STIPULATIONS

FRANCHISE AGREEMENT DATED _____ BY AND BETWEEN PETLAND, INC. AND _____

To the extent of any conflict between the following and the printed provisions of the Franchise Agreement, the Special Stipulations shall control:

FRANCHISOR:

Petland Inc.

By:_____
Name: _____
Title:_____

FRANCHISE OWNER:

_____

By:_____
Name: _____
Title:_____

Exhibit J

Purchase Agreement

PETLAND, INC.
PURCHASE AGREEMENT

This Purchase Agreement is made this _____ day of _____, 20___by and between Petland, Inc., an Ohio corporation with principal offices located at 250 Riverside Street, Chillicothe, Ohio 45601-5606 ("Petland"), and _____ , a _____, with principal mailing address at _____ ("Buyer").

RECITAL

Buyer desires to purchase and Petland desires to sell certain items and services suitable for use in a Petland®, Safari Stan®, or Dream Tails retail outlet located at _____ _____. Such purchase and sale is made in conjunction with and subject to the grant of license by Petland to Buyer for the use of the Petland®, Safari Stan®, or Dream Tails name under the terms of the Franchise Agreement (the "Franchise Agreement") dated _____ _____, by and between Buyer and Petland.

THE PARTIES AGREE AS FOLLOWS:

§1. TERMS OF SALE

A. Petland hereby sells and/or provides to Buyer certain furniture, fixtures and equipment, leasehold improvements, initial inventory and services ("Items") enumerated and described in Exhibit J-1, attached hereto and made a part of this Agreement.

B. Buyer herby purchases and agrees to accept and pay for the items in accordance with the terms and conditions set forth below.

C. Price to be paid by Buyer to Petland shall be _____ _____ ($_____) payable as follows:

1. _____ ($_____)
on _____, 20___; and

2. _____ ($_____)
on _____, 20___; and

3. _____ ($_____)
on _____, 20___; and

4. _____ ($_____)
on _____, 20___; and

Buyer acknowledges that the obligations set forth in this Section 1 respecting payments are essential elements of this Purchase Agreement, and any failure of Buyer to meet these obligations shall be considered a material breach of this Agreement.

§2. DEFAULT AND REMEDIES

In the event Buyer fails to make any of the payments required in Section 1 above, Petland reserves the right, in its sole discretion, to terminate this Purchase Agreement and cease all further delivery of the Items and recover all Items for which payment has not been received. Alternatively, Petland may consider this Purchase Agreement and/or Franchise Agreement to be in full force and effect, but Petland shall be excused from further performance of any duty, obligations or otherwise which may be required under the terms of the Purchase Agreement and/or Franchise Agreement until Buyer has cured its default and provided adequate assurances of its ability and willingness to fully comply with the Purchase Agreement. Buyer acknowledges that, upon default and upon Petland's election to hold the Purchase Agreement in full force and effect, the period of time within which Buyer may cure such default(s) shall be determined in the sole discretion of Petland.

To insure Buyer's faithful performance of all of the terms and conditions of the Purchase Agreement, Buyer hereby grants to Petland a continuing lien upon all of the Items now located in the store and hereafter acquired, and upon the proceeds, products, offspring, rents and profits of such collateral. Buyer agrees to execute any and all documents necessary for the proper filing and perfection of the lien. Buyer shall bear all costs associated with the filings. Buyer acknowledges that Buyer's default of the Purchase Agreement shall constitute a default under all other agreements between the parties related to the grant of franchise including, but not limited to, the Franchise Agreement, any note of which Buyer is maker and Petland is payee, and/or any Security Agreement. All expenses associated with Petland's remedy of Buyer's default, including but not limited to, retaking collateral, holding, preparing for sale or the like, attorney's fees or other legal expenses, shall be recoverable from Buyer to Petland. All past due amounts shall accrue at the lesser of eighteen percent (18%) per annum or the highest lawful rate. Nothing in this Section 2 shall be considered as waiving any rights of Petland to any other remedies, whether at law or in equity, which may be available to it as a result of Buyer's breach.

§3. DELIVERY OF GOODS

Petland shall transfer the Items to Buyer upon occupancy of the store premises and final payment by Buyer. Notwithstanding the foregoing Petland shall not be liable for any delay in fulfilling its obligations pursuant to the Purchase Agreement caused by any contingency beyond its reasonable control, affecting or interfering with the supply or delivery by it or by manufacturers or suppliers with whom it may contract. In no event shall any delay relieve Buyer of its payment obligations as set forth in Section 1.C., above.

Upon substantial completion of leasehold improvements and/or upon delivery of Items,

as each may be required of Petland under this Purchase Agreement, Buyer shall assume the risk of loss of all or any portion of the items.

§4. TRADE PROPERTY

Certain of the Items may be inscribed with Petland's trade name and trade and service marks, such as "Petland®," "Safari Stan®," or "Dream Tails" (the "Mark(s)). Upon termination of the Franchise Agreement between Petland and Buyer, Petland shall have the right to remove, at Buyer's cost, and reclaim the Items or any portion containing Petland's name and Mark(s) as is reasonable, and such Items shall thereafter be the property of Petland.

§5. MISCELLANEOUS

The parties acknowledge that this Purchase Agreement and the Franchise Agreement represent the entire understanding between them respecting the subject matter hereof and that any modification or alteration to this Agreement must be in writing and signed by both parties.

Buyer acknowledges that entering into and faithfully performing each and every term of this Agreement is an integral part of the franchise relationship between Buyer and Petland. All of the obligations and duties of Petland and all of the rights of Buyer under the terms of this Agreement are expressly conditioned upon Buyer's execution of and faithful performance of these items.

Petland's failure to exercise any right hereunder or otherwise waive any delay or failure by Buyer to comply with any of the terms or conditions of this Purchase Agreement shall not constitute a continuing waiver of the requirement or provision or Petland's right to terminate the Franchise Agreement or any other rights of Petland hereunder or under the Franchise Agreement.

If any provision of this Purchase Agreement shall be held by a court of competent jurisdiction to be illegal or invalid, such holding shall have no effect on the legality or validity of any other provision hereof.

Any notice required under this Agreement shall be delivered to Petland at 250 Riverside Street, P.O. Box 1606, Chillicothe, OH 45601-5606, and to Buyer at the address of the Buyer's Petland®, Safari Stan®, or Dream Tails retail store, or to such address as either party may designate in writing to the other. Delivery shall be deemed to have occurred one (1) business day after transmission by telegraph, telex, telecopy, facsimile, or comparable electronic system; one (1) business day after placement with a commercial courier service for next business day delivery; or three (3) days of the placement in U.S. mail by registered or certified mail, return receipt requested, postage prepaid.

Every pronoun used herein includes corresponding pronouns to different gender or numbers or both, to the extent the context permits.

All questions concerning the meaning, intention, or validity of this Agreement, and all questions relating to performance hereunder, shall be judged and resolved in accordance with the

local laws of Ohio.

The captions at the beginning of the several sections and paragraphs of this Agreement are not part of this Agreement, but are only guides or labels to assist in locating and reading such sections and paragraphs. They shall be given no effect in construing this purchase Agreement.

The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, assigns, and successors in interest of the parties hereto.

Buyer shall have no right to assign its interest, duties, or obligations pursuant to this Purchase Agreement to any person or entity without the prior written consent of Petland.

[SIGNATURES ON NEXT PAGE –
REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first set forth above.

PETLAND, INC.

Attest:

By:_____
Name: _____
Its:_____

By:_____
Name: _____
Its:_____

BUYER
(If corporation/partnership)

Attest:

By:_____
Name: _____
Its:_____

By:_____
Name: _____
Its:_____

BUYER
(If sole proprietorship or guarantor)

Witness:

_____
(Name)

_____

STATE OF)
) ss
COUNTY OF)

The foregoing execution by Buyer was acknowledged before me this _____ day of _____, 20___ by _____

_____
Notary Public

My commission expires:_____

EXHIBIT J-1

(where applicable)

EXHIBIT K
(to Franchise Agreement)

RECEIPT FOR FRANCHISE AGREEMENT

Under federal law, we may not grant you a franchise unless you have had a signature-ready copy of the franchise agreement and all attachments, with all blanks except for the date of the agreement filled in, for at least seven (7) calendar days before you pay us any money in connection with the agreement or sign the agreement.

To show that we have complied with the law, please fill in the date when you received the franchise agreement from us:

Date You Received Franchise Agreement: _____

**

Please return this receipt to us as soon as you have filled in the date. We can proceed further only after you return this receipt.

Thank you for your careful attention to this matter.

Signature: _____

Print Name: _____

Summary report: Litera® Change-Pro for Word 10.14.0.46 Document comparison done on 4/30/2026 2:05:56 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: nd://4903-3655-1590/1/2026 Petland Franchise Agreement (Ex. C).docx	
Modified DMS: nd://4903-3655-1590/4/2026 Petland Franchise Agreement (Ex. C).docx	
Changes:	
Add	52
~~Delete~~	25
~~Move From~~	0
Move To	0
Table Insert	1
~~Table Delete~~	0
Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	1
Embedded Excel	0
Format changes	0
Total Changes:	79

Exhibit D

List of Current Franchisees

See attached.

U.S. Petland Franchise Store Listing

AL	Montgomery		Keith & Leah Evans
Eastchase Shopping Center			334-277-2226
7127 E Chase Parkway			kevans@petland.com
Montomery	AL	36117	keithevanspetland@yahoo.com

AR	Fayetteville		Ryan and Sam Boyle
			479-332-4166
637 E Joyce Blvd Unit 102			admin@petlandfayetteville.com
Fayetteville	AR	72703	

AR	Rogers		Ryan and Sam Boyle
			479-372-4400
2203 Promenade Blvd., Ste. 5165			admin@petlandrogers.com
Rogers	AR	72758	

AZ	Scottsdale	Scottsdale	David Moreno/ JT Trueba
			602-207-8208
15090 N. Northsight Blvd			scottsdale@petland.com
Scottsdale	AZ	85260	

FL	Bradenton		Neil, Mark and Stephen Benecke
			941-752-0517
3519 53rd Ave W			petlandbradenton@verizon.net
Bradenton	FL	34210	petlandbradenton@gmail.com

FL	Ft. Myers		Tom, Brad, and Camille Popplewell
College Parkway S/C			239-277-9939
7901-13 College Parkway			Brad@petlandteam.com
Ft. Myers	FL	33907	Tpopplewell6768@gmail.com

FL	Ft. Walton Beach		Mike and Peggy Davis
Sun Plaza			850-796-2424
415-G Mary Esther Cut Off			mike.davis@petland.com
Ft. Walton Beach	FL	32548	peggy.petland@gmail.com

U.S. Petland Franchise Store Listing

FL	Jacksonville		Steve Gregory
Pablo Creek S/C			904-330-0152
13740 Beach Blvd. #415			steve.gregory@petland.com
Jacksonville	FL	32224	

FL	Kendall		Babu Singh
			954-442-3106
8236 Mills Drive			babu.singh@petland.com
Miami	FL	33183	bella.ghosh@petland.com

FL	Largo		Luis Marquez
Largo Mall			727-230-1979
10289 Ulmerton Rd.			luis@petlandflorida.com
Largo	FL	33771	

FL	Naples		Luis Marquez
			239-324-4711
1000 Immokalee Road, #40			luis@petlandflorida.com
Naples	FL	34110	

FL	Pembroke Pines		Stefani Victor
Pembroke Commons S/C			954-442-3106
356 N. University Dr.			stefanivictor1@gmail.com
Pembroke Pines	FL	33024	

FL	Pensacola		Mike and Peggy Davis
Pensacola Square S/C			850-637-1123
6235 N. Davis Highway, Ste. 118			mike.davis@petland.com
Pensacola	FL	32504	peggy.petland@gmail.com

FL	Sarasota		Derrick and Alaina Markel
Sarasota Towne Center			941-256-2856
8452 Lockwood Ridge Rd.			alaina.markel@gmail.com
Sarasota	FL	34243	

U.S. Petland Franchise Store Listing

GA	Alpharetta		Hunt McDannald
			470-649-3474
1605 Mansell Rd			petland@gmail.com
Alpharetta	GA	30009	huntbo@gmail.com

GA	Atlanta	Kennesaw	Steve Gregory
			678-582-8813
840 Ernest W. Barrett Pkwy			steve.gregory@petland.com
Kennesaw	GA	30144	

GA	Columbus		Don Popham
The Landings			706-321-9921
5592 Whitesville Rd.			da.popham@petland.com
Columbus	GA	31904	columbusga@petland.com

GA	Dalton		Monte Brokate
Dalton Shopping Center			706-226-7387
1349 West Walnut Ave.			mbrokate@hotmail.com
Dalton	GA	30720	dalton@petland.com

GA	Mall of Georgia		Steve Gregory
			678-582-2469
3333 Buford Dr. Suite 2068A			steve.gregory@petland.com
Buford	GA	30519	

GA	Valdosta		Ben & Geoff Hoofnagle
			229-474-4159
3268 Inner Perimeter Road			geoffhoofnagle@gmail.com
Valdosta	GA	31602	benhoof221@gmail.com

IA	Iowa City		Ronald and Wendy Solsrud
Sycamore Mall			319-351-9451
1851 Lower Muscatine Rd.			rsolsrud@gmail.com
Iowa City	IA	52240	iowacity@petland.com

U.S. Petland Franchise Store Listing

IL	Bolingbrook		Daniel and Janet Star
The Promenade at Bolingbrook			630-739-1213
744 East Boughton Rd.			dj.star@petland.com
Bolingbrook	IL	60440	

IL	Chicago	Batavia	Daniel and Janet Star
Wind Point S/C			630-761-1047
401 N. Randall Rd.			dj.star@petland.com
Batavia	IL	60510	batavia@petland.com

IL	Hoffman Estates		Daniel and Janet Star
Golf Center			847-490-8820
11 A Golf Center			dj.star@petland.com
Hoffman Estates	IL	60169	hoffmanestates@petland.com

IN	Carmel		Scott Brenner & Greg Bearden
			317-688-9434
14641 Thatcher Lane, Unit 1			scott.brenner@petland.com
Carmel	IN	46032	greg.bearden@petland.com

IN	Terre Haute		Jennifer Ferency
Jeffrey Alan's Plaza			812-234-1444
3341 S. US Highway 41			jennifer.ferency@petland.com
Terre Haute	IN	47802	terrehaute@petland.com

KS	Overland Park		Russell Reynolds
			913-557-8608
7911 W. 151st St.			russell.reynolds@petland.com
Overland Park	KS	66223	

KS	Topeka		Lance and Staci Williams
West Ridge Mall			785-272-8900
1801 SW Wanamaker Road			staci.williams@petland.com
Topeka	KS	66604	

U.S. Petland Franchise Store Listing

KS	Wichita	West	Sam and Ryan Boyle
			316-252-8565
3520 N. Maize Road Suite 100			samantha.boyle@petland.com
Wichita	KS	67205	admin@petlandwichitawest.com

MI	Novi		Derrick & Alaina Markel
Twelve Oaks Mall			248-449-7340
27200 Novi Rd., Unite #106			alaina.markel@gmail.com
Novi	MI	48377	

MO	Fenton		Jeff Hartmann and Tom Killmade
Fenton Crossing			636-600-0635
512 Old Smizer Mill Rd			tom.killmade@petland.com
Fenton	MO	63026	jeff.hartmann@petland.com

MO	Joplin		Ryan and Sam Boyle
North Park Crossing S/C			417-626-7020
3102 E. 7th St., Ste. 400			samantha.boyle@petland.com
Joplin	MO	64801	admin@petlandjoplin.com

MO	Kansas City	Blue Springs	Doug and Janet Pasternack
Southridge S/C			816-228-6868
1803 SW 7 Highway			doug.pasternack@petland.com
Blue Springs	MO	64014	bluesprings@petland.com

MO	Kansas City	Boardwalk	Doug & Janet Pasternack
			816-228-6868
8618 N. Boardwalk Ave.			doug.pasternack@petand.com
Kansas City	MO	64154	

MO	Lake St Louis		Thomas and Mary Killmade/Jeff Hartma
The Shoppes at Hawk Ridge			636-695-4503
6131 Ronald Reagan Dr.			tom.killmade@petland.com
Lake St. Louis	MO	63367	petlandstlouis@gmail.com

U.S. Petland Franchise Store Listing

MO	Lee's Summit		Tara Hunte
			816-434-5195
464 NW Chipman Rd.			tara@petlandkc.com
Lee's Summit	MO	64086	

NC	Raleigh		David Deshaw
			984-300-4548
4031 Davis Dr			daviddeshaw@greeneaglecapital.net
Morrisville	NC	27560	

NM	Albuquerque		Terri Hallberg
Holly Plaza			505-821-7387
8850 Holly Ave NE, Ste. 1			terri.hallberg@petland.com
Albuquerque	NM	87122	albuquerque@petland.com

NV	Henderson		Craig & Diana Kirkland
Eastgate Plaza			702-454-7387
510 Marks St., Ste 120			craig.kirkland@petland.com
Henderson	NV	89014	diana.kirkland@petland.com

NV	Las Vegas	Boca Park	Ken Kirkpatrick & Adam Fausett
Boca Park Marketplace S/C			702-949-7387
8800 W. Charleston Blvd., Ste. 3			ken.kirkpatrick@petland.com
Las Vegas	NV	89117	adam.fausett@petland.com

OH	Columbus	Lewis Center	Tom, Patty and Matt Donovan
North Point S/C			740-548-2112
86 Meadow Park Ave.			john.donovan@petland.com
Lewis Center	OH	43035	lewiscenter@petland.com

OH	Columbus	Upper Arlington	Tom, Patty and Matt Donovan
			614-683-4057
3124 Kingsdale Center			matt.donovan6464@yahoo.com
Columbus	OH	43221	upperarlington@petland.com

U.S. Petland Franchise Store Listing

OH	Parma		JR Badger
			440-340-4696
7651 W. Ridgewood Dr., Ste. 916			jrbadger@petlandparma.com
Parma	OH	44129	

OH	Strongsville		JR Badger, Courtney Carper and Shawn
			440-846-2277
1148 Southpark Center			jrbadger@petlandcleveland.com
Strongsville	OH	44136	courtney@360readvisors.com

Ohio	Gahanna		Amy Gonidakis
			614-665-2001
1342 N Hamilton Rd.			amy.gonidakis@petland.com
Gahanna	Ohio	43230	

OK	Oklahoma City		Carl & Carol Swanson
			405-766-8552
13820 N. Pennsylvania Ave			carl.swanson@petland.com
Oklahoma City	OK	73134	carol.swanson@petland.com

OK	Tulsa		Carl & Carol Swanson
			918-303-8330
10908 East 71st Street			carl.swanson@petland.com
Tulsa	OK	74133	carol.swanson@petland.com

PA	North Huntingdon		Ted and Kurt Karcher
			724-515-5287
12120 State Rout 30			kurt.karcher@gmail.com
North Huntingdon	PA	15642	theodore.karcher@gmail.com

PA	Pittsburgh	Monroeville	Meraj Aftab
Miracle Mile S/C			412-380-2522
4066 William Penn Highway			mirage.a@petlandmonroeville.com
Monroeville	PA	15146	

U.S. Petland Franchise Store Listing

PA	Pittsburgh	Robinson Towne Center	Bill Davis
			412-494-7387
1530 Park Manor Blvd.			bill.davis@petlandrobinson.com.com
Pittsburgh	PA	15205	bill.davis@petland.com

PA	Pittsburgh	Village of East Side	Eric and Marci Caplan
Village of East Side			412-363-7387
6401 Penn Ave.			eastsidepets@comcast.net
Pittsburgh	PA	15206	mrmcaplan@comcast.net

SC	Summerville		David DeShaw
Summerville Galleria			843-494-5210
975 Bacons Bridge Road, Suite 151			daviddeshaw@greeneaglecapital.net
Summerville	SC	29485	

TN	Knoxville		Matt Berry & David Smith
Market Place Shopping Center			865-407-2174
9339 Kingston Pike			matt.berry@petland.com
Knoxville	TN	37922	david.smith@petland.com

TN	Memphis		Samir Sutaria & Perin Sutaria
			901-590-3681
7970 Giacosa Pl, Unit 100			samir@sutariagroup.com
Memphis	TN	38133	

TN	Murfreesboro		Robert Eddy
			615-956-6117
433 N. Thompson Lane			robert.eddy@petland.com
Murfreesboro	TN	37129	

TX	Dallas	Frisco	Jake and Arti Patel
South Frisco Village			972-377-7233
2930 Preston Rd., Ste. 810			ja.patel@petland.com
Frisco	TX	75034	frisco@petland.com

U.S. Petland Franchise Store Listing

TX	Houston	Katy	David Moreno/ JT Trueba
			281-769-1313
1723 N. Fry Rd			katy@petland.com
Katy	TX	77449	jtrue@stx.rr.com

TX	Houston	Webster	Chris Lav
Baybrook Square			832-426-2824
19722 Gulf Freeway			christopher.lav@petland.com
Webster	TX	77598	clav@lovamrg.com

TX	Houston	Woodlands	Samir Sutaria & Perin Sutaria
			936-909-6540
19053 Interstate 45 N, Ste. D			samir@sutariagroup.com
Shenandoah	TX	77385	

TX	McKinney		Jake Patel
			972-369-7242
3190 S Central Expy			ja.patel@petland.com
McKinney	TX	75070	

TX	San Antonio	Leon Valley	David Moreno/ JT Trueba
Bandera Heights S/C			210-688-7387
7030 Bandera Rd.			leonvalley@petland.com
San Antonio	TX	78238	jtrue@stx.rr.com

TX	Shavano Park		David Moreno/ JT Trueba
			210-592-1234
4000 Pond Hill Rd, Ste. 205			shavanopark@petland.com
Shavano Park	TX	78231	jtrue@stx.rr.com

TX	Stafford		David Moreno/ JT Trueba
			346-694-0646
12574 Fountain Lake Circle			stafford@petland.com
Stafford	TX	77477	

U.S. Petland Franchise Store Listing

TX	Tyler		Luis Marquez
The French Quarter			903-561-3142
4512 S. Broadway #A1			luis@petlandflorida.com
Tyler	TX	75703	

WI	Janesville		Rachel Larsen
Target S/C			608-756-9380
2021 Humes Rd.			rachel.larsen@petland.com
Janesville	WI	53545	janesville@petland.com

WI	Racine		Adam Berger
			262-598-1201
2310 S. Green Bay Rd., Ste. J			ajberger@mac.com
Racine	WI	53406	

U.S. Petland Company Store Listing

IN	Merrillville		Corporate - Jackie Volk
Merrillville Plaza			219-738-1717
1736 E. 80th Ave.			merrillville@petlandinc.com
Merrillville	IN	46410	jackie.volk@petlandinc.com

IN	Richmond		Corporate - Ashley Carey
			765-756-5200
4740 National Rd. East			richmond@petlandinc.com
Richmond	IN	47374	ashley.carey@petlandinc.com

KY	Ashland		Corporate - Tressa Pine
Ashland Plaza			606-329-0357
341 Diederich Blvd.			ashland@petlandinc.com
Ashland	KY	41101	tressa.pine@petlandinc.com

KY	Florence		Corporate - Cameryn Swagler
			859-282-6576
7901 Mall Road, Suite 300			florence@petlandinc.com
Florence	KY	41042	cameryn.swagler@petlandinc.com

OH	Athens		Corporate -
			740-594-7400
977 E. State St.			athens@petlandinc.com
Athens	OH	45701	

OH	Chillicothe		Corporate - Jack Huggins
Lowe's S/C			740-773-1982
881 N. Bridge St.			chillicothe@petlandinc.com
Chillicothe	OH	45601	jack.huggins@petlandinc.com

U.S. Petland Company Store Listing

OH	Cincinnati	Eastgate	Corporate - Rebecca South
			513-599-8900
4450 Eastgate Blvd, Space 262			eastgate@petlandinc.com
Cincinnati	OH	45245	rebecca.south@petlandinc.com

OH	Cincinnati	Fairfield	Corporate - Lisa Miller
Jungle Jim's Shopping Center			513-829-6060
5470 Dixie Highway			fairfield@petlandinc.com
Fairfield	OH	45014	lisa.miller@petlandinc.com

OH	Cincinnati	Mason	Corporate - Lisa Miller
			513-234-4972
9938 Waterstone Blvd.			mason@petlandinc.com
Cincinnati	OH	45249	lisa.miller@petlandinc.com

OH	Dayton	Beavercreek	Corporate - Katheryn Johnson
			937-986-1900
2451 Lakeview Dr.			beavercreek@petlandinc.com
Beavercreek	OH	45431	katheryn.johnson@petlandinc.com

OH	Dayton	Smithville	Corporate - Cheyenne Carr
			937-519-1060
2702 S. Smithville Rd.			smithville@petlandinc.com
Dayton	OH	45420	cheyenne.carr@petlandinc.com

OH	Dayton	York Commons	Corporate - Adriana Pyles
York Commons S/C			937-898-9100
3444 York Commons Blvd.			dayton@petlandinc.com
Dayton	OH	45414	adriana.pyles@petlandinc.com

U.S. Petland Company Store Listing

OH	Hillsboro		Corporate - Ashley Daniel
			937-393-9929
699 Harry Sauner Rd.			ashley.daniel@petlandinc.com
Hillsboro	OH	45133	hillsboro@petlandinc.com

OH	Miamisburg		Corporate - Cory Evans
Austin Landing North			937-246-5600
10761 Innovation Dr			austinlanding@petlandinc.com
Miamisburg	OH	45342	cory.evans@petlandinc.com

OH	Pickerington		Corporate - Christina Wood
			614-751-5708
1514 Stonecreek Dr., South Ste. 200			pickerington@petlandinc.com
Pickerington	OH	43147	christina.wood@petlandinc.com

OH	South Point		Corporate -Autumn Mart
Westview Plaza			740-894-7387
348 County Rd. 410, Ste. 7			southpoint@petlandinc.com
South Point	OH	45680	autumn.mart@petlandinc.com

WV	South Charleston		Corporate - Cheyann Knapp
			681-661-0303
2828 Mountaineer Blvd., South			charleston@petlandinc.com
South Charleston	WV	25309	cheyann.knapp@petlandinc.com

Safari Stan Franchise Store Listing

CT	New Haven	Safari Stan's Pet Center	Togi Kuttamperoor
Amity S/C			203-901-1003 ext.1
142 Amity Road			togi.kuttamperoor@safaristanspets.com
New Haven	CT	06515	

NJ	Old Bridge	Safari Stan's Pet Center	Joe Gallo
The Shoppes at Old Bridge			732-970-3373
3833 US Highway 9			joe.gallo@petland.com
Old Bridge	NJ	08857	galloventures@gmail.com

Aquarium Adventure Franchise Store Listing

IL	Bolingbrook		Daniel and Janet Star
The Promenade at Bolingbrook			630-739-1213
744 East Boughton Rd.			dj.star@petland.com
Bolingbrook	IL	60440	

IL	Hoffman Estates		Daniel and Janet Star
Golf Center			847-490-8820
11 A Golf Center			dj.star@petland.com
Hoffman Estates	IL	60195	hoffmanestates@petland.com

OH	Columbus		Bill and Sandy Wymard
Mill Run Square			614-792-0884
3649 Fishinger Blvd.			bwymard@aquariumadventure.net
Hilliard	OH	43026	cmiracle@aquariumadventure.net

International Franchise Store Listing

Brazil	Araguaina Centro		
Araguaina	Brazil		

Brazil	Bahia	Graca	
Salvador	Brazil		

Brazil	Batatais	Sao Paulo / Batatais	Rogerio Souzza Goncalves
Sao Paulo	Brazil		

Brazil	Brasilia	Aguas Claras	Patricia Furtado Malard
Rua das Pitangueiras, lote 3, loja 07, 08 E, numero 09			
Brasilia	Brazil		patricia.malard@petlandbr.com.br

Brazil	Mato Grosso	Sinop Centro	
Sinop	Brazil		

Brazil	Minas Gerais	Belvedere	
Belo Horizonte	Brazil		

Brazil	Minas Gerais	Betim	
Rua Senhora das Gracas, 673, Senhora das Gracas			
Betim	Brazil	32606-575	

International Franchise Store Listing

Brazil	Minas Gerais	Cidade Nobre	Mariana Cordeiro Moutinho
Avenida Simon Bolivar, 1112, Cidade Nobre			
Ipatinga	Brazil	35162-410	

Brazil	Minas Gerais	Dom Bosco	Daniel Rezende Mendonca
Avenida Brigadeiro Eduardo Gomes, 283, Dom Bosco			
Belo Horizonte	Brazil	30850-222	

Brazil	Minas Gerais	Formiga	Luciene Barbosa Gomide
Avenida Doutor Henrique Braga, 98, Centro			
Formiga	Brazil	35570-030	

Brazil	Minas Gerais	Mateus Leme	Maria Jose Gisele Goncalves Meireles
R. Maria Cristina de Faria, 157, Concenza			
Mateus Leme	Brazil	35670-000	

Brazil	Minas Gerais	Matozinhos	Lais Carolina de Souza
Avenida Tome Portes Del Rei, 25, Vila Santo Antonio (Matozinho			
Sao Joao Del Rei	Brazil	36305-058	

Brazil	Minas Gerais	Muriae	Ricardo Cabral Campbell
Avenida Dr. Passos, 239, Barra			
Muriae	Brazil	36884-002	

Brazil	Minas Gerais	Nicomedes	Hudson Franco Macedo Ferrerira
Avenida Rio Branco, SN Centro, Uberlandia			
Uberlandia	Brazil	38411-106	

International Franchise Store Listing

Brazil	Minas Gerais	Novo Eldorado	Lilian Garcia
Avenida Doutor Cincnato Cajado Braga, 370			
Contagem	Brazil	32341-310	

Brazil	Minas Gerais	Passos	Decio Maia Junior
Praca Geraldo da Silva Maia, 148, Centro			
Passos	Brazil	37900-096	

Brazil	Minas Gerais	Presidente Vargas	
Para de Minas	Brazil		

Brazil	Minas Gerais	Santos Dumont	Jonoatas Amorim de Souza
Rua Sergio Neves, 28, Centro			
Santos Dumont	Brazil	36240-000	

Brazil	Minas Gerais	Sao Mateus	
Juiz De For a	Brazil		

Brazil	Minas Gerais	Unai	Fabio Assis Menezes Moura
R. Eli Pinto de Carvalho, 167, Centro			
Unai	Brazil	38616-010	

Brazil	Minas Gerais	Varginha	Luis Eduardo Trindade Gregio
Aviendo Francisco Navarra, SN Centro			
Varginha	Brazil	37006-003	

International Franchise Store Listing

Brazil	Parana	Batel	Murilo Belleza
603 Comedador Araujo Street			41-3014-0009
Curitiba	Brazil	80420-000	

Brazil	Parana	Marco	Charlie Aood dos Santos
Av. Romulo Maiorana, 700, Marco Belem			
Belem	Brazil	66093-672	

Brazil	Parana	Oficinas	
Ponta Grossa	Brazil		

Brazil	Parana	Vila A Fox do Iguacu	Felipe Aristoteles Palm de Lima
Vila A			
Foz do Iguacu	Brazil	85860-320	

Brazil	Piaui	Homero	Luciana Maia
Avenida Homero Castelo Branco, 2275, Ininga			
Teresina	Brazil	64048-400	

Brazil	Piaui	Piaui	Luciana Maia
Av. Joao XXIII, 2220, Sala E, Sao Joao			
Teresina	Brazil	64045-380	luciana.maia@petlandbr.com.br

Brazil	Rio Grande Do Nor	Tirol	
Natal	Brazil		

International Franchise Store Listing

Brazil	Rio Grande do Sol	Caxias do Sul	Bruna Zanandrea Neseollo Marin
R. Os Dezoito do Forte 955			
Caxias do Sul	Brazil	98050-472	

Brazil	Rio Grande do Sol	Petropolis	Andre Romario Pradel De Miranda
Av. Protasio Alves 2989 Loja 103			
Porto Alegre	Brazil	90410-003	

Brazil	Rio Grande do Sul	Alianca	
Santo Angelo	Brazil		

Brazil	Rio Grande do Sul	Benjamin Constant	Jonas Pradel
1695 Av. Benjamin Constant Sao Geraldo - Porto Alegre			
Porto Alegre	Brazil		endrigo.pradel@petlandbr.com.br

Brazil	Rio Grande do Sul	Bento Goncalves	Jean Augustin
Rua Olavo Bilac, 207, Cidade Alta			
Bento Goncalves	Brazil	95700-362	

Brazil	Rio Grande Do Sul	Bom Fim	
Porto Alegre	Brazil		

Brazil	Rio Grande Do Sul	Campo Bom	
Campo Bom	Brazil		

International Franchise Store Listing

Brazil	Rio Grande do Sul	Centro	Felipe Corona De Oliveira
Rua Voluntarios da Patria, 943			
Pelotas	Brazil		

Brazil	Rio Grande do Sul	Centro Tapejara	Eduardo Guilherme Pegoraro
Av. Sete de Setembro 1385			
Tapejara	Brazil	90550-006	

Brazil	Rio Grande do Sul	Dom Joaquim	Rafael C. Pereira
Avenida Dm Joaquim			
Pelotas	Brazil	96020-260	

Brazil	Rio Grande do Sul	Montserrat	Maruicio Castro Pinzkoski
R. Anita Garibaldi 637			
Porto Alegre	Brazil	06717-210	

Brazil	Rio Grande Do Sul	Novo Hamburgo	
Novo Hamburgo	Brazil		

Brazil	Rio Grande do Sul	Parque dos Anjos	Dion Franklin Arnold Belo
Avenida Antonio Gomes Correa, 349, Parque dos Anjos			
Gravatai	Brazil	94190-300	

Brazil	Rio Grande do Sul	Santa Rosa	Luiza Feldmann Lucca
Av. Expedicionario Weber 1527			
Santa Rosa	Brazil	90550-005	

International Franchise Store Listing

Brazil	Rio Grande do Sul	Tramandai	Camila Feijo Borba Camargo
Rua Otto Alfredo Muller, 258, Loja 05, Centro			
Tramandai	Brazil	95590-000	

Brazil	Rondonia	Rio Madeira	Ana Carolina Martins Anastacio Festi
Avenida Prefeito Ciquilito Erse, 2717			
Porto Velho	Brazil	76820-763	

Brazil	Sao Caetano	Sao Caetano	Regiane Fernandes
879 Rua Rafael Correa Sampaio			
Sao Caetano	Brazil	09451-250	regiane.fernandes@petlandbr.com.br

Brazil	Sao Luis	Cohama	Rodrigo Dominguez and Ana Gisely Do
Av. Daniel de la Touche, 3A			98-3302-4202
Sao Luis	Brazil	65074-115	rodrigo.dominguez@petlandbr.com.br

Brazil	Sao Luis	Cohatrac	Rodrigo Dominguez and Ana Gisely Do
R. Doze 57 -Quadra 18 Cohatrac II, Sao Luis Maranhao			
Sao Luis	Brazil	65053-820	rodrigo.dominguez@petlandbr.com.br

Brazil	Sao Luis	Holandeses	Rodrigo Dominguez and Ana Gisely Do
10 Quadra 34 Avenida dos Holandeses			
Sao Luis	Brazil		rodrigo.dominguez@petlandbr.com.br

Brazil	Sao Luis	Peninsula	Rodrigo Dominguez and Ana Gisely Do
Av. Dos Holandeses, s/n, quadra 08, lote 02			98-3089-4809
Maranhao	Brazil		rodrigo.dominguez@petlandbr.com.br

International Franchise Store Listing

Brazil	Sao Luis	Renascenca	Rodrigo Dominguez and Ana Gisely Do
Edif Agenor Cosseti - Av. Do Vale 15 - Loja 05			
Sao Luis	Brazil	65075-675	rodrigo.dominguez@petlandbr.com.br

Brazil	Sao Luis	Turu	
Sao Luis	Brazil		

Brazil	Sao Luis	Vinhais	
Rua 85/64/Rus do Arame, SN, Quadra 52, Vinhais II			
Sao Luis	Brazil	65074-380	

Brazil	Sao Paulo	100% PET / Botucatu	Bruna Carolina Panhin
729 Av. Doutor Vital Brasil			
Botucatu	Brazil		

Brazil	Sao Paulo	100% PET / Gerneral Isidoro -	Antonio Carlos Viesser
491 Rua General Isidoro - Chacara Braz Miraglia Jau			
Jau	Brazil	17207-270	antonio.viesser@petlandbr.com.br

Brazil	Sao Paulo	5 de Novembro	Andre Vieira Machado
Av. 5 de Novembro, 812, Vila Nastri			
Itapetininga	Brazil	18207-320	

Brazil	Sao Paulo	Aclimacao	Fernando Galisa
226 Aclimacao Street			11-3207-8233
Aclimacao	Brazil	11-3207-82	

International Franchise Store Listing

Brazil	Sao Paulo	Alphaville	Fabiano Luna Gomes Carneiro
4700 N Avenida Yojiro Takaoka Subsi Frente			
Santana de Parnaiba	Brazil		

Brazil	Sao Paulo	Analia Franco	Regiane Marion Hasse
Rua Professor Joao Oliveira Torres, 399, Jardim Analia Franco			
Sao Paulo	Brazil	03337-010	

Brazil	Sao Paulo	Azevedo Soares (Tatuape)	Mike Minzoni
2578 N Rua Azevedo Soares - Vila Gomes Cardim			
Sao Paulo	Brazil	03322-002	mike.minzoni@petlandbr.com.br

Brazil	Sao Paulo	Brasilio Mall	
Sao Bernardo Do Campo	Brazil		

Brazil	Sao Paulo	Brooklin (Padre Antonio)	Petland Brasil
1349 v. Padre Antonio Jose dos Santos			
Sao Paulo	Brazil	04620-000	diana.conte@petlandbr.com.br

Brazil	Sao Paulo	Cambui	Rodolfo Augusto Azevedo Palu
R. dos Bandeirantes, 60, Cambui			
Campinas	Brazil	13024-010	

Brazil	Sao Paulo	Campo Belo	
Sao Paulo	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Campolim - Sorocaba	Rodrigo Marcondes Franques
1230 Avenida Antonio Carlos Comitre			
Sorocaba	Brazil	18047-620	rodrigo.marques@petlandbr.com.br

Brazil	Sao Paulo	Cidade Nova	Renan Pouza
Rua Armando Salles de Oliveira, 535, Cidade Nova I			
Indaiatuba	Brazil	13330-585	

Brazil	Sao Paulo	Conselheiro Vila Mariana	Carla De Paula Nascimento
Avenida Conselheiro Rodrigues Alves 635			
Sao Paulo	Brazil	60821-750	

Brazil	Sao Paulo	Cupece	Alessandro De Oliverira Barreto
Av. Aupece, 1783 Jardim Prudencia			
Sao Paulo	Brazil	04365-000	

Brazil	Sao Paulo	Dom Nery	
Valinhos	Brazil		

Brazil	Sao Paulo	Eloy Chaves	
Jundiai	Brazil		

Brazil	Sao Paulo	Enseada	
Guaruja	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Guainazes Otelo	Ailton de Jesus Licar
Rua Otelo Augusto Ribeiro, 508			
Sao Paulo	Brazil	08412-000	

Brazil	Sao Paulo	Guilhermina/Praia Grande	Gustavo Bensdorp Palmieri
Av. Presidente Kennedy, 1717 Loja - Guilhermina			
Praia Grande	Brazil	11702-205	gustavo.palmieri@petlandr.com.br

Brazil	Sao Paulo	Higienopolis	Petland Brasil
20 Praca Vila Boim			11-3663-5569
Higienopolis	Brazil	01241-010	

Brazil	Sao Paulo	Horto Florestal	
Sorocaba	Brazil		

Brazil	Sao Paulo	Independencia	
Taubate	Brazil		

Brazil	Sao Paulo	Itarare/Sao Vincente	Lucas Luchese Araujo
Av. Presidente Wilson 466 Itarare, Sao Vincente			
Sao Vincente	Brazil		

Brazil	Sao Paulo	Jaboticabeiras	
Taubate	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Jaguaribe	
Osasco	Brazil		

Brazil	Sao Paulo	Jardim Das Flores	William Herman Zanini
R. Osorio Duque Estrada, 90, Pestana			
Osasco	Brazil	06122-000	

Brazil	Sao Paulo	Jardins	Marcela Pontes Simoes
1559 Bela Cintra Street			11-3061-5063
Jardins	Brazil	0145-001	bruna@petlandbr.com.br

Brazil	Sao Paulo	Jasmin	
Campinas	Brazil		

Brazil	Sao Paulo	Mackenize Mall	Matheus Neves
Av. Tucunare Barueri, 1498 - Bloco 2 Loja 10			
Sao Paulo	Brazil	06460-020	

Brazil	Sao Paulo	Mallet/ Praia Grande	Claudio Sanches
Av. Marechai Mallet, 688 Canto do Forte			
Mallet	Brazil	1170-405	

Brazil	Sao Paulo	Mateus Grou	
Sao Paulo	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Mexicao	Andre Luis Gouveia Fernandes
Av. Capitao-Mor Aguiar, 483, Centro			
Sao Vicente	Brazil	11310-201	

Brazil	Sao Paulo	Moema Indios	Viviane Pulz Yamamoto
817 Nhambiguaras Street			11-5055-0813
Moema	Brazil	04090-012	

Brazil	Sao Paulo	Moema Passaros	Carla Caroline Cerino Alves Da Silva
602 Pavao Street			11-3628-5442
Moema Passaros	Brazil	04516-012	

Brazil	Sao Paulo	Mongugua	Adriana Stopassoli
Av. Marina, 1069, Centro			
Mongagua	Brazil	11730-000	

Brazil	Sao Paulo	Mooca	Petland Brasil
Av. Paes De Barros, N 334-Compl 342-Mooca			11-2693-6633
Sao Paulo	Brazil	03114-000	

Brazil	Sao Paulo	Nebraska	Marcelo Mesquita
R. Nebraska, 67, Brooklin Novo			
Sao Paulo	Brazil	04560-010	

Brazil	Sao Paulo	Outlet Premium	
Sao Bernardo Do Campo	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Papini	Leonardo Conceicao
Rua Cambuci do Vale, 525, Cidade Dutra			
Sao Paulo	Brazil	04805-110	

Brazil	Sao Paulo	Pargue Pinheiros	Carlos Eduardo Ramos de Oliveira
Rua Dr. Mario Augusto Pereira, 88, Loja I, Jardim Sao Paulo			
Taboao da Serra	Brazil	06767-330	

Brazil	Sao Paulo	Parque Das Americas	
Maua	Brazil		

Brazil	Sao Paulo	Paulista (Maranguape)	
Paulista	Brazil		

Brazil	Sao Paulo	Paulista (Piracicaba)	Julio Cesar Oliveira
Avenida Dona Jane Conceicao, 1404, Paulista			
Piracicaba	Brazil	13401-110	

Brazil	Sao Paulo	Paulista(Janga)	
Paulista	Brazil		

Brazil	Sao Paulo	Pedreira	Juliana Carrari Martins
Av. Presidente Costa e Silva, 29, Vila Monte Alegre			
Pedreira	Brazil	13920-000	

International Franchise Store Listing

Brazil	Sao Paulo	Pedro Doll	Caroline Campos Castnheira
259 Rus Pedro Doll, Stantana			
Santana	Brazil	02404-000	

Brazil	Sao Paulo	Pedro Marques	Andre Vieira Machado
R. Pedro Marques, 35, Centro,			
Itapetininga	Brazil	18200-270	

Brazil	Sao Paulo	Perdizes	Ricardo Nelli Benedetti
550 Apinjes Street			11-2729-2901
Perdizes	Brazil	05017-000	ricardo.nelli@petlandbr.com.br

Brazil	Sao Paulo	Pereque	Anaue Meyer
Av. Princesa Isabel, 1370, Pereque, Ilha Bela			
Ilhabela	Brazil	11630-000	

Brazil	Sao Paulo	Piaui	Luciana Maia
Av Joquei Clube, 1585, Sala A, Joquei			86-3085-2602
Teresina	Brazil	6409-240	luciana.maia@petlandbr.com.br

Brazil	Sao Paulo	Ponta da Praia	Jose Marcelino Antonio
R. Antonio Damin, 2, Ponta da Praia			13-3273-5114
Santos	Brazil	11045-301	bruna.afonso@petlandbr.com.br

Brazil	Sao Paulo	Presidente Venceslau	Maria Eduarda Esteves Platzeck Estrella
Praca Otto Rodolfo Brull, 10, Centro			
Presidente Venceslau	Brazil	19400-066	

International Franchise Store Listing

Brazil	Sao Paulo	Ribeirao Preto	Bruno Marostica Mambelli
Av. Prof. Joao Fiusa, 1439, Jardim Sao Luiz			
Ribeirao Preto	Brazil	14024-250	

Brazil	Sao Paulo	Rio Branco	Gustavo Bensdorp Palmieri
Av. Dep. Ulisses Guimaraes, 290 Jardim Rio Branco			
Sao Vicente	Brazil	11347-000	

Brazil	Sao Paulo	Rudge Ramos	
Sao Bernardo Do Campo	Brazil		

Brazil	Sao Paulo	Santo Antonio	Rodrigo Figueredo C Da Silva
Rua das Magnolias, 288 Jardim Primavera			13-3324-1511
Guaruja	Brazil	11432-320	marcio.lacava@petlandbr.com.br

Brazil	Sao Paulo	Santos - Aparecida	Mariana Saffiotti Jaccoud
R. Alexandre Martins, 103 - Aparecida			
Santos	Brazil	11025-201	

Brazil	Sao Paulo	Santos - Boqueirao	Vitoria Yumi Tanaka Machado
R. Bento de Abreu, 36, Boqueirao			
Santos	Brazil	11045-140	

Brazil	Sao Paulo	Santos - Canal 1	Rodrigo Figueredo C Da Silva
Avenida Senador Pinheiro Machado, 309			13-3326-3650
Santos	Brazil	11065-003	

International Franchise Store Listing

Brazil	Sao Paulo	Santos - Canal 2	Christiane Desiderio
Av. Dr. Bernardino de Campos, 243			13-3385-9519
Santos	Brazil	11065-003	

Brazil	Sao Paulo	Santos - Canal 3	Vitoria Yumi
408 Avenida Washington Luis, 408			
Santos	Brazil	11055-000	

Brazil	Sao Paulo	Santos - Embare	Marilia Abdala Vilela Goulart
229 Avenida Doutor Epitacio Pessoa - Boqueirao			
Santos	Brazil	11045-300	marilia.vilela@petlandbr.com.br

Brazil	Sao Paulo	Santos - Jose Menino	Luiz Lopes de Oliveira
Rua Rei Jorge VI, 4, Jose Menino			
Santos	Brazil	11065-310	

Brazil	Sao Paulo	Santos - Marape	Rodrigo Figueiredo C Da Silva
Rua Godofredo Fraga, 4, Marape			
Santos	Brazil	11070-400	

Brazil	Sao Paulo	Santos - Pompeia	Eduardo de Padua Barbosa
Rua Euclides da Cunha, 279, Pompeia			
Santos	Brazil	11065-101	

Brazil	Sao Paulo	Santos - Saboo	
Santos	Brazil		

International Franchise Store Listing

Brazil	Sao Paulo	Sao Francisco	Pedro Augusto Encarnacao Ferreira
Av. Dr. Martin Luther King, 2516, Cidade Sao Francisco			
Sao Paulo	Brazil	06122-000	

Brazil	Sao Paulo	Sumare	Rafaela Buldrini Munhoes de Paula
Av. Emilio Bosco, 1223, Lojas 2 e 3, Parque Yolanda			
Sumare	Brazil	13179-180	

Brazil	Sao Paulo	Vicente de Carvalho	Danielle Nakashima Desiderio
Av. Santos Dumont, 1011			13-3357-7110
Guaruja	Brazil	11460-001	

Brazil	Sao Paulo	Vila Clementino	Claudio Ventura da Silva
1395 Ria Luis Gois			11-3895-2629
Sao Paulo	Brazil	04043-350	

Brazil	Sao Paulo	Vila Ema	Fabricio Ferreira dos Santos
Rua Madre Paulo de Sao Jose, 140, Vila Ema			
Sao Jose dos Campos	Brazil	12243-010	

Brazil	Sao Paulo	Vila Euclides	Edilson Satoru Yoshida
Rua Alvares Machado, 70, Vila Euclides,			
Presidente Purdente	Brazil	19015-450	

Brazil	Sao Paulo	Vila Itapura	Ciciane Pereira Marten Fernandes
Avenida Brasil, 119, Vila Itapura			
Campinas	Brazil	13023-075	

International Franchise Store Listing

Brazil	Sao Paulo	Vila Madalena	
Sao Paulo	Brazil		

Brazil	Sao Paulo	Vila Mirim	Francisco Carlos Carretero
Av. Pres. Kennedy 8290, Nova Mirim			
Praia Grande	Brazil	11705-000	

Brazil	Sao Paulo	Vila Sao Paulo (Jundiai)	Priscila Aparecida Gaido Pianho
Av. Nacoes Unidas, 136, Vila Sao Paulo			
Jundiai	Brazil	13203-420	

Brazil	Sergipe	Beira Mar	
Aracaju	Brazil		

Brazil	Sergipe	Garcia	Taynah Alves
Avenida Jorge Amado, 1466 - Loja 01, Jardins			
Aracaju	Brazil	49025-330	

Brazil	State of Goias	Avenida T1	
Goiania	Brazil		

Canada	Alberta	Airdrie	
120-2771 Main Street SW			403-980-4651
Airdrie	Canada	T4B 3S6	airdrie@petland.ca

International Franchise Store Listing

Canada	Alberta	Brewery District	
101, 11962 104 Avenue NW			780-705-3194
Edmonton	Canada	T5K 0G6	brewerydistrict@petland.ca

Canada	Alberta	Calgary	
3014 Sunridge Blvd NE			403-543-7711
Calgary	Canada	T1Y 7G6	sunridge@petland.ca

Canada	Alberta	Capilano	
185 5055-101 Avenue NW			587-521-3922
Edmonton	Canada	T6A 0G7	capilano@petland.ca

Canada	Alberta	Cold Lake	Anastasia Radke
105 - 4902 69th Avenue			780-594-7387
Cold Lake	Canada	T9M 1Z9	petlandcoldlake@telus.net

Canada	Alberta	Coventry Hills	
#323-130 Country Village Rd NE			403-226-4045
Calgary	Canada	T3K 6B8	coventryhills@petland.ca

Canada	Alberta	Crowfoot	
40 Crowfoot Terrace			403-543-7969
Calgary	Canada	T3G 4J8	crowfoot@petland.ca

Canada	Alberta	Deerfoot City	
Unit 4175 - 901 64th Ave. NE			403-453-0114
Calgary	Canada	T2E 9B7	deerfootcity@petland.ca

International Franchise Store Listing

Canada	Alberta	Deerfoot Meadows	
300-33 Heritage Meadows Way SE			403-259-5579
Calgary	Canada	T2H 3B8	deerfootmeadows@petland.ca

Canada	Alberta	Edmonton West	
18423 Stony Plain Road NW			780-481-8000
Edmonton	Canada	T5S 2X6	edmondtonwest@petland.ca

Canada	Alberta	Emerald Hills	
Unit 210-170 Ebony Blvd.			587-456-6882
Sherwood Park	Canada	T8H 0L2	emeraldhills@petland.ca

Canada	Alberta	Grand Prairie	
10310 108 A Street			780-513-4409
Grand Prairie	Canada	T8V 7M1	grandprarie@petland.ca

Canada	Alberta	Harvest Pointe	
40 - 244 Watt Common SW			587-520-1092
Edmonton	Canada	T6X 1X2	harvestpointe@petland.ca

Canada	Alberta	Lethbridge	Allan Draper
212-905 1st Ave. South			403-320-0095
Lethbridge	Canada	T1J 4M7	petandlethbridge@telusplanet.net

Canada	Alberta	Manning Crossing	
155526 37th Street NW			780-475-5399
Edmonton	Canada	T5Y 0S5	manning@petland.ca

International Franchise Store Listing

Canada	Alberta	Medicine Hat	Mike Magotiaux
1-3341 Dunmore Road SE			403-504-1900
Medicine Hat	Canada	T1B 3R2	petlandmedhatm@shaw.ca

Canada	Alberta	Red Deer	
#100-5250 22nd Street			403-309-4800
Red Deer	Canada	T4R 2T4	reddeer@petland.ca

Canada	Alberta	Seton	
19587 Seton Crescent SE #740			403-570-9916
Calgary	Canada	T3M 2W9	seton@petland.ca

Canada	Alberta	Shawnessy Courtyard	
580-303 Shawville Blvd. SE			403-508-0040
Calgary	Canada	T2Y 3W6	shawnessy@petland.ca

Canada	Alberta	South Park	
Unit 556, 3803 Calgary Trail NW			780-436-7387
Edmonton	Canada	T6J 5M8	southpark@petland.ca

Canada	Alberta	South Trail	
Unit 300-4915 130th Ave SE			403-257-8590
Calgary	Canada	T2Z 4J2	southtrail@petland.ca

Canada	Alberta	Westhills	
290 Stewart Green SW			403-686-7929
Calgary	Canada	T3H 3C8	westhills@petland.ca

International Franchise Store Listing

Canada	Alberta	Windmere	
6268-6004 Currents Dr NW			587-521-8210
Edmonton	Canada	T6W 0L7	windmere@petland.ca

Canada	BC	Grandview Corners	
10-2215 160th Street			604-541-2329
Surrey	Canada	V3N 9N6	grandview@petland.ca

Canada	BC	Kamloops	Trish Hines
905 Notre Dame Drive			250-828-0810
Kamloops	Canada	V2C 5N9	trishpetland@shaw.ca

Canada	BC	Port Coquitlam	
110-1097 Nicola Ave			604-464-9770
Port Coquitlam	Canada	V3B 8B2	poco@petland.ca

Canada	BC	Prince George	
5910 Southridge Ave			250-964-1002
Prince George	Canada	V2N 7A1	princegeorge@petland.ca

Canada	BC	Terrace	Amy Credgeur
4706 Keith Avenue			250-635-1600
Terrace	Canada	V8G 4K1	petlandterrace@telus.net

Canada	BC	Vernon	Don and Donna Krauskopf
5604 24th Street			250-558-0442
Vernon	Canada	V1T 9T3	petlandvernon@shaw.ca

International Franchise Store Listing

Canada	Manitoba	Crossroads	
1546 Regent Avenue West			204-654-9806
Winnipeg	Canada	R2C 3B4	crossroads@petland.ca

Canada	Manitoba	Kenaston Commons	
100A-2355 McGillivray Blvd			204-489-2009
Winnipeg	Canada	R3Y 0A1	kenaston@petland.ca

Canada	Manitoba	Pembina	
24 - 1910 Pembina Highway			204-989-7616
Winnipeg	Canada	R3T 4S5	pembina@petland.ca

Canada	Saskatchewan	Confederation	
40-300 Confederation Dr			306-978-6990
Saskatoon	Canada	S7L 4R6	confederation@petland.ca

Canada	Saskatchewan	Fort Saskatchewan	
111 - 9344 Southfort Dr			587-285-4586
Fort Saskatchewan	Canada	T8L 0C5	fortsaskatchewan@petland.ca

Canada	Saskatchewan	Stonegate	
110-3047 Clarence Ave South			306-934-3920
Saskatoon	Canada	S7T 0B4	stonegate@petalnd.ca

Canada	Saskatchewan	Victoria Gate	
3010 Quance Street			306-789-3622
Regina	Canada	S4V 3B8	victoriagate@petland.ca

International Franchise Store Listing

China	Shanghai	Jin'an	Charley Lu
B101#, NO 889 Wanhngdu Road			
Jin'an	China		

China	Shanghai	Minhang	Charley Lu
1 Floor, NO 1246 Xingmei Road			
Minghang District	China		

China	Shanghai	Xinhui/Putuo	Charley Lu
L122C# 1 Floor, NO 155 Changshou Road			
Putuo District	China		

China	Shanhai	Xuhui	Charley Lu
Room 021, B2, N 230, Ruping Rd			862133568896
Xuhui District	China		

El Salvador	San Miguel	San Miguel	Miguel Giacomon
Calle Antigua Quelepa CA-1, Sant Miguel el Encuentro El Sitio			
San Miguel	El Salvador		giacoman.m@gmail.com

El Salvador	San Salvador	Constitucion	Miguel Giacomon
Calle Constitucion 6			
San Salvador	El Salvador		giacomon.m@gmail.com

El Salvador	San Salvador	El Salvador	Miguel Giacomon
Av. El Espino, San Salvador			
San Salvador	El Salvador		giacoman.m@gmail.com

International Franchise Store Listing

El Salvador	San Salvador	Masferrer	Miguel Giacomon
Avienida Masferrer Norte			
San Salvador	El Salvador		giacoman.m@gmail.com

El Salvador	San Salvador	Plaza Madero	Miguel Giacomon
Blvr. Sta. Elena Plaza Madero			
San Salvador	El Salvador		giacoman.m@gmail.com

El Salvador	Santa Ana	Santa Ana	Miguel Giacomon
XCCP + C7, Santa Ana			
Santa Ana	El Salvador		giacoman.m@gmail.com

El Salvador	Santa Tecla	Las Ramblas Carretera Pana	Miguel Giacomon
KM 10 Ciudad Merliot, Santa Tecla			
Santa Tecla	El Salvador		giacoman.m@gmail.com

El Salvador	Santa Tecla	Merilot	Miguel Giacomon
Calle Chiltiupan, Santa Tecla CP 1507			
Santa Tecla	El Salvador		giacoman.m@gmail.com

El Salvador	Santa Tecla	Piletas	Miguel Giacomon
Carretera Puerto de la Libertad			
Santa Tecla	El Salvador	1524	giacomon.m@gmail.com

El Salvador	Santa Tecla	Santa Rosa	Miguel Giacomon
Avenida Diego de Holguin &, C.Real			
Santa Tecla	El Salvador	1501	giacoman.m@gmail.com

International Franchise Store Listing

Mexico	Atizapan		Dan and Moses Harari
Av Ruiz Cortines #225, Manzana #2 Local #518 Co Las Margarit			011-52-555-077-327
Atizapan de Zaragoza	Mexico		dan. harari@petland.com

Mexico	Guadalajara	Midtown Jalisco	Alvaro Sainz
Av Lopex Mateos 2405, Int SA-09			
Guadalajara	Mexico		alvaro@losbelenes.com.mx

Mexico	Guadalajara	Plaza Galerieas	Alvaro Sainz
Av. Rafael Sanzio 150			11-52-33-3127-0011
Co. La Estancia	Mexico		alvaro@losbelenes.com.mx

Mexico	Interlomas		Dan and Moses Harari
Vialidad de la Barranca #6 Local N1-07 Col. Ex Hacienda Jesus			011-555-290-6135
Huixquilucan de Degollado	Mexico		dan. harari@petland.com

Mexico	Lindavista		Dan and Moises Harari
Parque Lindavista, Colector 13, Magdalena de las Salinas			
Mexico City	Mexico	07760	dan.harari@petland.co

Mexico	Parque Delta		Dan and Moses Harari
Av. Cuauhtemoc 462, L 308-309, Co. Narvarte			011-52-55-5395-468
Benito Juarez, Distritio Federal	Mexico	CP 03020	dan.harari@petland.com

Mexico	San Angel	Portal San Angel	Dan and Moises Harari
Av. Revolución 1267 Local SA-09, Col. Los Alpes, Alvaro Obrego			
	Mexico		dan. harari@petland.com

International Franchise Store Listing

Mexico	Santa Fe		Dan and Moses Harari
Del Cuajimalpa de Morelos			011-555-216-74040
Mexico DF	Mexico	1219	dan. harari@petland.com

Mexico	Toreo	Parque Toreo	Dan and Moises Harari
	Mexico		dan.harari@petland.com

S Africa	Crescent / Umhlan		Malcom Mercer
Upper level, the Crescent Shopping Centre, Umhlanga Rocks			031-566-4499
Durban	S Africa	4319	

S Africa	Marine Walk		Malcom Mercer
Shop 22, Marine Walk Shopping Center			
Umdloti	S Africa	4319	

S Africa	Salt Rock		Malcom Mercer
Tiffany's Centre, Salt Rock 4391			081-597-1879
Durban	S Africa	4391	

Saudi Arabi	Jeddah		Batterjee
Al-Zahra'a 6493			96612 692 8028
Jeddah	Saudi Arabi	23521 3397	ceo@iacare.sa

Saudi Arabi	Riyadh		Batterjee Family
6599 Uthman Ibn Affan Rd., Al Mughrizat			
Riyadh	Saudi Arabi	12481	ceo@iacare.sa

Exhibit E

List of Franchisee who had Petland Store Business Terminated, Canceled or Not Renewed, or Otherwise Voluntarily or Involuntarily Ceased to do Business under the Franchise Agreement as of December 31, 2025

- Ken Kirkpatrick, 8800 W. Charleston Blvd., Ste. 3, Las Vegas, NV, 702-949-7387
- Colleen Bradley, Wichita, Kansas, 316-214-2363
- Robert Eddy, 433 N. Thompson Lane, Murfreesboro, TN 37129, 615-956-6117,
- Tara Hunte, 464 NW Chipman Rd., Lee's Summit, Missouri, 816-434-5195
- Tony Neff, Hillsboro, Ohio, 937-393-9929,

Exhibit F

Purchase Agreement

PETLAND, INC.
PURCHASE AGREEMENT

This Purchase Agreement is made this _____ day of _____, 20____ by and between Petland, Inc., an Ohio corporation with principal offices located at 250 Riverside Street, Chillicothe, Ohio 45601-5606 ("Petland"), and _____, a _____, with principal mailing address at _____ ("Buyer").

RECITAL

Buyer desires to purchase and Petland desires to sell certain items and services suitable for use in a Petland® retail outlet located at _____. Such purchase and sale is made in conjunction with and subject to the grant of license by Petland to Buyer for the use of the Petland® name under the terms of the Franchise Agreement (the "Franchise Agreement") dated_____, by and between Buyer and Petland.

THE PARTIES AGREE AS FOLLOWS:

§1. TERMS OF SALE

A. Petland hereby sells and/or provides to Buyer certain furniture, fixtures and equipment, leasehold improvements, initial inventory and services ("Items") enumerated and described in Exhibit F-1, attached hereto and made a part of this Agreement.

B. Buyer herby purchases and agrees to accept and pay for the items in accordance with the terms and conditions set forth below.

C. Price to be paid by Buyer to Petland shall be _____ _____ ($_____) payable as follow:

1. _____ ($_____) on _____, 20_____; and

2. _____ ($_____) on _____, 20_____; and

3. _____ ($_____) on _____, 20_____; and

4. _____ ($_____) on _____, 20_____; and

Buyer acknowledges that the obligations set forth in this Section 1 respecting payments are essential elements of this Purchase Agreement, and any failure of Buyer to

meet these obligations shall be considered a material breach of this Agreement.

§2. DEFAULT AND REMEDIES

In the event Buyer fails to make any of the payments required in Section 1 above, Petland reserves the right, in its sole discretion, to terminate this Purchase Agreement and cease all further delivery of the Items and recover all Items for which payment has not been received. Alternatively, Petland may consider this Purchase Agreement and/or Franchise Agreement to be in full force and effect, but Petland shall be excused from further performance of any duty, obligations or otherwise which may be required under the terms of the Purchase Agreement and/or Franchise Agreement until Buyer has cured its default and provided adequate assurances of its ability and willingness to fully comply with the Purchase Agreement. Buyer acknowledges that, upon default and upon Petland's election to hold the Purchase Agreement in full force and effect, the period of time within which Buyer may cure such default(s) shall be determined in the sole discretion of Petland.

To insure Buyer's faithful performance of all of the terms and conditions of the Purchase Agreement, Buyer hereby grants to Petland a continuing lien upon all of the Items now located in the store and hereafter acquired, and upon the proceeds, products, offspring, rents and profits of such collateral. Buyer agrees to execute any and all documents necessary for the proper filing and perfection of the lien. Buyer shall bear all costs associated with the filings. Buyer acknowledges that Buyer's default of the Purchase Agreement shall constitute a default under all other agreements between the parties related to the grant of franchise including, but not limited to, the Franchise Agreement, any note of which Buyer is maker and Petland is payee, and/or any Security Agreement. All expenses associated with Petland's remedy of Buyer's default, including but not limited to, retaking collateral, holding, preparing for sale or the like, attorney's fees or other legal expenses, shall be recoverable from Buyer to Petland. All past due amounts shall accrue at the lesser of eighteen percent (18%) per annum or the highest lawful rate. Nothing in this Section 2 shall be considered as waiving any rights of Petland to any other remedies, whether at law or in equity, which may be available to it as a result of Buyer's breach.

§3. DELIVERY OF GOODS

Petland shall transfer the Items to Buyer upon occupancy of the store premises and final payment by Buyer. Notwithstanding the foregoing Petland shall not be liable for any delay in fulfilling its obligations pursuant to the Purchase Agreement caused by any contingency beyond its reasonable control, affecting or interfering with the supply or delivery by it or by manufacturers or suppliers with whom it may contract. In no event shall any delay relieve Buyer of its payment obligations as set forth in Section 1.C., above.

Upon substantial completion of leasehold improvements and/or upon delivery of Items, as each may be required of Petland under this Purchase Agreement, Buyer shall assume the risk of loss of all or any portion of the items.

§4. TRADE PROPERTY

Certain of the Items may be inscribed with Petland's trade name and trade and service marks, such as "Petland®." Upon termination of the Franchise Agreement between Petland and Buyer, Petland shall have the right to remove, at Buyer's cost, and reclaim the Items or any portion containing Petland's name and Mark(s) as is reasonable, and such Items shall thereafter be the property of Petland.

§5. MISCELLANEOUS

The parties acknowledge that this Purchase Agreement and the Franchise Agreement represent the entire understanding between them respecting the subject matter hereof and that any modification or alteration to this Agreement must be in writing and signed by both parties.

Buyer acknowledges that entering into and faithfully performing each and every term of this Agreement is an integral part of the franchise relationship between Buyer and Petland. All of the obligations and duties of Petland and all of the rights of Buyer under the terms of this Agreement are expressly conditioned upon Buyer's execution of and faithful performance of these items.

Petland's failure to exercise any right hereunder or otherwise waive any delay or failure by Buyer to comply with any of the terms or conditions of this Purchase Agreement shall not constitute a continuing waiver of the requirement or provision or Petland's right to terminate the Franchise Agreement or any other rights of Petland hereunder or under the Franchise Agreement.

If any provision of this Purchase Agreement shall be held by a court of competent jurisdiction to be illegal or invalid, such holding shall have no effect on the legality or validity of any other provision hereof.

Any notice required under this Agreement shall be delivered to Petland at 250 Riverside Street, P.O. Box 1606, Chillicothe, OH 45601-5606, and to Buyer at the address of the Buyer's Petland® retail store, or to such address as either party may designate in writing to the other. Delivery shall be deemed to have occurred one (1) business day after transmission by telegraph, telex, telecopy, facsimile, or comparable electronic system; one (1) business day after placement with a commercial courier service for next business day delivery; or three (3) days of the placement in U.S. mail by registered or certified mail, return receipt requested, postage prepaid.

Every pronoun used herein includes corresponding pronouns to different gender or numbers or both, to the extent the context permits.

All questions concerning the meaning, intention, or validity of this Agreement, and all questions relating to performance hereunder, shall be judged and resolved in accordance with the local laws of Ohio.

The captions at the beginning of the several sections and paragraphs of this Agreement are not part of this Agreement, but are only guides or labels to assist in locating and reading such sections and paragraphs. They shall be given no effect in construing this

purchase Agreement.

The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the heirs, personal representatives, assigns, and successors in interest of the parties hereto.

Buyer shall have no right to assign its interest, duties, or obligations pursuant to this Purchase Agreement to any person or entity without the prior written consent of Petland.

[SIGNATURES ON NEXT PAGE – REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day and year first set forth above.

Attest:	PETLAND, INC.
By: _____	By: _____
Its: _____	Its: _____
Attest:	BUYER (If corporation/partnership)
By: _____	
Its: _____	By: _____
	Its: _____
Witness:	BUYER (if sole proprietorship or guarantor)
_____	

STATE OF)
) ss
COUNTY OF)

The foregoing execution by Buyer was acknowledged before me this _____ day of_____ , 20____ by _____

_____
Notary Public

My commission expires: _____

EXHIBIT F-1

(where applicable)

Exhibit G

List of State Administrators and Agents for Services of Process

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4th Street, Suite 750 Los Angeles, CA 90013 (213) 576-7500 Toll-free (866-275-2677)	Department of Financial Protection and Innovation
CONNECTICUT	Securities and Business Investment Division Connecticut Department of Banking 44 Capitol Avenue Hartford, CT 06106 (203) 240-8299	Connecticut Banking Commissioner Same Address
FLORIDA	Department of Agriculture & Consumer Services Division of Consumer Services Mayo Building, Second Floor Tallahassee, FL 32399-0800 (904) 922-2770	Same
GEORGIA	Office of Consumer Affairs 2 Martin Luther King Drive, S.E. Plaza Level, East Tower Atlanta, GA 30334 (404) 656-3790	Same
HAWAII	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2744	Commissioner of Securities Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division Room E 111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 200 West Washington Street, Room 201 Indianapolis, IN 46204
IOWA	Iowa Securities Bureau Second Floor Lucas State Office Building Des Moines, IA 50319 (515) 281-4441	Same
KENTUCKY	Kentucky Attorney General's Office Consumer Protection Division 1024 Capitol Outlet Drive Frankfort, KY 40602 (502) 573-2200	Same
LOUISIANA	Department of Urban & Community Affairs Consumer Protection Office 301 Main Street, 6th Floor One America Place Baton Rouge, LA 70801 (504) 342-7013 (gen. info.) (504) 342-7900	Same
MAINE	Department of Business Regulations State House - Station 35 Augusta, ME 04333 (207) 298-3671	Same

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place, 20th Floor Baltimore, MD 21202 (410) 576-6360	Maryland Securities Commissioner at the Officer of the Attorney General 200 St. Paul Place Baltimore, Maryland 21202-2020
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 W. Ottawa Street G. Mennen Williams Bldg. 1st Floor Lansing, MI 48933 (517) 373-7117	Michigan Department of Attorney General Consumer Protection Division
MINNESOTA	Minnesota Department of Commerce Franchise Division 85 7th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1638	Minnesota Commissioner of Commerce Same Address
NEBRASKA	Department of Banking and Finance 1200 N Street, Suite 311 (P.O. Box 95006) Lincoln, NE 68509-5006 (402) 471-3445	Same
NEW HAMPSHIRE	Attorney General Consumer Protection and Antitrust Bureau State House Annex Concord, NH 03301 (603) 271-3641	Same
NEW YORK	New York State Department of Law Investor Protection Bureau 28 Liberty Street, 21st Floor New York, NY 10005 (212) 416-8222	Secretary of State 99 Washington Avenue Albany, NY 12231 (518) 473-2492

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NORTH CAROLINA	Secretary of State's Office Securities Division Legislative Annex Building 300 Salisbury Street Raleigh, NC 27602 (919) 733-3924	Secretary of State Secretary of State's Office 300 Salisbury Street Raleigh, NC 27602
NORTH DAKOTA	North Dakota Insurance & Securities Department 600 East Boulevard Avenue, Dept. 401 Bismarck, ND 58505-0510 (701) 328-2910	Insurance Commissioner North Dakota Insurance & Securities Department Same Address
OHIO	Attorney General Consumer Fraud & Crime Section State Office Tower 15th Floor 30 East Broad Street Columbus, OH 43215 (614) 466-8831 or (800) 282-0515	Cynthia Schumaker 129 E. Main St. Suite 2, P.O. Box 6353, Chillicothe, OH 45601
OKLAHOMA	Oklahoma Securities Commission 2915 Lincoln Blvd. Oklahoma City, OK 73105 (405) 521-2451	Same
OREGON	Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, OR 96310 (503) 378-4387	Director Department of Insurance and Finance Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Division of Securities 1511 Pontiac Avenue John O. Pastore Complex – Bldg. 69-1 Cranston, RI 02920 (401) 462-9500 x5	Director of Rhode Island Department of Business Regulation

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
SOUTH CAROLINA	Secretary of State P.O. Box 11350 Columbia, SC 29211 (803) 734-2166	Same
SOUTH DAKOTA	South Dakota Division of Insurance Securities Regulation 124 S Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Director of the South Dakota Division of Securities Same
TEXAS	Attorney General's Office Consumer Protection Division P.O. Box 12548 Austin, TX 78711 (512) 463-2070	Same
UTAH	Utah Department of Commerce Consumer Protection Division 160 East 300 South P.O. Box 45804 Salt Lake City, UT 84145-0804 (801) 530-6001	Same
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 E. Main Street, 9th Floor Richmond, VA 23219 (804) 786-7751	Clerk of the State Corporation Commission State Corporation Commission 1300 E. Main Street Richmond, VA 23219
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, WA 98507-9033 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501
WISCONSIN	Department of Financial Institutions 4822 Madison Yards Way, North Tower Madison, WI 53705 (608) 266-3364	Wisconsin Commissioner of Securities Same Address

Our General Agent for Service of Process is:
Cynthia Schumaker
129 E. Main St.
Suite 2,
P.O. Box 6353,
Chillicothe, OH 45601

Exhibit H

State Law Addendum

PETLAND, INC.

STATE LAW ADDENDA TO FRANCHISE DISCLOSURE DOCUMENT, AREA DEVELOPMENT AGREEMENT AND FRANCHISE AGREEMENT

The following modifications are to the PETLAND, INC. Franchise Disclosure Document and may supersede, to the extent then required by valid applicable state law, certain portions of the Area Development Agreement dated _____, 20___ (if applicable) and the Franchise Agreement dated _____, 20___.

The following states have statutes that may supersede the Franchise Agreement in your relationship with us, including the areas of termination and renewal of your franchise, venues for disputes and governing law: ARKANSAS [Stat. Section 70-807], CALIFORNIA [Bus. & Prof. Code Sections 20000-20043], CONNECTICUT [Gen. Stat. Section 42-133e et seq.], DELAWARE [Code, Tit. 6, Ch. 25, Sections 2551-2556], HAWAII [Rev. Stat. Section 482E-1], ILLINOIS [Rev. Stat. 815 ILCS 705/1-44, INDIANA [Stat. Sections 23-2-2.7 and 23-2-2.5], IOWA [Code Sections 523H.1-523H.17], MICHIGAN [Stat. Section 19.854(27)], MINNESOTA [Stat. Section 80C.14], MISSISSIPPI [Code Section 75-24-51], MISSOURI [Stat. Section 407.400], NEBRASKA [Rev. Stat. Section 87-401], NEW JERSEY [Stat. Section 56:10-1], SOUTH DAKOTA [SDCL 37-5B], VIRGINIA [Code 13.1-557-574], WASHINGTON [Code Section 19.100.180], WISCONSIN [Stat. Section 135.03]. These and other states may have court decisions that may supersede the Franchise Agreement in your relationship with us including the areas of termination and renewal of your franchise, venues for disputes and governing law.

CALIFORNIA

Neither the franchisor, nor any person or franchise broker identified in Item 2 of this Disclosure Document 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 the person from membership in the association or exchange. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. A provision in a franchise agreement that Terminates the franchise upon bankruptcy of the franchisee may not be enforceable under Title 11, U.S. Code § 101.

The franchise agreement requires binding arbitration. The arbitration will occur at Columbus, Ohio OR Chillicothe, Ohio with each party paying their own costs, plus one-half the arbitrator’s fees. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professional Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the state of California.

The franchise agreement requires application of the laws of Ohio. This provision may not be

enforceable under California Law.

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

You must sign a general release of claims if you renew or transfer your franchise. California Corporations Code §31512 voids a waiver of your rights under the franchise investment law (California Corporations Code §§31000 through 31516). Business and professions code §20010 voids a waiver of your rights under the franchise relations act (business and professions code §§20000 through 20043).

In accordance with CAL. CONST., art. 15, § 1, Item 6 of the Franchise Disclosure Document and the franchise agreement are amended to indicate that any interest rate charged on past due amounts will be the highest contract rate of interest allowed by California law or the rate specified in the franchise agreement, whichever is less. The highest maximum interest rate in California is 10%.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

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

Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

The franchise agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

Section 31114 of the California Corporation Code states that registration does not constitute approval, recommendation, or endorsement by the Commissioner.

OUR WEBSITE, www.petland.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT www.dfpi.ca.gov**.**

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

The financial performance representation does 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 franchised business. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

ILLINOIS

See Separate Illinois Amendment Form that appears at the end of this Exhibit.

INDIANA

It is unlawful for any franchise agreement between any franchisor and a franchisee who is a resident of Indiana or a non-resident who is to operate the franchise in Indiana to contain a provision that requires a franchisee not to compete with the franchisor in an area greater than the exclusive territory granted in the franchise agreement or, if no exclusive territory is granted, in an area of more than reasonable size, upon Termination of a franchise agreement. (Ind. Code § 23-2-2.7-1(9)). Accordingly, the Area Development Agreement, the Franchise Agreement and Item 17 of the Disclosure Document are amended to comply with Ind. Code § 23-2-2.7-1(9).

The Area Development Agreement and the Franchise Agreement require binding arbitration. The arbitration will occur in a state other than Indiana, with costs possibly being borne by the non-prevailing party. The provision concerning the place where arbitration will occur is deleted from the Franchise Agreement.

The Area Development Agreement and the Franchise Agreement require application of the laws of another state. This provision is deleted from the Indiana Area Development Agreement and Franchise Agreement.

Item 17 of the Disclosure Document, Sections (u), (v), and (w), is amended to omit any reference to selection of an out-of-Indiana forum or choice of law.

The franchise agreement requires you to sign a general release of claims as a condition of renewing or reselling the franchise. Under the law of Indiana any provision that purports to bind a person acquiring a franchise to waive compliance with the franchise laws of Indiana is void. The Franchise Agreement and Item 17 of the Disclosure Document, Sections (b) (renewal) and (k) (transfer) are amended to omit the requirement that an Indiana Franchisee sign a general release of claims as a condition of renewal or resale. This will not prevent Franchisor from requiring you to sign a general release of claims as part of a settlement of a dispute.

MARYLAND

The following amends Item 17 of the FDD and Franchise Agreement:

The area development agreement and franchise agreement provide for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.). Item 17 of the Franchise Disclosure Document, the Area Development Agreement and the Franchise Agreement are amended to add this provision.

The Franchise Agreement says that Petland, Inc. may require you to sign a general release of claims

as a condition of renewal or resale of your franchise. Under Maryland law, COMAR 02.02.08.16L(1), this condition will not apply to any liability under the Maryland Franchise Registration and Disclosure Law, therefore Item 17 of the FDD and the Franchise Agreement is amended accordingly.

The Maryland Franchise Registration and Disclosure Law requires the franchisor to sign an irrevocable consent to be sued in Maryland, therefore, pertinent sections of the Area Development Agreement and Franchise Agreement are amended to permit a franchisee to bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Any claims arising under the Maryland Franchise Registration and Disclosure law must be brought within three years after the franchise is granted.

MINNESOTA

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

We will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Area Development Agreement and the Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Franchise Disclosure Document, Area Development Agreement or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

In accordance with Minnesota Rule 2860.4400J, to the extent required by law, the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement are modified so that we cannot require you to waive your rights to a jury trial or to waive rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or to consent to liquidated damages, termination penalties, or judgment notes; provided that this part shall not bar an exclusive arbitration clause.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure Document, Area Development Agreement and Franchise Agreement are modified accordingly, to the extent required by Minnesota law.

You (the franchisee) cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J.

Also, a court will determine if a bond is required.

Pursuant to Minn. Stat. Sec. 80C.12, Subd. 1(g), to the extent required by law, the Area Development Agreement, Franchise Agreement and Item 13 of the Franchise Disclosure Document are amended to state that we will protect your right to use the primary trademark, service mark, trade name, logotype or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our primary trade name.

NEW YORK

In the State of New York, this Disclosure Document is amended as follows:

1. The following information is added to the cover page of the Franchise Disclosure Document:

   INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SERVICES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

   With the exception of what is stated 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, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

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

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

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

4. The following language replaces the "Summary" section of Item 17(d), titled "**Termination by franchisee**":

   You may terminate the agreement on any grounds available by law.

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

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

6. 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 earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

Sections of the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement requiring you to sign a general release upon renewal of the franchise may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any provisions contained in this Agreement consenting to liquidated damages and/or termination penalties is not enforceable under North Dakota Franchise Investment Law § 51-19-09.

Any provisions contained in the Agreements requiring the Franchisee to consent to a waiver of trial by jury is not enforceable under North Dakota Franchise Investment Law § 51-19-09.

RHODE ISLAND

The Director of the Rhode Island Department of Business Regulation and the Rhode Island Securities Division require that certain provisions contained in franchise documents be amended to be consistent with the Rhode Island Franchise Investment Act (the "Act"). To the extent that the Franchise Disclosure Document, Area Development Agreement and/or Franchise Agreement contain provisions that are inconsistent with the following, such provisions are hereby amended:

> The Rhode Island Securities Division requires the following specific disclosures to be made to prospective Rhode Island franchisees:
>
> §19-28.1-14 of the Rhode Island Franchise Investment Act provides that “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Act.”

SOUTH DAKOTA

The Area Development Agreement and Franchise Agreement include a covenant not to compete after termination of the franchise. Covenants not to compete upon termination or expiration of the franchise agreement are generally unenforceable in the State of South Dakota, except in certain instances provided by law.

The Area Development Agreement and Franchise Agreement provide for arbitration in Ohio. Under South Dakota law, arbitration must be conducted in a mutually agreed upon site in accordance with Section 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The Area Development Agreement and Franchise Agreement designate Ohio law as the governing law, except that the arbitration clause is to be construed under the Federal Arbitration Act. Franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota; but contractual and all other matters, will be subject to application, construction, enforcement, and interpretation under the governing law of Ohio.

Any provision in a franchise agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue outside South Dakota is void with respect to any cause of action which is governed by the law of South Dakota.

Under South Dakota law, termination provisions covering breach of the franchise agreement, failure to meet performance and quality standards, and failure to make royalty payments contained in the Franchise Disclosure Document, Area Development Agreement and Franchise Agreement must afford a franchisee thirty (30) days written notice with an opportunity to cure the default prior to termination.

Pursuant to SDCL 37-5B-21 any condition, stipulation or provision purporting to waive compliance with any provision of this chapter or any rule or order thereunder is void. Any acknowledgement provision, disclaimer or integration clause or a provision having a similar effect in a franchise agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate this chapter or a rule or order under this chapter.

VIRGINIA

<u>The following amends Item 17 of the FDD and Franchise Agreement:</u>

> Item 17(t)is amended to read as follows: “Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.”
>
> No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

WASHINGTON

The Washington Franchise Investment Protection Act, RCW § 19.100.180 may supersede the franchise agreement in your relationship with Franchisor including the areas of termination and renewal of your franchise. There may also be court decisions, which may supersede the Franchise Agreement in your relationship with Franchisor, including the areas of termination and renewal of your franchise.

If any of the provisions in Franchisor's Franchise Disclosure Document or the Agreements are inconsistent with the relationship provisions of RCW 1 9. 100. 180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the inconsistent provisions of the Franchise Disclosure Document or the Agreements with regard to any franchise sold in Washington.

In any arbitration involving a franchise purchased in Washington, the arbitration site shall be either in Washington, in a place as mutually agreed upon at the time of the arbitration, or as determined by the arbitrator, to the extent required by Washington law.

A release or waiver of rights executed by you shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the Franchise Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable and are amended to the extent required by law.

Notwithstanding anything to the contrary contained in the Agreements, in the event of a conflict of law, the Washington Franchise Investment Protection Act, RCW § 19. 100 shall take precedence.

Transfer fees are collectible to the extent that they reflect our reasonable estimated or actual costs in effecting a transfer, to the extent required by Washington law.

ACKNOWLEDGMENT:

It is agreed that the applicable foregoing state law addendum, if any, supersedes any inconsistent portion of the Area Development Agreement dated _____, 20__, (if applicable), the Franchise Agreement dated _____, 20__, and of the Franchise Disclosure Document, but only to the extent they are then valid requirements of an applicable and enforceable state law, and for only so long as such state law remains in effect.

DATED this _____ day of _____, 20__.

FRANCHISOR:

PETLAND, INC.

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

(MUST BE SIGNED BY ALL OWNERS AND MANAGERS OF AN ENTITY FRANCHISEE)

AMENDMENT TO
AREA DEVELOPMENT AGREEMENT, FRANCHISE AGREEMENT
AND FRANCHISE DISCLOSURE DOCUMENT
FOR PETLAND, INC.
FOR THE STATE OF ILLINOIS

The following modifications are to the PETLAND, INC. Franchise Disclosure Document, Area Development Agreement and Franchise Agreement for franchise sales concerning the State of Illinois and shall supersede those certain portions of the Franchise Disclosure Document, Franchise Agreement and Area Development Agreement provided to you.

The Area Development Agreement dated _____ and/or Franchise Agreement dated _____ between_____ ("Franchisee" or "You") and PETLAND, INC. ("Franchisor") shall be amended by the addition of the following language, which shall be considered an integral part of the Area Development Agreement and/or Franchise Agreement (the "Amendment"):

ILLINOIS LAW MODIFICATIONS

Illinois law governs the Franchise Agreement and Area Development Agreement.

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

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

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law of Illinois** is void.

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.

IN WITNESS WHEREOF, the Franchisee on behalf of itself and its Principals acknowledges that it has read and understands the contents of this Amendment, that it has had the

opportunity to obtain the advice of counsel, and that it intends to comply with this Amendment and be bound thereby.

DATED this _____day of _____, 20__.

FRANCHISOR:

PETLAND, INC.

By: _____
Name: _____
Title: _____

FRANCHISEE

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

(MUST BE SIGNED BY ALL OWNERS AND MANAGERS OF AN ENTITY FRANCHISEE)

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
Illinois	Pending
Indiana	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
Virginia	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Applicable state laws in (a) Connecticut, Michigan, Oregon and Wisconsin require us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale and (b) Iowa, Maine, New York, Oklahoma and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

If we do not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state administrator identified on Exhibit G to this Disclosure Document.

The franchisor is Petland, Inc., with its principal place of business located at 250 Riverside Street, P.O. Box 1606, Chillicothe, Ohio 45601-5606, (740) 775-2464.

The franchise seller(s) offering the franchise, with his/her business address, and telephone number is Steve Huggins at 250 Riverside Street, Chillicothe, Ohio 45601-5606, (740) 775-2464 and franchise@petlandinc.com.

The issuance date of this Disclosure Document is April 30, 2026 and the effective date for your state appears on the second page of this Receipt.

We authorize the respective state agencies identified on Exhibit G to receive service of process for us in the particular state.

I received a Disclosure Document dated April 30, 2026 that included the following Exhibits:

Exhibit A	Audited Consolidated Financial Statements
Exhibit B	Area Development Agreement (with Exhibits)
Exhibit C	Franchise Agreement (with Exhibits)
Exhibit D	List of Outlets
Exhibit E	List of Franchises who have left the Petland System
Exhibit F	Purchase Agreement
Exhibit G	List of State Administrators and Agents for Service of Process
Exhibit H	State Addendum
Exhibit I	Receipt

Dated: _____ _____

Individually and/or as an Officer or Partner of:

a_____corporation
a_____partnership
a_____ limited liability company

Give this copy to Petland, Inc.

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale. Applicable state laws in (a) Connecticut, Michigan, Oregon and Wisconsin require us to provide you the disclosure document at least 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale and (b) Iowa, Maine, New York, Oklahoma and Rhode Island require us to provide you the disclosure document at the earlier of the first personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

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Exhibit I	Receipt

Dated: _____ _____

Individually and/or as an Officer or Partner of:

a_____corporation
a_____partnership
a_____ limited liability company