# FRANCHISE DISCLOSURE DOCUMENT



#### POTTY PRO LLC

12101 7TH AVE.

**MILLERSPORT, OHIO 43046** 

**PH:** (800)-DOG POOP

PH: (800)-364-7667

**EMAIL: CORP@POTTYPRO.COM** 

www.PottyPro.com

We offer PottyPro® franchises which will operate to provide pet waste related services and products to residential and commercial consumers. The total initial investment necessary to start a PottyPro® Franchise ranges from \$8,250-\$81,450. This includes an initial franchise fee paid to us of \$5,000-\$47,000.

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 days before you can sign a binding agreement with, or make any payment to, the franchisor, its parent or an affiliate in

connection with the proposed franchise sale. **Note, however, no governmental agency has verified the information contained in this document.** 

You may wish to receive this document in another format that is more accessible or convenient for you. To discuss the availability of this disclosure document in another format, please contact the PottyPro® Home Office at: 1-(800)-DOG POOP EXT 4

The terms of your contract will govern your franchise relationship. Don't rely on the Disclosure Document alone to understand your contract. Read all of your contract carefully. Show your contract and this Disclosure Document to an adviser, such as 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 Consumers Guide to Buying a Franchise", which can help you understand how to use this Disclosure Document, is available from the Federal Trade Commission (FTC). You can contact the FTC at 1-877-FTC HELP or by writing the the FTC at 600 Pennsylvania Ave, NW, Washington, D.C. 20580. You can also visit the FTC's homepage at <a href="www.ftc.gov">www.ftc.gov</a> 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: 8/1/2024

#### STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state.

REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about the franchisor, or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise.

- 1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY LITIGATION / MEDIATION ONLY IN OHIO. OUT-OF-STATE LITIGATION / MEDIATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. OR MAY ALSO COST YOU MORE TO LITIGATE /MEDIATE WITH US IN OHIO THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT OHIO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. IF YOU DO NOT ACHIEVE THE PRESCRIBED PERFORMANCE STANDARDS, WE MAY EITHER: TERMINATE YOUR RIGHTS TO THE FRANCHISE TERRITORY, REDUCE THE THE SCOPE OF THE GEOGRAPHIC AREA COMPRISING YOUR TERRITORY, OR TERMINATE THE FRANCHISE AGREEMENT.
- 4. THE FRANCHISOR IS AT AN EARLY STAGE OF DEVELOPMENT AND

  HAS A LIMITED OPERATING HISTORY. THIS FRANCHISE IS LIKELY TO BE A

  RISKIER INVESTMENT THAN A FRANCHISE IN A SYSTEM WITH A LONGER

  OPERATING HISTORY.
- 5. THERE MAY BE OTHER RISKS TO THIS FRANCHISE.

We may use the services of one or more franchise brokers or referral sources to assist
us in selling our franchise. A franchise broker or referral source represents us, not you.
We pay this person a fee for selling our franchise or referring you to us. You should be
sure to do your own investigation and research into the franchise.

#### STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Connecticut, Florida, Hawaii, Illinois, Indiana, Kentucky, Maine, Maryland, Michigan, Minnesota, Nebraska, New York, North Carolina, North Dakota, Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, Washington, And Wisconsin.

# **STATE EFFECTIVE DATE**

California
Connecticut
Florida
Hawaii
Illinois
Indiana

Kentucky	11/17/2023
Maine	
Maryland	
Michigan	
Minnesota	
Nebraska	
New York	
North Carolina	
North Dakota	
Rhode Island	
South Carolina	
South Dakota	
Texas	11/07/2023
Utah	
Virginia	
Washington	
Wisconsin	

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# NOTICE REQUIRED

#### **BY THE**

# STATE OF MICHIGAN

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

- (a) A prohibition on the right of a franchisee to join an association of franchises.
- (b) A requirement that a franchisee assent to a release, assignment, notation, waiver or estoppel which deprives a franchisee of rights and protections provided in this

act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

- c. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the Franchise Agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than thirty (30) days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five (5) years, and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six (6) months' advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to: (i) Failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards. (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor. (iii) The unwillingness of the proposed transferee to agree in writing to comply with all

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

- (h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the Franchise Agreement and has failed to cure the breach in the manner provided in subdivision (c).
- (i) A provision which permits the franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913.

Telephone: (517)-373-7117

or

Michigan Attorney General's Office

Consumer Protection Division

Attn: Franchise Section

G Mennen Williams Building, 1st Floor

525 West Ottawa Street

Lansing, Michigan 48933

Telephone Number: (517) 373-7117

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

#### <u>ITEM 1</u>

#### THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES

#### The Franchisor

Potty Pro LLC ("We" or "Us"), The Franchisor, is an Ohio Limited Liability Company. Since our founding, our principal place of business has been 12101 7<sup>th</sup> Ave. Millersport, Ohio 43046.

June 1<sup>st</sup> 2023, We began awarding qualified individuals and entities PottyPro® franchises ("The Franchised Business") that provide pet waste related services (the "Services) and products (the "Products") to residential and commercial consumers in the U.S.A.

Franchises operate their PottyPro® business within a defined geographic market region (the "Service Territory") using our proprietary methods, standards, regulations, and techniques (the "System") disclosed in training and/or the Manuals, Handbooks, Training Videos, Electronic Materials, and other written communications (the "Operating Manual"), under

the trademark(s) and/or service mark(s) that we license, including the U.S. Trademark 1-800-DOG POOP® and PottyPro® the "Marks").

In the future we may require of franchises the use of additional service marks besides the PottyPro® and 1-800-DOG POOP® trademarks. We may periodically require operators conducting business as a PottyPro® Franchise to utilize new slogans or service marks that we approve to be beneficial to the PottyPro® System.

We have no affiliates that we engage or partner with to conduct any portion of our franchisee's supply of related products or services.

#### **Our History**

Founder, Patrick Kelly, has operated the nation's original and first 1-800-DOG POOP® business outlet, providing pet waste removal related services and products in the State of Ohio from May 2008 to the present.

Patrick Kelly also operated as sole proprietor of POOPER TROOPERS DBA in the State of Ohio, providing pet waste removal services from March 2005 until May of 2008.

#### **The Franchise Business**

We offer to qualified persons or entities a franchise opportunity providing pet waste related service and products to consumers of the general public. The franchise model is based on the proprietary methods, experiences, and techniques developed for the PottyPro® system. Our pet waste related services are rendered to residential homes, apartment and condos, HOA, parks, and facilities. The franchise business operators will also provide pet waste products such as dog waste litter bags and pet waste stations to consumers. All PottyPro® franchisee's will only offer services and products within their designated assigned territory.

The primary service offering of the Franchise Business is pooper scooper service for residential homes. 'Pooper Scooper Service' is the cleanup of dog waste or canine feces from a particular surface including but not limited to grass, cement, dirt and soil. Franchises

may also provide services to commercial properties including waste station service and grounds maintenance. Franchise owners may also sell products to commercial entities including dog waste baggies and dog waste stations.

We provide the Franchisee with support and proprietary methods to help aid in their pursuit of operating a successful and profitable PottyPro® business. However, results and rates of success will vary based on certain factors within a particular service market or the abilities and efforts of the Franchisee.

As this industry and this franchise offering are relatively new, we anticipate the landscape of the pet waste industry to change and evolve over time. We may from time to time need to alter or modify our System of operations to: adhere to new regulation, adjust to market forces, maximize profits, and/or to meet the needs of the general public.

We offer franchises based solely on the terms and conditions outlined in this Disclosure Document and the Franchise Agreement. To qualify for an awarded PottyPro® Franchise territory, an individual or entity must display and prove to have competent business abilities, adequate funding, a love for dogs, and a strong desire to succeed. Franchise candidates must also meet eligibility requirements regarding bankruptcy and criminal background.

When considering a candidate as a potential Franchisee, Potty Pro LLC does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and the awarding of Franchise territories. We are committed to providing an inclusive and welcoming environment for all members of our staff, clients, volunteers, subcontractors, vendors, Franchisee's, and our customers.

Business and waste collection/disposal laws vary by city, county, and state. It is the sole responsibility of the Franchisee to stay informed and to act in accordance with the current laws and regulations pertaining to pet waste in their service territory's jurisdiction. As the pet waste industry progresses and evolves over time, these laws and regulations may change in the future. The Franchisee may be required to adjust their business practices according to these law changes.

# Item 2

#### **BUSINESS EXPERIENCE**

Founder, Patrick Kelly, has provided pet waste removal services and products in the State of Ohio since March 2005. Mr. Kelly created and developed the 1-800-DOG POOP® trademark and operations model in May 2008. In 2023, Mr. Kelly launched the PottyPro® Franchise system.

#### Item 3

#### LITIGATION

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

#### Item 4

#### **BANKRUPTCY**

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

#### Item 5

#### FRANCHISE FEES

# **Initial Franchise Fees**

The initial Franchise fee to own and operate a PottyPro®Franchise within a defined geographic territory region is \$5,000.

We do require the Franchisee to sign and agree to the Franchise Disclosure Document and the Franchise Agreement before commencing with the required Franchise training or before use of the PottyPro® trademark is authorized. Franchise candidates may require the services of a lawyer or CPA to review these documents. The fee for these services varies by region and depends on the fee scale of the professional the Franchise candidate has chosen. For these reasons we can only provide an estimate between \$500-\$1500 the Franchise candidate should expect to pay for these services. These fees may cost the Franchise candidate more or less depending on market factors that are outside of the Franchisor's control.

Franchisee's will also be required to fund the required \$1,000 initial marketing investment before opening, before commencing with Franchisee training or before use of the PottyPro® trademark is authorized. This initial marketing fund will be used within the candidates territory to advertise the new Franchise Business offerings to the general public. This advertising and marketing includes but is not limited to, door hangers, online ads, social media campaigns, clothing, SEO, and direct mailings.

Franchisee's will also be required to have their service vehicle "wrapped" with the approved design designated by Us, the Franchisor. The cost to wrap your service vehicle will vary based on region and the make and model of your service vehicle. Franchise candidates should expect to spend between \$2,000-\$4,000 for the service vehicle wrap.

#### ITEM 6

**OTHER FEES** 

Type of Fee	Amount	Due Date	Remarks
Royalty Fee	11% of Gross Sales or the minimum monthly royalty, whichever is the greater amount (see note 2 below)	Monthly	"Gross Sales" includes total sales volume for services/products minus applicable sales tax
Technology Fee	Currently \$0/mo	Monthly	May vary and increase over time
Local Advertising and Marketing Campaigns	Franchisee's are required		Administered directly by the Franchisee at their discretion. Receipts forwarded to Franchisor (see note 3 below)
National Advertising and Marketing Fund  Contribution	1% of Gross Sales	Monthly	Administered directly by the Franchisor, at the Franchisor's discretion
Interest on Overdue Payments	2.0% per month but not to exceed any maximums set forth by law	Due at balance settlement	Interest is charged to overdue royalties or other amounts due
Training Expenses	\$0	Due as Needed, paid directly to 3 <sup>rd</sup> party vendors chosen at the Franchisee's discretion	These expenses include travel, food, and lodging incurred during Franchisee Training
Call Center Fee	Currently \$0	Monthly	We do not currently collect a Call Center Fee. This may change in the future with 30 day notice

Charge backs and Bank Fees	Varies	As incurred	Bank fees will be reimbursed to Us, (see note 4 below)
Indemnification	Varies	As incurred	Franchisee will reimburse Us if we are held liable for claims arising from the Franchisee's Unit
Attorney and Professional Service Fees	Varies	As incurred	Only Applicable if in default of your Franchise Agreement.  (see note 5 below)

#### **ITEM 6 NOTES**

- 1. **Refundability-** All fees imposed by Us are non-refundable and are uniformly imposed unless otherwise noted in this document.
- **2. Royalty Fee-** Franchisees pay a 12% (11%+1% nat'l marketing) royalty every month or the minimum monthly royalty payment, whichever is the greater of the two amounts. The minimum monthly royalty payment is \$395.
  - 3. **Local Advertising** All Franchisees are required to spend at least \$1,000 upon opening on marketing and advertising in their service territory. If a Franchisee fails to meet this requirement, We, the Franchisor reserve the right to collect this fee from the Franchisee in order to fulfill the required quarterly advertising on their behalf. Waivers for this requirement administered by Us at Our discretion.

- 4. **Bank Fees-** If a customer of a Franchisee reverses or disputes a charge, the Franchisee must reimburse Us for any applicable bank fees and charges related to the matter. Franchisee are solely responsible for contesting a disputed chargeback with the customers banking institution.
- **5. Attorney Fees-** Only applicable should the Franchisee default on the Franchise Agreement. In which case the Franchisee would be responsible to reimburse Us for any Attorney, CPA, or other necessary professional services related to the matter.

## <u>**ITEM 7**</u>

#### ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	When Due	To Whom Payment is to be Made	Total Amount (Low)	Total Amount
					(High)

Initial Franchise Fee	\$5,000	Upon Franchise Agreement	Us, The Franchisor	\$5,000	\$47,000
Initial Advertising	\$1,000	Before Franchise Open	Us, or our Affiliate	\$1,000	\$1,000
Franchise Training Course Fees (see note 3)	\$0	As Incurred	Us, The Franchisor	\$0	\$0
Business Licenses and Permits	Varies \$0-\$500+	As Needed	State, Local, or other Agencies	\$0	\$500+ (varies by location)
Computer Equipment	Varies \$0-\$1,500+	Before Franchise Open	3 <sup>rd</sup> Party Vendor	\$0	\$1,500+
Call Center Fee (see note 2)	\$0+ see note 2	As Incurred	Us, The Franchisor	\$0	\$0+
Insurance	\$150-\$500+/year	Before Franchise Open	3 <sup>rd</sup> Party Vendor	\$150	\$500+
Service Equipment	\$0	Before Franchise Open, First Set of Tools Provided by Us	Us, The Franchisor and/or 3 <sup>rd</sup> Party Vendor	\$0	\$300
Service Supplies	\$150	Before Franchise Open	Us, The Franchisor and/or	\$150	\$500

			3 <sup>rd</sup> Party Vendor		
Service Vehicle	\$0-\$25,500	Before Franchise Open	3 <sup>rd</sup> Party Vendor	\$0	\$25,500
Service Vehicle Wrap	\$1,000-\$3,500	Before Franchise Open	Us, The Franchisor and/or 3 <sup>rd</sup> Party Vendor	\$0	\$4,500
Software Training Expenses (see note 1)	\$150	Before Franchise  As Incurred  Recurring Monthly  Fee	3 <sup>rd</sup> Party  3 <sup>rd</sup> Party of  Franchisee's  Choice	\$150	\$150

#### **ITEM 7 NOTES:**

- **1. Training Expenses-**These training expenses include travel, food, lodging and other fees incurred when completing the Franchisee Training. These expenses are paid directly to the 3<sup>rd</sup> party vendor chosen at the discretion of the Franchisee. The initial Franchise training will take 3 days to complete. This training is conducted in the Columbus, Ohio Region. Franchise candidates should consider the training location and required time frame to complete when calculating their training travel expenses.
  - 2. **Call Center Fees-**The current call center fee is currently \$0. Generally we impose this fee uniformly, but may vary due to call volume or market needs. This fee will change and may increase due to business and corporate needs, demand, and other market forces.

3. **Franchise Training Fees-**The initial Franchise Training is provided by the Franchisor free of charge. This initial Franchise Training is for one (1) individual whom will be the primary service provider of the Franchise outlet.

**Refundability-** All payments of royalties, fees, and amounts to Us are non-refundable.

#### ITEM 8

#### RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

1. Purchase From Franchisor, Affiliates And/Or A Designated Source.

Integrated Business Management System. To maintain the integrity of

the System, and provide our Franchised Businesses with an integrated business

management solution, we have contracted with certain 3<sup>rd</sup> party vendors. The vendors PottyPro® has contracted with are the only approved vendors Franchisee's may utilize during the operation of a PottyPro® franchise. The use of a 3<sup>rd</sup> party vendor that is not contracted and approved by the corporate franchise office, is prohibited. The use of a 3<sup>rd</sup> party vendor may be authorized for franchise use only with written permission from the corporate franchise office.

**Products.** To insure consistency in the services we provide our

customers, we must approve all products utilized in the Franchised Business.

Certain products must also be obtained through the national franchise corporate office. These requirements may change or alter from time to time.

#### 2. Franchisor Approval Required

**Advertising and Marketing.** You must use our Marks as we develop

them. At this time, our Marks are PottyPro® and 1-800-DOG POOP®. You must obtain our written

consent before using our Marks in any way except in materials we provide to you or previously approved in writing. For example, you must obtain our approval prior to using our Marks in advertising and marketing You cannot use any mark which could be confused with our Marks. In the event that we replace, add to or modify our Marks, you agree to update or replace your signs, supplies, etc., to reflect the new Marks, at your expense, in the time frame we provide at the time of such change. We must approve all advertising and marketing materials before you use such materials.

**Products and Services Offered.** For the duration of your franchise, you are restricted from offering products and services in the Franchised Business other than the products and services approved by Us, unless you receive our prior written consent.

Equipment, Supplies, Tools and Uniforms. We must approve all equipment, supplies, tools, and uniforms utilized in the Franchised Business, and you must receive our prior written consent before you use such equipment, supplies, tools and uniforms. You can purchase equipment, supplies, tools and uniforms from any of our pre-approved suppliers, keeping in mind these pre-approved suppliers may change from time to time.

If you create or design any equipment, supplies, tools and uniforms with the of use any of the PottyPro® Marks, you must send us a picture or other suitable illustration and we will telephone or send you written approval, needed changes or disapproval within 5 business days. Any newly created or designed equipment, supplies, tools and uniforms must be supplied by 3<sup>rd</sup> party suppliers approved by Us.

<u>Site.</u> You are not required by us to lease or use retail office space to operate the Franchised Business. If you plan to lease or use a commercial and/or office/warehouse space to operate the Franchised Business, you must receive adhere to local and state

laws pertaining to the operation of the Franchised Business.

# **Service Agreements and Forms.** We must approve all printed materials

and forms utilized in the Franchised Business. We must pre-approve all customer documents, service agreements, forms, and the supplier of such documents. If any agreements or forms use any of the Marks, you must send us a picture or other suitable illustration, and we will telephone or send you

written approval, needed changes or disapproval within 5 business days.

#### **Decals & Signs.** You are required to have our approved decal wrap

installed on your service vehicles and on vehicles used in sales and marketing for the Franchised Business. You must purchase the approved decal wrap from our approved vendor. If you operate the

Franchised Business from a commercial location, we may require you to purchase a sign for your commercial location that we approve. Currently, you can purchase signs and magnetic decals from any vendor, but we must pre-approve the signs, decals and supplier.

<u>Salesperson/Technician.</u> If you desire to hire any salesperson and/or technician to interact with customers, they must receive and successfully complete any Operations Training program that we may require and be approved by us, and not subsequently disapproved by us. Currently, this Operations Training will be administered by you, the Franchise Business owner.

**Service Vehicle.** The Franchised Business must own or lease a vehicle(s)

sufficient to operate the franchise. Currently we require a Franchise Business owner to obtain

a pickup truck for service operations that is year 2015 in production or newer. This requirement may be waived in special circumstances with written permission from Us, the national Franchise corporate office. No vehicle may be used in the Franchised Business without our approval, including vehicles only used for sales and marketing purposes. We must approve the vehicle of your choice before you sign any leases or other agreements. Provided that we approve the vehicle of your choice, you may lease or purchase from any lessor or dealer which you determine to be appropriate. Some acceptable vehicle models examples include but not limited to: Toyota Tacoma 2015 or newer, Toyota Tundra 2015 or newer, Ford Ranger 2015 or newer, Ford Transit Connect 2015 or newer. Nissan NV 200 2015 or newer. Ford f-150 2015 or newer. Chevrolet Colorado 2015 or newer.

#### 3. Franchisor Specifications.

**Equipment.** You must purchase and maintain a computer system compatible with Windows OS or Mac OS X, Quickbooks Online accounting software, multi-purpose printer, internet modem/router, telephone and all the field service equipment necessary to provide the customer with service, which meet our then current specifications. Specifications may include a particular brand or source and we issue specifications to you and maintain them in the Operations Manual.

Insurance. In addition to purchasing such insurance as is required by your state laws, you must obtain comprehensive general liability in the amount of at least \$1,000,000. Additional insurances may also be specified in the Operations Manual. You may purchase insurance from any vendor. You must

name us as an additional insured on such policies. If you do not purchase and maintain in force the required insurance, we may purchase it on your behalf, and charge you for it, you will be required to pay us any amount so charged within thirty (30) days.

#### 4. Franchisor and Affiliate Provided Products and Services

**Products.** We negotiate terms and maintain relationships with suppliers for the benefit of the franchise system and the customers it serves and we do require you to purchase such items only from us and/or an affiliate.

<u>Mailer / Door Hanger Program.</u> To ensure consistency in marketing to the Targeted Households

located within the Territories of our Franchised Businesses, we may require you to purchase all Mailer Products from us or our pre-approved suppliers.

We also require a minimum mailing / door hanging count per number of households per territory at our required time intervals. This requirement may change from time to time.

Integrated Business Management System, Call Center Service. To maintain the integrity of the System and provide our Franchised Businesses with an integrated business management solution, we have contracted with a variety of suppliers for web based service management system, credit card processing service, website hosting, customer contact management and telecommunications, and we do require you to

purchase these services only through us, an affiliate or a designated third-party supplier.

<u>National Call Center.</u> To insure customer service, we require you to use the services of our National Call Center. We do require you to purchase these services only through us, an affiliate or a designated third-party supplier. Currently, there is no fee for the National Call Center services provided to your Franchised Business.

#### 5. Revenue Derived from Products, Services

We do not currently, but we may receive revenue from third party suppliers or affiliates

for the sale of equipment, signage, products, supplies, vehicles or services. To the extent that

you elect to buy supplies, or products from us, we may mark up the price of the product from a

typically discounted price we receive to cover the costs of shipping, materials, labor, overhead

and administration of the provision of supplies.

# ITEM 9

#### FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements.

It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Franchise Agreement	Disclosure Document  Item
(a) Site selection and		
acquisition/lease	5	Item 11
(b) Pre-opening purchases/leases	Section 5 & 6?	Item 5, 7, & 11
(c) Site development and other		
pre-opening requirements	Section 5	Item 5, 7, & 11
(d) Initial and ongoing training	Section 4, 5, & 6	Item 6, 7, & 11
(e) Opening	Section 6 & 8	Item 5, 7, & 11
(f) Fees	Section 4, 5, 8, 11, 13, 15,& 18	Item 5, 6, 7, & 11
(g) Compliance with standards and		
policies/Operating Manual	Section 4,5,6,8, & 10	Item 8, 11, 16, & 17
(h) Trademarks and proprietary		
information	Section 1,5, 6, & 9	Item 13, 14, & 16
(I) Restrictions on		
products/services offered	Section 5 & 6	Item 8
(j) Warranty and customer service		
requirements	Section 6	Item 8,12,16, & 17
(k) Territorial development and		
sales quotas	Section 3	Item 12
(l) On-going product/service		

purchases	Section 5 & 6	Item 8,11,12,16, & 17
(m) Maintenance, appearance and remodeling requirements	Section 6	Item 11
(n) Insurance	Section 6	Item 7 & 8
(o) Advertising	Section 5	Item 6,7,8,11,14, & 16
(p) Indemnification	Section 5 & 18	Item 6 &14
(q) Owner's participation/ management/staffing	Section 6	Item 15
(r) Records and reports	Section 7	-
(s) Inspections and audits	Section 7	Item 11
(t) Transfer	Section 12 & 13	Item 12 & 17
(u) Renewal	Section 2	Item 17
(v) Post-termination obligations	Section 9 & 10	-
(w) Non-competition covenants	Section 9 & 10	Item 17
(x) Dispute resolution	Section 10 & 15	Item 17
(y) Taxes / Permits	Section 6	6,7,11, & 15
(z) Operations Manual	Section 1, 5, & 6	Item 8,11,16, & 17

#### **FINANCING**

Currently, we do not offer financing to franchisee's in regards to the initial franchise fee cost. The franchise candidate can select financing from any 3<sup>rd</sup> party lender it sees fit.

# <u>ITEM 11</u>

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we are not required under' the Franchise Agreement to provide any assistance to you.

# **A. Pre-Opening Obligations**

Before you open the Franchised Business, we will provide the following assistance and services to you.

**Franchise Agreement** 

1. We provide a three (3)-day Operations Training program in Columbus, Ohio to, one (1) individual.

which addresses critical aspects of operating a PottyPro® Franchised Business.

Operations Training is held during select weeks throughout the year. You must attend and successfully complete this training before you open the Franchised Business. We do not charge for this Operations Training, but you are responsible for any expenses you incur as a result of attending Operations Training, such as travel, lodging and entertainment. Virus and other health conditions may effect training dates and requirements. We reserve the right to waive training to meet market or corporate needs.

- 2. If you are required by local zoning laws to lease or use a commercial and/or office/warehouse space to operate the Franchised Business, we do not provide site selection assistance, only approval.
- 3. We will loan you one copy of the Operations Manual.
- 4. We provide guidance and advice regarding the selection of your vehicle and commercial location, if any, utilized in your Franchised Business. You are responsible for choosing your vehicle and commercial location that will meet our then current specification in the Operations Manual, but if you sign a lease or purchase agreement before we have approved the vehicle or commercial location, you risk the possibility that we will disapprove it for use in carrying on the Franchised Business. You are likely to operate your Franchised Business from your home. If you desire to have a commercial location, it is likely that you will sign a Franchise Agreement before we approve a commercial location. The factors we consider in approving your vehicle and commercial location include visibility and consistency of appearance to achieve the image necessary to maintain the integrity of the System. We intend to approve or disapprove your

selections of vehicle and commercial location, if any, within 15 days of submission to us. If we do not approve your vehicle or commercial location, if any, you cannot open for business until suitable criteria have been met and approved by Us.

5. We will provide the names of suppliers, and specifications to you for decals, tools, equipment, supplies, products, uniforms, forms, marketing materials and software systems more fully described in Item 8.

#### **B.** Continuing Obligations

# **Franchise Agreement**

During your operation of the Franchised Business, we will provide the following assistance and services to you.

- 1.We will provide, from time to time as we deem appropriate, advice and written materials concerning the pet waste business and techniques of managing and operating your Franchised Business, including new developments and improvements in promotion, public relations, customer relations, services and products.
- 2. At no charge to you, we will conduct, as we deem advisable, inspections of the Franchised Business and evaluations of the services rendered therein.
- 3. As discussed in Item 8, we will provide the names of suppliers that we approve or that we designate for your purchase of equipment, signs, and/or supplies that will

include PottyPro® products and approved products to be used in the operation of the Franchised Business. We reserve the right to require you to limit or discontinue the offer of any product or service in accordance with the Franchise Agreement.

- 4. We will provide telephone and/or internet support for your questions regarding operation of the Franchised Business during normal business hours.
- 5. We may provide and require your attendance at a one to two day advanced training or national and/or regional meetings. We may hold these meetings at various sites which we select across the country. The agenda for advanced training varies but often focuses on improving business skills in order to increase profitability. We do not charge for these meetings, but you are responsible for all travel, lodging and other expenses you incur to attend.
- 6. We and/or our designee will provide a call center operation for accepting customer request for services and products for which you must pay us and/or our designee National Call Center Fees. Currently, the fees for these service is \$0 but may change in the future.
- 7. We may require you to use a specified form for customer engagements and forward copies of them to us. We own all accounts which you service. We alone have the right to set the terms and conditions for all service agreements, designate another to invoice the service agreement customers and set the rates due you for services rendered on any service agreement contract.
- 8. Our service agreement terms, billing procedures and service fees are prescribed in

the Operations Manual and may be amended, as we deem necessary.

From time to time we may provide you with the opportunity to participate in group purchasing programs which offer group discounts. The discounts and terms for any such opportunities will vary.

9. We will make available to you planning assistance for marketing your Franchised Business including formats for advertising plans and promotional materials.

10. For the benefit and integrity of the System we and/or our affiliates may, in our sole discretion, contract with designated suppliers for products and/or services, as specified in the Operations Manual (i e products, tools, merchandise, supplies, software/service providers for our Integrated Business Management System, Mailer Program services, credit card processing and other items/services)

#### C. Advertising and Promotional Materials

We raise fees related to system marketing through the Marketing Fees and ongoing Marketing Fees collected from our franchisees You will be required to pay the Marketing Fee, currently equal to 1% of Gross Revenue. We designate these fees for use in our advertising and marketing activities. We spend them as we determine is most beneficial to promoting our Marks and System, but we are not required to spend any amount on advertising in your particular Territory. We use advertising and marketing fees to develop, produce, distribute and/or conduct advertising programs, marketing programs, public relations, internet and social media, and marketing research. We may spend marketing fees on local, regional or national advertising as we deem appropriate. We produce advertising in-house and

through advertising agencies. Franchises that we (or our affiliates) own and operate will contribute Marketing Fees equal to those contributed by our franchisees.

We maintain all Marketing Fees in an account separate from our other monies. We will not use them for any of our expenses, except for reasonable costs and overhead, if any, that we incur in activities reasonably related to the direction and implementation of marketing and advertising programs for franchisees and the System. These costs may include costs of personnel for creating and implementing advertising, promotional, and marketing programs. The Marketing Fees are not our asset. Any monies remaining from Marketing Fees at the end of the taxable year in which such monies were received will be used for advertising or promotional purposes in the following taxable year before contributions from that taxable year are used. We reserve the right to terminate the Marketing Fees at any time, in which case all Marketing Fees remaining will be expended for advertising or promotional purposes or returned to the contributors on the basis of their respective contributions. The Marketing Fees and any earnings on them will not otherwise benefit us. We may offset some internal marketing costs with any payments we receive for providing advertising and marketing services. We are not a fiduciary of

yours with respect to the Marketing Fees.

You may only use advertising material we have prescribed or approved, and you may only distribute it to people or businesses located in your Territory. We may, and require you to,

disseminate advertising in print, radio, television and Internet forms, All advertising must carry

only our toll-free phone number and our headquarters address. However, we may approve the

use of a local address and/or a local phone number, which can be rolled over to the National Call Center.

We have the right, but not the obligation, to establish and maintain a website which may, without limitation, promote the Marks, the System, approved products or services. Franchised

Businesses and the franchising of the System. We have the sole right to control all aspects of the website, including, without limitation, its design, content, functionality, links to the websites of third parties, legal notices and policies and terms of usage. We also have the right to discontinue operation of the website at any time and without notice to you.

We have the right, but not the obligation, to designate one or more web page(s) to describe you and/or your Franchised Business, with such web page(s) to be located within our

website. You must comply with our policies with respect to the creation, maintenance and content of any such web page(s). We have the right to refuse to post and/or discontinue posting

any content and/or the operation of any web page(s).

You may not establish or maintain a separate website, register or use any domain name/URL address, or use any other social media outlet, such as FaceBook, Twitter or any other outlet, for or in connection with the Franchised Business without our prior written approval.

(which we shall not be obligated to provide) You may not post, respond to, or otherwise participate in any social media communications unless otherwise authorized by us.

We pay the costs of marketing activities, including a share of corporate overhead related to advertising and marketing, with marketing fees. We do not guarantee that you will benefit

directly from any advertising or marketing. The marketing

fees will be spent in a way, which in our judgment, benefits the franchise system Marketing

expenditures are not audited other than as part of the Company's annual audit of its financial

statements, and, consequently, separate financial statements for advertising and marketing are not available to you. You will not receive a periodic accounting of how we spend the marketing fees we collect.

Social Media Advertising Program is required for all franchisee's to participate in. We/Us determine the amount and timing of such marketing activities. You will be required to pay a set amount of dollars either monthly, quarterly, or yearly for this Program. At this time no set dollar amount or time interval for marketing activities is required. However, this will change from time to time.

You may choose to do additional advertising and ongoing marketing within your Territory at your own expense. You may only use advertising and marketing in such media and such type and format as we have prescribed or approved.

You may not use any advertising or promotional plans or materials until you have received our approval, according to the procedures and terms described in the Franchise Agreement. You must submit samples of all marketing and promotional plans and materials to us as described in Item 8 above. You must use Marks as we develop them. You must obtain our written consent before using our Marks in any way, except for materials we provide to you or have previously approved (and not subsequently disapproved) in writing. You cannot use any mark which could be confused with our Marks. In the event that we replace, add to or modify our Marks, you agree to update or replace your signs, supplies, etc to reflect the new Marks, at your expense, in the time frame we provide at the time of such change.

We do not have the power to require cooperatives to be formed, changed, dissolved or merged There is no franchisee advertising council.

## **D.** Computer Systems

We will require you prior to open, at your expense, to purchase or lease, and thereafter maintain, such

computer hardware and software, telephone service, wireless broadband internet service, active e-mail account, modem(s), printer(s), and other computer-related accessories or peripheral equipment as we may specify in the Operations Manual. We currently require you to obtain a Windows OS or Mac OS X compatible computer system, Quick books Online accounting system, broadband internet access, telephone, and a multi-function printer capable of scanning, faxing and printing, meeting the functionality necessary to operate the Integrated Management System for your Franchised Business. You will be responsible for maintaining your computer system hardware and software in good repair and condition, and you must promptly install such additions, changes or modifications as we may direct. There are no limitations on the frequency and cost of your obligation to

update the computer software and/or equipment at our request.

We may require you to purchase from a third party, scheduling and work order management software and/or services.

We estimate the initial cost of computer equipment and software to be \$2,000 to \$3,500.

## E. Manuals

The Operations Manual is provided to the Franchisee upon start of the Franchisee training session.

You the Franchisee will be loaned a PottyPro® Operations Manual. This Operations Manual must be returned to the national franchise corporate office upon termination of the Franchised Business. The contents and methods contained within our proprietary to our business model and are not to be shared or distributed with any other company or individual.

#### F. Site Selection

You may be required, by local zoning laws, to have a commercial location to operate the Franchised Business. If you have a commercial location it will be at your expense.

## **G.** Opening the Franchised Business

We estimate that the typical length of time between signing the Franchise Agreement and opening the Franchised Business is 30 to 60 days. Factors which may affect this time period include the ability to find a site and to negotiate a lease, financing or building permits, zoning and local ordinances, weather conditions, licensing, shortages or delayed delivery of equipment. fixtures, and vehicle decals. You must open and begin operating the Franchised Business within

30 days of the Scheduled Opening Date in the Schedule A of the Franchise Agreement, or we

may terminate the Franchise Agreement.

## H. Training

You must oversee the operation of the Franchised Business. Prior to commencement of business, you or your Designated Manager, if one has been designated, must successfully complete our required initial Franchisee training and pass a comprehensive test, upon completion of classroom

training, that covers the materials included in the Operations Manual. If you or your Designated

Manager do not successfully complete training and pass the test, training must be repeated at the next regularly scheduled training session and at your sole expense until you and your Designated Manager pass the test or your franchise agreement may be terminated. If you hire a new Designated Manager, such person must be approved by us, successfully

complete training provided by you and pass the test. Before opening the Franchised Business, you (or, if you are a corporation or partnership, one of your principals), your Designated Manager, and any such additional persons as you or we deem appropriate must attend and complete to our satisfaction the initial training program we offer. The length of our initial training

program is 3 days consisting of classroom virtual training.

The initial training program must be successfully completed before the Franchised Business opens using our Mark The instructors have experience relevant to the subjects covered in our initial training program. You and/or such personnel as we may reasonably require must attend our initial training program and must complete the program to our satisfaction.

The initial training program will take place at our principal place of business. You and/or such personnel as we may reasonably require must also attend additional

courses, seminars, and training programs that we may offer from time to time. For all required

initial and training courses, we will provide instructors and training materials There is a charge

of \$500 per day per person for any additional training courses that you request. You and your

employees will be responsible for all other expenses which they incur in connection with the

courses, including the cost of transportation, lodging, meals, and wages during any training

courses. The initial Franchise training is provided to either the Franchise owner, or an individual designated by the Franchisee. The initial training is offered at no charge to only one (1) individual. Only one individual may attend the initial training session, the Franchisee or the Designated individual, but not both.

Currently, the initial training session is conducted by the Founder Patrick Kelly and staff in Columbus, Ohio. The initial training staff and location may vary or change in the

future. At our discretion, training may be administered virtually via operations manual, web video conference, online video, etc.,.

## **ITEM 12**

#### **TERRITORY**

# **Franchise Agreement**

Our Franchised PottyPro® units operate year-round businesses managing and removing canine waste from commercial and residential properties, which may provide only authorized products and services, including selling, and installing, and servicing pet waste stations and products to customers located within a geographic area of responsibility We may, in our sole discretion, add additional lines of service that you must provide as such lines of service are added to our System in the future.

You may only solicit customers located within the Territory approved by Us, using marketing

materials we have prescribed or approved. We alone will direct marketing and advertising campaigns directed to multiple Territories.

To insure quality customer service, all customer calls must be answered by a live person.

We require you to use the services of our designated National Call Center. Customer service

requests handled by our National Call Center normally result in the customer being assigned to

franchisees in whose Territory the customer is located. However, if the customer is located

outside of your Territory, and the Territory has not been awarded to another franchise owner, we may, at our sole discretion, assign the customer service request to you. You agree that we may award a franchise to a third party for an area outside of your Territory in which you are servicing customers. In the event we do so, you will discontinue service to any customers in the area and will transfer their complete service information, without compensation, to the owner of the Territory or to us. To maintain customer service within the Metropolitan Statistical Area in which your Territory is located, you may be required to provide service to customers outside

your Territory.

You will receive an exclusive territory. The location and size of the Territory granted to

you, as defined in Schedule A of the Franchise Agreement, will be mutually agreed upon by you and us before the Franchise Agreement is signed. The size of a geographic area granted in a

Territory will typically be determined by factors such as the total population, radius from your Franchised Business office location, and our then-current target household demographics for the Franchise Agreement. Any change will require our prior written consent. We will not permit you to relocate the Franchised Business outside your Territory, except in the event you operate your Franchised Business from your home and you move to another home outside of your service Territory or desire to move your home-based business to a commercial location that we approve in or outside of your awarded the Territory. Additionally in Schedule A is the initial number of Targeted Households located within the Territory. The geographic area granted in a Territory will typically be defined by Zip Code(s) which will encompass an area of which will vary widely in population based on the demographics. No other franchisee may directly solicit customers in your Territory. We may sell franchises or locate company or affiliate owned

businesses in any Territory other than your Territory, but we will not grant any other franchises to be located within your Territory, nor will we (or our affiliates) locate any outlet within your

territory. We may sell any territory other than your Territory to other franchisees or locate company and/or affiliate owned businesses in such territories.

We use certain demographic mapping software to determine the number of Targeted

Households within your Territory and we use a separate third party provider to purchase the

names of the Targeted Households in your Territory. As a result, there may be a variance in

count between the two data sets. For purposes of your defined Territory, our calculation of

Targeted Households based on the mapping software is conclusive. However, for the Mailer

Program and other Services we require, you are only required to mail to the Targeted Households as they are defined in your Franchise Agreement.

We may sell any territory other than your Territory to other franchisees in your same line of service and/or locate company or affiliate owned businesses in such territories. Although

Potty Pro LLC and/or its affiliates have no current plans to do so, we may in the future establish another channel of distribution other than through a mobile business, which provides goods and/or services similar to those provided by PottyPro®franchisees.

We retain all rights not specifically granted to you, including, for example, the right (i) to use and license others to use the System and Marks for the operation of "PottyPro®" Franchised Businesses at any location outside your Territory, (ii) to acquire and operate businesses of any kind at any location within or outside of your Territory (excluding Franchised

Businesses in the same line of service operated under the System within the your Territory), (iii) to use and license others to use the System and/or the Marks at any location within or outside of

your Territory other than for the operation of a "PottyPro®" Franchised Business, and (iv) to

use and license others to use marks other than the Marks in connection with the operation of

Franchised Businesses at any location within or outside of your Territory, which Franchised

Businesses are the same as, similar to, or different from the Franchised Businesses, all on terms

and conditions as We deem advisable, and without granting you any rights therein.

Within your Territory, you may offer services to any individual or business based on the criteria in our Operations Manual. Continuation of your rights to be a franchisee does not depend upon your achievement of a certain sales volume, market penetration or other similar contingency. We may not alter your Territory without your consent.

We reserve all rights to the Internet, social media, and any and all online platforms/software, and applications, utilizing our Marks.

# <u>ITEM 13</u>

#### **TRADEMARKS**

The Franchise Agreement will allow you to use our Marks for your Franchised Business We own the Marks We have a federal registration on the Principal Register of the U S Patent and Trademark Office for the following marks

The Franchise Agreement will allow you to use our Marks for your Franchised Business We own the Marks:

We have a federal registration on the Principal Register of the U.S. Patent and Trademark Office for the mark "1-800-DOG POOP", "1800DOGPOOP" Registration No. 5510919 and Serial No. 87376647.

We have a federal registration on the Principal Register of the U.S. Patent and Trademark Office for the mark "POTTY PRO",

Registration No. 7,333,031 and Serial No. 97814504

We intend to file all necessary affidavits of use and renewal applications when they become due.

There are no currently effective material determinations of the Patent and Trademark

Office, the Trademark Trial and Appeal Board, the Trademark Administrator of any state or any
court. There are no other pending infringements, opposition, or cancellation proceedings or
material litigation, involving any of the above Marks.

We do not know of any infringing uses that could materially affect your use of the Marks in this state or elsewhere.

We are not a party to any agreement that significantly limits our right to use or license the Marks in any manner material to the System.

You must follow our rules and regulations with respect to the use of the Marks. You cannot use any of the Marks or any other Marks, names, or slogans of origin that are or may be confusingly similar to the Principal Marks as part of a corporate name or other legal name.

You must promptly notify us of any unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, right to use and to license others to use, or your right to use, the Marks. We have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks.

If there is any litigation relating to your use of the Marks, you must execute all documents and do all things as may be necessary to carry out a defense or prosecution, including becoming a nominal party to any legal action.

We reserve the right to substitute different Marks for use in identifying the System and the businesses operating under it if we, in our sole discretion, determine that substitution of

different Mark as Marks will be beneficial to the System. You must comply with such change,

revision, or substitution and bear all expenses associated with them.

# PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

## **Patents**

We do not own any right in or to any patents that are material to the franchise.

## **Copyrights**

We claim common law copyright protection covering various materials used

in our business and the development and operation of the Franchised Business, including the

Manual, advertising and promotional materials, and training materials. We have not registered

these materials with the United States Registrar of Copyrights, and we are not required to do so.

There are currently no effective determinations of the United States Copyright Office or any court, nor any pending litigation or other proceedings, regarding any copyrighted materials.

We do not know of any superior prior rights or infringing uses that could materially affect your

use of the copyrighted materials. No agreement requires us to protect or defend our copyrights

or to indemnify you for any expenses or damages you incur in any judicial or administrative

proceedings involving the copyrighted materials. If we require, you must immediately modify or discontinue using the copyrighted materials. Neither we nor our affiliates will have any obligation to reimburse you for any expenditures you make because of any discontinuance or modification of the confidential Operations Manual. We will provide you a copy of the Operations Manual on loan for the term of the Franchise Agreement. The Operations Manual is described more fully in Item 11. You must treat the Operations Manual, any other manuals created for or approved for use in the operation of the

Franchised Business, and the information contained in them, as confidential, and must use commercially reasonable efforts to maintain this information as secret and confidential. You must not reproduce these materials or otherwise make them available to any unauthorized person without written approval from Us. The Operations Manual will remain our sole property and you must keep it in a secure place.

We may revise the contents of the Operations Manual, and you must comply with each new or changed standard. You must ensure that the Operations Manual is kept current at all

times at your expense. If there is a dispute as to the contents of the Operations Manual, the terms and contents of the master copy Operations Manual, which we maintain at our home office, will prevail as the determining factor in such disputes.

## **Confidential Information**

You acknowledge that the Operations Manual and other

confidential information, knowledge, and know-how concerning Us and the System are and shall

remain our trade secrets. You must not, during or after the term of the Franchise Agreement,

divulge or use for the benefit of yourself or anyone else any confidential information, knowledge, or know-how concerning Us and the System and the methods of operation of the Franchised PottyPro® Business.

Any and all information, knowledge, and other data which we designate as confidential will be deemed confidential for purposes of the Franchise Agreement.

At our request, you must require your Designated Manager and any personnel having access to any confidential information to sign covenants that they will maintain the confidentiality of information they receive during their employment at the Franchised Business.

These covenants must be in a form we find satisfactory, and specifically identify Us as a third

party beneficiary of these covenants with the independent right to enforce them.

# OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must provide franchise services under your direct supervision and control or under

the direct supervision and control of a Designated Manager who we have approved, and not later

disapproved. We will not approve a Designated Manager before: the Designated Manager

successfully completes our Operations Training and becomes certified as a pet waste

technician. The Designated Manager must have a home services and marketing background, but

need not have any equity interest in the Franchised Business.

You must comply with all federal, state and local laws and regulations You must secure

all necessary permits, certificates, licenses and consents to operate your Franchised Business.

We also may require the Designated Manager, principals, and employees to enter into an

agreement not to compete with businesses under the System while you employ them and for five (5)

years after you cease to employ them, and an agreement not to reveal confidential information

obtained in the course of their employment with you.

You and anyone in your employ must use best efforts to promote the Franchised Business.

#### RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

## **Franchise Agreement**

You must use the Franchised Business vehicle solely to operate the Franchised Business.

You must keep the Franchised Business open and in normal operation for the minimum hours and days we specify in the Operations Manual. You must not use the vehicle for any other purpose or activity without first, obtaining our written consent.

## **Products and Services**

For the duration of your franchise, you are restricted' from

offering products or services other than the franchise products and services defined in the

Operations Manual, unless you receive our prior written consent. You must offer all the products and services we prescribe in the Operations Manual, and those products and services are subject to change.

You must not sell any other kind of service or product without first obtaining our written consent. You must discontinue selling or offering for sale any services or products that

we, in our sole discretion, disapprove at any time. We may at our sole discretion determine the prices of all services and products you offer and sell to your customers, and we may set maximum and minimum prices that may be charged based upon an analysis of the market and to facilitate advertising and competitive strategies.

You must comply with all requirements if we supplement, improve, or modify the

System, including offering and selling new or different services and products that we specify.

You are not to operate any business other than the Franchised Business without our prior written approval. We have the right to change the types of authorized products and

services, and there are no limits on our right to make changes. You must always operate according to the Operations Manual.

## **Customer Service**

You must honor our customer service policies, including promotions,

customer loyalty feedback programs, warranties and satisfaction guarantees, as stated in the

Franchise Agreement and the Operations Manual.

## **Competing Business**

For the duration of your franchise you may not have-any interest

in any other competing business, unless you receive our prior written consent. For five (5) years after you cease operating a Franchised Business, whether by sale, assignment, termination or expiration, you may not have any interest in any business performing services that are the same as or similar to those performed by the Franchised Business, including those businesses within your territory or outside of your territory.

## **Confidential Information and Trade Secrets**

Our Operations Manual, operating systems, methods and know-how and our customer information are confidential information and are trade secrets. You may not use or communicate, directly or indirectly, or otherwise disclose

our confidential information or trade secrets during or after the expiration, termination, transfer

or other disposition of your franchise.

For a description of your restrictions on some purchases, see Item 8 of this disclosure document.

 $\underline{\text{ITEM 17}}$  RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

Provision	Section in Franchise Agreement	Summary
a) Term of the franchise	Section 2	5 Years
b Renewal or extension of the term	Section 2	Can be renewed for successive  5 year  terms if you are not in default of any provision of  your Franchise Agreement, you pay the renewal fees and you sign
c) Requirements for you to renew or extend	Section 2	a general release.  There is a \$3,000 fee for renewal of the  Franchise Agreement, and you must give us  written notice of election to renew not more than  12 months and not less than 6 months prior to
		expiration of current term, execution of then current  Franchise Agreement (which may have  materially different terms and conditions than  your original agreement), execution of general

		release, other conditions may
d) Termination by You	None	You may terminate by not renewing
e) Termination by us without cause	None	Not Applicable
f) Termination by Us with cause	Section 8	We may terminate only if you default
g) "Cause"defined -defaults which can be cured	Section 8	Failure to permit inspection, failure to maintain the standards dictated by us, failure to comply with the material terms of any agreement, the sale of unauthorized products or services
Provision	Section in Franchise Agreement	Summary
g) "Cause"defined -defaults which can be cured Continued.	Section 8	services, failure to maintain insurance and licenses, receipt of unreported revenue, insubordination, and others
h) "Cause" defined - defaults which cannot be cured	Section 8	Bankruptcy or insolvency, conviction of certain crimes, abandonment, attempting to execute an unauthorized transfer, failure to begin

		-
		operations within 30 days of the Scheduled Opening
		Date in Schedule A of Franchise Agreement, failure to maintain required marketing, or
		add additional lines of service within 90 days of
		written notice, failure to maintain required hours
		of operation, unreported revenue, marketing outside your Territory, misuse of the Marks,
		three or more breaches within 12 months, and others as may apply
i) Your obligations on termination/non-renewal	Section 9	Cessation of operations and use of Marks and information, assignment of lease,
		modification of premises, transfer of certain Items, payment of monies due, compliance with
		post-term covenants, and others as may apply
j) Assignment of contract by us	Section 13	No restriction on our right to assign
k) "Transfer" by you - definition	Section 13	Transfer of rights or obligations under the Franchise Agreement or of the assets or
		ownership of franchisee
1) Our approval of transfer by you	Section 13	We have the right to approve transfers but will not unreasonably withhold consent if certain conditions are satisfied

Provisions	Section In Franchise Agreement	Summary
m) Conditions for our approval of transfer	Section 13	Satisfaction of financial obligations, good
		standing, execution of a general release, payment of transfer fee, written assignment of obligations, qualified new franchisee, refurbishing of the
		Franchised Business, transferee's completion of training programs, warranty reserve, execution
		of concurrent agreements, and others as may apply
n) Our right of first refusal to	Section 13	We have the right to purchase the
acquire your business		Franchised Business before transfer
o) Our option to	None	Not Applicable
purchase your business		
p) Your death or disability	Section 12	Executor or representative has 6 months to arrange for a transfer, or 6 months to dispose of
		decedent interest in Franchised Business. Upon death and until appointment of Designated
		Manager we may operate your Franchised Business or assign another franchisee to service
		your customers

	1	1
<ul><li>q) Non competition</li><li>covenants during the term</li><li>of the franchise</li></ul>	Section 10	You will not attempt to divert any business to a similar business, nor will you have any interest in any other competing business, without our prior written consent
r) Non competition covenants after the franchise is terminated or expires	Section 9 & 10	No competition for a period of 10 years following the termination or expiration of the  Franchise Agreement within 15 miles of your Territory or the territory of any other  PottyPro <sup>TM</sup> franchisees or our affiliate-owned business
s) Modification of the agreement	Section 16	No modifications to the Agreement except to the Operations
Provision	Section in Franchise Agreement	Summary
s) Modification of the agreement Continued	Section 16	Manual. Revisions to the Operations Manual will not unreasonably affect your obligations, including economic requirements, under the Franchise Agreement unless mutually agreed to and in writing
t) Integration/ merger clause	Section 20	Only the terms of the Franchise Agreement are binding (subject to state law) Any representations or promises

		disclosure document and franchise agreement may not be enforceable
u) Dispute resolution by arbitration or mediation	Section 15	Arbitration -Franchisee Agrees to No Jury Resolution
v) Choice of forum	Section 15	Court of proper jurisdiction in the State of Ohio
w) Choice of law	Section 15	Court of proper jurisdiction in the State of Ohio

## **PUBLIC FIGURES**

As of the date of this disclosure document, we do not use any public figures to promote our franchise.

## **ITEM 19**

## FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information

provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances

The Following Financial Information Is Provided Regarding The Performance of 1-800-DOG POOP LLC Located in Central Ohio.

# 1-800-DOG POOP LLC Earnings 2023

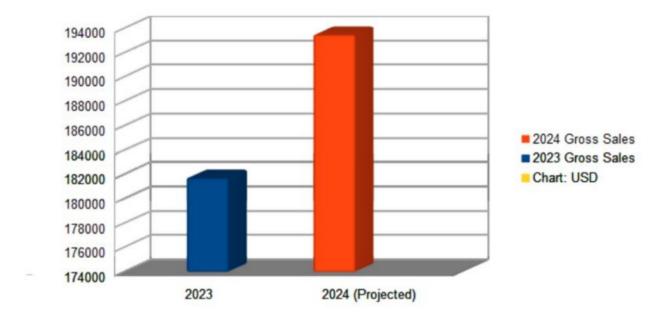
January 1, 2023 - December 31, 2023

January 1, 2023 December 31, 2023			
Gross Sales			
\$181,726.65			

1-800-DOG POOP LLC Earnings 2024 \*Projected

1000 200 1001 220 241 migs 2021 110 jectou	
Gross Sales	
\$193,500	

2023 VS 2024\* Revenue Comparison
(US Dollars)



# Item 19 Notes-

(1) The information provided in this Item 19 has not been audited. Financial performance representation will be made available to the

prospective franchisee by means of written substantiation upon reasonable request.

(2) We certify 1-800-DOG POOP LLC utilized the PottyPro® Trademarks and System during the course of the outlined performance time frame.

(3)\*1-800-DOG POOP LLC has projected increases in 2024 gross sales compared to 2023 gross sales based on historical annual growth rate and contracts currently in service.

Other than the preceding financial performance representation, Potty Pro LLC does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Patrick Kelly, 12101 7th Ave Millersport, Ohio 43046 /

PH:(800)-364-7667, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

	Year	Outlets Start of Year	Outlets End of Year	Net Change
	2021	-	-	-
Total Franchises	2022	-	-	-
	2023	0	1	+1

Table 1
Summary of Current System Franchise Locations

For Years 2021, 2022, 2023

	Year	Outlets Start of Year	Outlets End of Year	Net Change
	2021	-	-	-
Total Franchises	2022	-	-	-
	2023	0	2	+2

Table 2
Transfers of Outlets From Franchisees to New Owners

(\*other than the Franchisor)

For Years 2023, 2024, 2025

States	Year	Number of Transfers
	2021	-
All States in U.S.	2022	-
	2023	0

Table 3
Status of Franchised Business Outlets Summary For Years 2023, 2024, 2025

STATE	YEAR	Outlets at Start of Year	Outlets Opened	Terminat- ions	Non- Renewals	Reacquired by Franchisor	Ceased Operations	Outlets at End of Year
	2021	-	-	-	-	-	-	-
AL	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
AK	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
AZ	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
AR	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
CA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-

	2021							
GO.	2021	-	-	-	-	-	-	-
СО	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
CT	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
DE	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
DC	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
FL	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
GA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
ні	2022	-	-	-	-	-	-	-

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	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
ID	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
IL	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	_	_	_	_	_	_	_
IN	2022	_	_	_	_	_	_	_
	2023	_	_	_	_	_	_	_
	2023							
	2021	-	-	-	-	-	-	-
IA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
KS	2021	-	-	-	-	-	-	-
KS	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
KY	2022	-	-	-	_	-	-	-
	2023	-	-	-	-	-	-	_
	2021	-	-	-	-	-	-	-

LA	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
ME	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
MD	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
MA	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
MI	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
MN	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	
	2021	-	-	-	-	-	-	-	
MS	2022	-	-	-	-	-	-	-	
	2023	-	-	-	-	-	-	-	

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	2021	-	-	-	-	-	-	-
MO	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
MT	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NE	2022	-	-	-	-	-	-	-
NE	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NV	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NH	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NJ	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NM	2022	-	-	-	-	-	-	-

1	1	1		I		1	1	i i
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NY	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
NC	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
ND	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
ОН	2022	-	-	-	-	-	-	-
	2023	-	2	-	-	-	-	1
	2021	-	-	-	-	-	-	-
ОК	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
OR	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	_
	2021	-	-	-	-	-	-	-

PA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
RI	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
SC	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
SD	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
TN	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
TX	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
UT	2022	-	-	-	-	-	-	_
	2023	-	-	-	-	-	-	-

I	ı	I		ı	I	I	I	į i
	2021	-	-	-	-	-	-	-
VA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
VT	2024	-	-	-	-	-	-	-
	2025	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
WA	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
WV	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
	2021	-	-	-	-	-	-	-
WI	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-
WY	2021	-	-	-	-	-	-	-
	2022	-	-	-	-	-	-	-
	2023	-	-	-	-	-	-	-

# FINANCIAL STATEMENTS

Potty Pro LLC has operated for less than 3 year thus cannot provide 3 years of financial statements. Below is the Audited Year End Balance of 2023.

## **Potty Pro LLC**

Balance Sheet

As of December 31, 2023

## **Potty Pro LLC**

## TABLE OF CONTENTS

Page 1 Independent Auditors' Report. (2 pages)

Page 2 Balance Sheet as of December 31, 2023.

Page 3 Notes to Financial Statement



SEO CPA LLC

3596 Maple Avenue

Suite B

Zanesville, Ohio 43701

PH: 740-868-1100

seocpagroup.com

#### **Independent Auditors' Report**

Members Potty Pro LLC Millersport, OH 43046

#### **Opinion**

We have audited the balance sheet of Potty Pro LLC (the Company), as of December 31, 2023, and the related notes (the financial statement).

In our opinion, the accompanying financial statement presents fairly, in all material respects, the financial position of the Company as of December 31, 2023, in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinion**

We conducted our audit 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 Financial Statement 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 Financial Statement

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

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

#### Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is 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 financial statement.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Page 1-1

Client success through expertise, collaboration, and innovation.

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- 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.

SEO CPA Group, LTD

SEO CPA Group, Ltd. Zanesville, Ohio

January 29, 2024 Page 1-2 Client success through expertise, collaboration, and innovation.

**Potty Pro LLC** 

**Balance Sheet** 

As of Dec 31, 2023

2023

#### **ASSETS**

#### **CURRENT ASSETS**

Cash and cash equivalents \$ 2672.00

**TOTAL ASSETS** \$ 2267.00

LIABILITIES AND MEMBER EQUITY

## **MEMBER EQUITY**

Member equity \$ 2267.00

TOTAL LIABILITIES AND MEMBER EQUITY \$ 2267.00

See independent auditors' report and accompanying notes to the financial statements.
Page 2
POTTY PRO LLC

NOTES TO FINANCIAL STATEMENT

#### NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Operations

Potty Pro LLC (hereafter referred to as "Company") is a single-member limited liability company formed in Ohio

on January 15, 2023. The Company is a franchisor, and the franchisee companies will provide services

consisting of cleanup and removal of dog waste.

As of December 31, 2023, there was one franchisee subject to the franchise agreement held by the Company.

No royalties or franchise fees have been collected from the franchisee to date. No royalties or franchise fees are owed by the franchisee to date, per the terms of their franchise agreement.

#### **Basis of Accounting**

The financial statement of the Company has been prepared on the accrual basis of accounting in accordance

with accounting principles generally accepted in the United States of America (U.S. GAAP). Cash and Cash Equivalents

The Organization considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

#### Use of Estimates

Management uses estimates and assumptions in preparing the financial statement in accordance with U.S.

GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

#### Concentration of Credit Risk

The Company has amounts on deposit at a single financial institution that could exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation (FDIC). The Company believes there is no significant risk with respect to these deposits.

#### **Income Taxes**

The Company itself is not a taxpaying entity for purposes of federal and state income taxes. Federal and state

income taxes of the proprietor are computed on his total income from all sources; accordingly, no provision for income taxes is made in these statements. As of December 31, 2023, the proprietor has invested capital of \$4,000 for the purpose of establishing Member equity in the Company, and Member equity has been reduced by \$1,733 for expenditures incurred by the Company to the date of the financial statement.

#### NOTE B – SUBSEQUENT EVENTS

Management has evaluated subsequent events through January 29, 2024, the date that the financial statements were available to be issued.

## **ITEM 22**

#### **CONTRACTS**

The following agreements and other required exhibits are attached to this disclosure document in the pages immediately following:

1. PottyPro® Franchise Agreement

## <u>ITEM 23</u>

### **RECEIPT**

This disclosure document summarizes provisions of the franchise agreement and other information in plain language Read this franchise disclosure document and all agreements

carefully.

If PottyPro® offers you a franchise, it must provide this disclosure

document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate m connection with the proposed franchise sale.

If PottyPro® does not deliver this disclosure document on time or if it

contains a false or misleading statement, or a material omission, a violation of federal and state

law may have occurred and should be reported to the Federal Trade Commission, Washington,

D.C. 20580 and the state agencies listed in Exhibit A.

#### The sales agents representing PottyPro® for this offering are:

Patrick Kelly

PottyPro®

12101 7th Ave. Millersport, Ohio 43046

(800)-441-9683

#### **ISSUANCE DATE:**

PottyPro® has authorized the agents listed in Exhibit C to receive service of

process for it. I have received a Disclosure Document (Franchise Disclosure Document) dated

This disclosure document included the following Exhibits:

Exhibit A - List of Administrators

Exhibit B - Disclosure Document State Addenda

Exhibit C - Agents for Service of Process			
Exhibit D - Franchise Agreement and State Amendments			
Exhibit E -Authorization Agreement for Prearranged Payments (Direct Debits)			
Exhibit F -General Release			
Exhibit G- Operations Manual Table of Contents			
Exhibit H - List of Franchisee's			
Exhibit I - Confidentiality and Non-Disclosure Agreement			
WINDA AA			
ITEM 23			
RECEIPT			
(cont.)			
Franchise Candidate : (print)			
Franchise Candidate:(sign) Date:			
Franchise Candidate: (print)			

Franchise Candidate:\_\_\_\_\_(sign) Date: \_\_\_\_\_

## **EXHIBIT A**

#### LIST OF ADMINISTRATORS

We intend to register this franchise disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states,

the following are the state administrators responsible for the review, registration, and oversight

of franchises in that state:

<u>CALIFORNIA</u>	<u>MARYLAND</u>	

Commissioner of Business Oversight	Office of the Attorney General
Department of Business Oversight	Securities Division
320 West Fourth Street, Suite 750	200 St Paul Place
Los Angeles, California 90013-2344	Baltimore, Maryland 21202-2020
(213) 576-7500	(410) 576-6360
(866) 275-2677	
HAWAII	<u>MICHIGAN</u>
Commissioner of Securities	Consumer Protection Division
Department of Commerce and Consumer	Franchise Section
Affairs	Attn: Ms Katharyn Barron
Business Regulation Division	670 G Mermen Williams Building
King Kalakaua Building	Lansing, Michigan 48913
335 Merchant Street	(517)373-7117
Honolulu, Hawaii 96813	
(808) 548-2021	
ILLINOIS	MINNESOTA
Franchise Division	Commissioner of Commerce
Office of Attorney General	Department of Commerce
500 South Second Street	85 East Seventh Place, Suite 500
Springfield, Illinois 62706	St Paul, Minnesota 55101
(217) 782-4465	(612) 296-6328
<u>INDIANA</u>	NEW YORK
Office of Secretary of State	Bureau of Investor Protection and Securities
Franchise Section	New York State Department of Law

,	302 West Washington, Room E-111	120 Broadway, 23rd Floor
	Indianapolis, Indiana 46204	New York, New York 10271
	(317) 232-6681	1(212)416-8211

NORTH DAKOTA	<u>VIRGINIA</u>	
Office of Securities Commission	Director, Securities and Retail Franchising	
600 East Boulevard, 5th Floor	Division	
Bismarck, North Dakota 58505	State Corporation Commission	
(701)328-2946	1300 East Mam Street	
	Richmond, Virginia 23219	
	(804)371-9051	
RHODE ISLAND	WASHINGTON	
Department of Business Regulation	Department of Financial Institutions	
Suite 232	Securities Division	
233 Richmond Street	General Administration Building	
Providence, Rhode Island 02903-4232	150 Israel Road, S W - 3rd Floor	
(401)277-3048	Tumwater, Washington 98501	
	(360) 902-8760	
SOUTH DAKOTA	WISCONSIN	
Department of Labor and Regulation	Division of Securities	
Division of Securities	Department of Financial Institution	
124 South Euclid, Suite 104	Fourth Floor	
Pierre, South Dakota 57501	345 West Washington Avenue	
	Madison, Wisconsin 53703	

(605) 773-4823	(608) 266-8557

# EXHIBIT B DISCLOSURE DOCUMENT STATE ADDENDA

#### ADDENDUM TO THE

#### **PottyPro®**

#### FRANCHISE DISCLOSURE DOCUMENT

#### **FOR THE STATE OF CALIFORNIA**

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

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA
DEPARTMENT OF BUSINESS OVERSIGHT ANY COMPLAINS CONCERNING THE
CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA
DEPARTMENT OF BUSINESS OVERSIGHT AT WWW DBO CA GOV

Section 31125 of the Franchise Investment Law requires us to give to you a disclosure document approved by the Commissioner of Business Oversight before we ask you to consider a material modification of your franchise agreement.

The Franchise Agreement requires Franchisee to sign a general release as a condition of renewal and transfer California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order related to that law is void

Neither the franchisor nor any person or franchise broker in Item 2 of the disclosure document

Circular is subject to any currently effective order of any national securities association of national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U S C A 78a et seq, suspending or expelling these persons from membership in this association or exchange The Franchise Agreement provides for termination upon bankruptcy This provision may not be enforceable under federal bankruptcy law (11 U S C A Sec 101 et seq)

The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain you net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees and former franchisees, listed in the offering circular, may be one source of this information

ITEM 17 of the Offering Circular is amended to add the following

The 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 contains a covenant not to compete which extends beyond the termination of the franchise. This provision may not be enforceable under California Law

The Franchise Agreement requires application of the laws of the Commonwealth of Virginia This provision might not be enforceable under California Law.

#### ADDENDUM TO THE

#### **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

#### **FOR THE STATE OF ILLINOIS**

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN THE APPLICABLE STATE ADDENDUM ATTACHED AS EXHIBIT B TO THIS FRANCHISE DISCLOSURE DOCUMENT.

For choice of law purposes, and for the interpretation and construction of the Franchise Agreement, the Illinois Franchise Disclosure Act of 1987, 815 ILCS 705, governs

The conditions under which a franchise can be terminated and your rights upon non-renewal

may be affected by the Illinois Franchise Disclosure Act of 1987

The Illinois Franchise Disclosure Act provides that any provision in the Franchise Agreement which designates jurisdiction or venue in a forum outside of Illinois is void with respect to any cause of action which otherwise is enforceable in Illinois.

#### ADDENDUM TO THE

#### **PottyPro®**

#### FRANCHISE DISCLOSURE DOCUMENT

#### **FOR THE STATE OF INDIANA**

- 1) ITEM 8 of the Disclosure Document is amended to add the following
  Under Indiana Code Section 23-2-2 7-1(4), we will not accept any rebates from any
  person with whom you do business or associate or in relation to transactions between you
  and the other person, other than for compensation for services rendered by us, unless the
  rebate is promptly accounted for and submitted to you
- 2) ITEM 17 of the Disclosure Document is amended to add the following

  Indiana Code 23-2-2 7-1(5) prohibits a prospective general release of claims subject to
  the Indiana Deceptive Franchise Practices Law

  Indiana Code 23-2-2 7-1(7) makes unlawful unilateral termination of a franchise unless
  there is a material violation of the Franchise Agreement and termination is not in bad
  faith

ITEM 17(r) is amended subject to Indiana Code 23-2-2 7-1(9) to provide that the post term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee and shall not be for a period longer than three (3) years

ITEM I7(v) IS amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law

ITEM 17(w) IS amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action which.

#### ADDENDUM TO THE

#### **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

#### **FOR THE STATE OF MARYLAND**

ITEM 5 of the disclosure document is amended to add the following

The Securities Division of Maryland's Office of the Attorney General requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

ITEM 17 of the disclosure document is amended to add the following

Under the Maryland Franchise Registration and Disclosure Law, Md Code Ann Bus

Reg §14-201 et seq, no general release shall be required as a condition of renewal and/or transfer which is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.

For claims arising under the Maryland Franchise Registration and Disclosure Law, any litigation between Franchisor and Franchisee or Area Developer, as applicable, may be instituted in any court of competent jurisdiction, including a court in the State of Maryland.

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

The provisions in the Franchise Agreement and Area Development Agreement which provide for termination upon bankruptcy of the franchisee or area developer, as applicable, may not be enforceable under federal bankruptcy law

Exhibit N of the disclosure document is amended to add the following

All representations requiring prospective franchisees to assent to a release, estoppel or
waiver of liability are not intended to nor shall they act as a release, estoppel or waiver.

#### **ADDENDUM TO THE**

## **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

## FOR THE STATE OF MICHIGAN

1. 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 under Michigan's Franchise Investment Law if contained in any documents relating to a franchise

- (a) A prohibition on the right of a franchisee to join an association of franchisees
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in Michigan's Franchise Investment Law. This shall not preclude a franchisee, after entering into a Franchise Agreement, from settling any and all claims
- (c) A provision that permits a franchisor to terminate a franchise before the expiration of this term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure this failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure this failure
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if (i) the term of the franchise is less than 5 years, and (ii)the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise

or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise

- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances This section does not require a renewal provision
- (f) A provision requiring that arbitration or litigation be conducted outside this state (Michigan). This shall not preclude the franchisee from entering into an agreement, at the time of arbitration or litigation, to conduct arbitration or litigation at a location outside this state
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. The subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise Good cause shall include, but is not limited to:
- (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards
- (ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor
- (ill) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the Franchise Agreement existing at the time of the proposed transfer
- (h) A provision that requires the franchisee to resell to the franchisor items that are

not uniquely identified with the franchisor This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value and has failed to cure the breach in the manner provided in subdivision

- (i) A provision which permits the franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless a provision has been made for providing the required contractual services
- 2. If the Franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000 00 the Franchisee may request the Franchisor to arrange for the

escrow of initial investment and other funds paid by the Franchisee until the obligations, if any,

of the Franchisor to provide real estate, improvements, equipment, inventory, training or other

items included in the Franchise offering are fulfilled. At the option of the Franchisor, a surety

bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

Office of the Attorney General

**Consumer Protection Division** 

**Attention Franchise Department** 

525 W Ottawa Street

670 G Merman Williams Building

Lansing, MI 48933

(517) 272-7117

#### **ADDENDUM TO THE**

**PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

FOR THE STATE OF MINNESOTA

ITEM 1,3 of the disclosure document is amended as follows:

As required by the Minnesota Franchise Act, Minn Stat Sec 80C 12, Subd 1(g), Franchisor will reimburse the Franchisee for any costs incurred by the Franchisee in the defense of the Franchisee's right to use the Marks, so long as the Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and, is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal, a final determination of the claim.

ITEM 17 of the disclosure document is amended as follows:

With respect to franchises governed by Minnesota law, the Franchisor will comply with Minn Stat Sec 80C 14, Subds 3, 4 and 5 which require, except in certain specified cases, (1) that a Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Agreement and (2) that consent to the transfer of the Franchise will not be unreasonably withheld.

Item 17 does not provide for a prospective general release of claims against Franchisor which may be subject to the Minnesota Franchise Law Minn Rule 2860 4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release, Minn Stat Sec 80C 2 land Minn Rule 2860 4400(J) prohibit Franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of your rights as provided for in Minnesota Statutes, Chapter 80C, or

(2) your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction Further, Franchisee cannot consent to Franchisor obtaining injunctive relief, but, the Franchisor may seek injunctive relief.

#### **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

#### **FOR THE STATE OF NEW YORK**

1.

All references made to "Franchise Disclosure Document", "FDD" or "disclosure document" are replaced with the term "Offering Prospectus" as used under New York Law.

2.

The Disclosure Document Cover Page is amended as follows:

REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE
DOES NOT MEAN THAT THE STATE RECOMMENDS IT OR HAS
VERIFIED THE INFORMATION IN THIS OFFERING PROSPECTUS. IF
YOU LEARN THAT ANYTHING IN THIS OFFERING CIRCULAR IS
UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE
NEW YORK STATE DEPARTMENT OF LAW, 120 BROADWAY, NEW
YORK, NEW YORK 10271-0332.

THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE OFFERING PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAT THOSE SET FORTH IN THIS OFFERING PROSPECTUS.

Item 3 is amended by the addition of the following language

Neither we nor any affiliate or person identified in Item 2 has any
administrative, criminal or civil action (or a significant number of civil actions)

pending against them alleging a felony, violation of any franchise law, antitrust or
securities law, fraud, embezzlement, fraudulent conversion or misappropriation of
property, unfair or deceptive practices, or comparable civil or misdemeanor
allegations.

Neither we nor any affiliate or person identified in Item 2 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 any franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion or misappropriation of property, or unfair or deceptive practices or comparable allegations.

Neither we nor any affiliate or person identified in Item 2 is subject to any

currently effective injunctive or restrictive order or decree relating to the franchises, 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.

4.

Item 4 is amended to add the following:

Neither we nor any of our affiliates, predecessors, officers, or general partners have, during the 10-year period immediately preceding the date of the

Offering circular (a) filed as debtor (or had filed against us, it, him, or her) a petition to start an action under the U S Bankruptcy Code, (b) obtained a discharge of our, its, his, or her debts under the U S Bankruptcy Code, or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against us, it, him, or her) a petition to start an action under the U S Bankruptcy Code or that obtained a discharge of our, its, his, or her debts under the U S Bankruptcy Code during or within 1 year after the officer or general partner of ours held this position in the company or partnership.

5.

Item 5 is amended to add the following:

The Initial Franchise Fee will be used to defray our costs in obtaining and screening Franchisees, providing training, training materials and assisting in opening the Franchise for business.

6.

Item 17 is amended to add the following:

No general release is required as a condition of renewal and/or transfer which IS intended to exclude claims arising under the New York General Business Law, Article 3, Sections 687 4 and 687 5

Item 17(d) is amended to provide that you may terminate the Franchise Agreement on any grounds available by law.

Item 170) is amended to state that no assignment will be made except to

an assignee who, in our good faith judgment, is able to assume our obligations under the Agreement.

Item 17(w) IS amended to state that New York Law governs any cause of action which arises under the New York General Business Law, Article 33, Section 680-695

7.

We represent that the Offering Prospectus does not knowingly omit anything or contain any untrue statements of a material fact.

#### ADDENDUM TO THE

#### **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

## FOR THE STATE OF NORTH DAKOTA

The State of North Dakota has determined that the following types of provisions are deemed to be contrary to North Dakota law:

- (a) Covenants not to compete are generally considered unenforceable in the State North Dakota. The Commissioner has held that covenants restricting competition are contrary to Section 9-08-06 of the North Dakota Century Code, and are unfair^unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Investment Law.
- (b) A provision that designates jurisdiction or venue, or requires Franchisee to agree to jurisdiction or venue, in a forum outside of North Dakota,
- (c) A provision requiring a North Dakota franchisee to consent to termination penalties or liquidated damages,

- (d) A provision requiring that the laws of a state other than North Dakota will apply,
- (e) A provision calling for the waiver by a Franchisee of the right to trial by jury,
- (f) A provision requiring the Franchisee to waive exemplary and punitive damages,
- (g) A provision requiring a Franchisee to sign a general release upon renewal of the Franchise Agreement,
- (h) A provision restricting the time in which a Franchisee may make a claim to less than the applicable North Dakota statute of limitations,
- (i) a provision requiring a Franchisee to pay all costs and expenses incurred by the Franchisor in enforcing the Franchise Agreement or Area Development

  Agreement

Such provisions, if applicable, are amended by the North Dakota amendments to the Franchise Agreement and Area Development Agreement attached to such agreements

## **ADDENDUM TO THE**

# **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

# FOR THE STATE OF RHODE ISLAND

ITEM 17 of the disclosure document is amended to add the following:

Section 19-28 1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act"

#### ADDENDUM TO THE

## **PottyPro**®

#### FRANCHISE DISCLOSURE DOCUMENT

# FOR THE COMMONWEALTH OF VIRGINIA

In recognition of the restrictions contained in Section 13 1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for PottyPro® for use in the Commonwealth of Virginia shall be amended as follows:

ITEM 17 h of the disclosure-document is amended to add the following

Pursuant to Section 13 1-564 of the Virginia Retail Franchising Act, it is unlawful

for a franchisor to cancel a franchise without reasonable cause, If any grounds for

default or termination stated in the Franchise Agreement do not constitute

"reasonable cause" as that term may be defined in the Virginia Retail Franchising

Act or the laws of Virginia, that provision may not be enforceable.

## ADDENDUM TO THE

## **PottyPro**®

## FRANCHISE DISCLOSURE DOCUMENT

# FOR THE STATE OF WASHINGTON

1. If any of the provisions in the Franchise Agreement or Area Development Agreement are inconsistent with the relationship provisions of RCW 19 100 180 or other requirements of the Washington Franchise Investment Protection Act, the provisions of the Act will prevail over the

inconsistent provisions of the Franchise Agreement or Area Development Agreement with regard to any franchise sold in Washington

#### 2. ITEM 5 IS amended to add the following:

The Securities Division of Washington's Department of Financial Institutions requires us to defer payment to the initial franchise fee and other initial payments owed by franchisees to franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement

### 3. ITEM 6 IS amended to add the following:

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer

#### 4. ITEM 17 IS amended to add the following:

With respect to 17(v) and 17(w), the referenced provisions are subject to state law

In the event of a conflict of laws, the provisions of the Washington Franchise Investment

Protection Act, Chapter 19 100 RCW shall prevail.

A release or waiver or rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, rights or remedies under the Act such as a right to a jury trial may not be enforceable.

# ADDENDUM TO THE

**PottyPro**®

FRANCHISE DISCLOSURE DOCUMENT

FOR THE STATE OF WISCONSIN

ITEM 17 of the disclosure document is amended to add the following:

The Wisconsin Fair Dealership Law Title XIV-A Ch 135, Section 135 01-135 07, may affect the termination provision of the Franchise Agreement

## AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a "franchise" in some or all of the following states, in accordance with the applicable state law If and when we pursue franchise

registration (or otherwise comply with the franchise investment laws) in these states, we will

designate' the following state offices or officials as our agents for service of process in those states

<u>CALIFORNIA</u>	<u>MARYLAND</u>
Commissioner of Business Oversight	Commissioner
Department of Business Oversight	Maryland Securities Division
320 West Fourth Street, Suite 750	200 St Paul Place
Los Angeles, California 90013-2344	Baltimore, Maryland 21202-2020
(213) 576-7500	(410) 576-6360
(866) 275-2677	
HAWAII	MICHIGAN
Director	Corporations, Securities and Commercial
Department of Commerce and Consumer	Licensing Bureau
Affairs	Securities Division
Business Regulation Division	Constitution Hall, 1 <sup>st</sup> Floor
King Kalakaua Building	525 West Allegan Street
335 Merchant Street	Lansing, Michigan 48933
Honolulu, Hawaii 96813	

(808) 548-2021	
<u>ILLINOIS</u>	MINNESOTA
Office of Attorney General	Commissioner of Commerce of Minnesota
500 South Second Street	Department of Commerce
Springfield, Illinois 62706	85 East Seventh Place, Suite 500
(217) 782-4465	St Paul, Minnesota 55101
<u>INDIANA</u>	NEW YORK
Office of Secretary of State	Secretary of State of The State of New York
201 State House	41 State Street
200 Washington Street	Albany, New York 12207
Indianapolis, Indiana 46204	

NORTH DAKOTA	VIRGINIA
Securities Commissioner	Clerk of State Corporation Commission

North Dakota Department of Securities	1300 East Mam Street
State Capitol	Richmond, Virginia 23219
600 East Boulevard, 5th Floor	
Bismarck, North Dakota 58505	
RHODE ISLAND	WASHINGTON
Department of Business Regulation	Director of Department of Financial Institutions
Suite 232	Securities Division
233 Richmond Street	General Administration Building
Providence, Rhode Island 02903-4232	150 Israel Road, S W - 3rd Floor
(401)277-3048	Tumwater, Washington 98501
SOUTH DAKOTA	WISCONSIN
Director of Division, of Securities	Administrator, Division of Securities
124 South Euclid, Suite 104	Department of Financial Institution
Pierre, South Dakota 57501	2013 West Washington Avenue, Suite 300
(605) 773-4823	Madison, Wisconsin 53703

# EXHIBIT D

# FRANCHISE AGREEMENT AND STATE AMENDMENTS

**PottyPro**®

FRANCHISE AGREEMENT

Potty Pro LLC
FRANCHISE AGREEMENT

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#### 1. GRANT OF FRANCHISE

Potty Pro LLC, a Ohio Limited Liability Company ("PottyPro")

"Franchisor", "we", "us", or "our") has developed a system ("System") for the operation of a business specializing in the management of dog waste for residential and commercial consumers. The PottyPro® System utilizes special marketing techniques, quality control and operating procedures to facilitate the operation of a business, which offers certain services and products for managing pet waste.

You have applied for a franchise that utilizes our system and our designated trademarks (the "Marks") (the "Franchised Business") Subject to the terms of this franchise agreement (the "Agreement"), we grant you a PottyPro® franchise "You" is the franchisee entity (individual, partnership, corporation or limited liability company) which is granted the Franchise You also includes each owner of an interest in the franchisee entity. This agreement will allow you to operate a business, which offers certain pet waste

services and products, including but not limited to: dog waste cleanups, dog waste station maintenance, dog waste bag sales, and other pet waste management systems for both residential and commercial applications using our System and our Marks within a geographic area of responsibility (the "Territory"), described in Schedule A. You agree to abide by the terms of this Agreement.

You recognize and agree that the nature of the pet waste management service business is such that complete uniformity is not always practical or desirable and that we, at our sole discretion, may vary the terms of this Agreement and the standards of operation of the Franchised Business to accommodate the peculiarities of a particular situation and/or Territory. You have no recourse against us if other franchisees are granted allowances, which you are not granted

#### 2. TERM AND RENEWAL

a. Term. This Agreement will be effective for an initial five (5)-year term beginning on the Effective Date specified in this Agreement

b. Renewal. You may renew for additional five (5)-year term(s) by signing our then current franchise agreement if you are in compliance with this Agreement. There is a \$5,000 fee for renewals and you must exercise a general release of all claims that you might have against us. Royalties will not be raised upon renewals. Other terms and conditions may vary. If you wish to renew, you must notify us in writing at least 180 days before the expiration of this Agreement.

#### 3. TERRITORY

Your geographic area of responsibility is a Territory as described in Schedule A of this Agreement. Any change will require our prior written consent. You receive an exclusive

Territory from PottyPro®, in that, subject to your compliance with, and for the term of, this Agreement, we will neither grant another PottyPro® franchise to be located within your Territory, nor locate any business providing pet waste services we (or our affiliates)

own within your Territory. You will receive a geographic area of responsibility within which you are responsible for actively marketing and providing certain pet waste services and

products, including the sales, installation, and servicing of: pet waste baggies, pet waste stations, and other pet waste management systems for both residential and

commercial applications to customers located within that geographic area. We may, in our sole

discretion, add additional lines of service that you must provide as such lines of service are

added to our System in the future. You will solicit customers that are located only in the

Territory using marketing materials we have prescribed or approved. You may not use any

solicitations (i e telemarketing, direct mail, internet marketing, print medium, broadcast medium or distribution of brochures) outside your Territory. We will not authorize any other franchisee to solicit customers in your Territory, except by referral. We alone will direct

marketing and advertising campaigns directed to multiple Territories.

To insure quality customer service, all customer calls must be answered by a live person. We require you to use the services of our National Call Center. Customer service requests handled by our National Call Center normally result in the customer being assigned to the franchisee in whose Territory the customer is located. However, if the customer is located outside of your Territory, and the Territory has not been awarded to another franchise owner, we may, at our sole discretion, assign the customer service request to you. You agree that we may award a franchise to a third party for an area outside of your Territory in which you are servicing customers In the event we do so, you will discontinue service to any customers in the area and will transfer their complete service information, without compensation, to the owner of the Territory or to us to maintain customer service within the Metropolitan Statistical Area in which your Territory is located, you may be required to provide service to customers outside

your Territory.

We reserve the right to solicit and sell products and services to national/regional accounts. If you or your Designated Manager die or are incapacitated as described in Section 13,

we may authorize other franchisees to solicit business and service customers in your Territory

until your Franchised Business has been assigned to an approved transferee or until we have

approved a new Designated Manager for your Franchised Business.

We reserve all rights to the Internet utilizing our Marks.

We may sell any Territory other than your Territory to other franchisees or we may locate company and/or affiliate owned businesses in the same line of business in any territories other

than your Territory.

Franchised

We retain all rights not specifically granted to you, including, for example, the right (i) to use and license others to use the System and Marks for the operation of "PottyPro" Franchised Businesses at any location outside your Territory, (ii) to acquire and operate businesses of any kind at any location within or outside of your Territory (excluding

Businesses in the same line of service operated under the System within the your Territory), (in)

to use and license others to use the System and/or the Marks at any location within or outside of

your Territory other than for the operation of a "PottyPro®" Franchised Business, and (iv) to

use and license others to use marks other than the Marks in connection with the operation of

Franchised Businesses at any location within or outside of your Territory, which Franchised

Businesses are the same as, similar to, or different from the Franchised Businesses, all on terms

and conditions as we deem advisable, and without granting you any rights therein.

#### 4. FEES AND PAYMENTS

a. Initial Franchise Fee. You must pay us an initial franchise fee in the amount of

dollars (\$5,000), which is payable when you sign the Agreement. The Initial Franchise Fee is fully earned upon execution of the Franchise Agreement by us. The initial franchise fee is refundable only if we do not approve your

request to become a franchise owner or you do not pass our Effective Operations Training

Program ("Operations Training") in accordance with our current passing standards for

Operations Training, provided that you return to us all materials which we distributed to you

during Operations Training.

- b. Approval/Fee Refund. Initial Fees paid to us are non-refundable.
- c. Royalty and Service Fee. You must pay us a royalty and service fee ("Royalty

and Service Fee") of eleven percent (11%) of all Gross Revenue. There is a \$295 minimum monthly royalty payment, should the 11% monthly royalty payment due be less than \$295. Gross Revenue consists of all revenue from all services and products/materials offered by the System, less any applicable sales tax.

Final monthly gross revenue is calculated by Us, PottyPro® Home Office. We will directly deduct Our royalty payment of eleven percent (11%) or the \$295 minimum monthly royalty, whichever is the greater amount, from the Franchisee's Bank/financial institution account. Royalties and Franchisee fees are settled once per calendar month.

d. Marketing Fee. You must pay us a monthly marketing fee of one percent (1%) of all Gross

Revenue. Marketing fees are payable each month with the Royalty and Service Fee for National Brand development, media relations, internet marketing and production of advertising and marketing materials.

We raise fees related to system marketing through the Marketing Fees collected from our

franchisees. We designate these fees for use in our advertising and marketing activities. We

spend them as we determine is most beneficial to promoting Our Marks and System. We use

advertising and marketing fees to develop, produce, distribute and/or conduct advertising programs, marketing programs, public relations, Internet and social media, and marketing

research. We may spend marketing fees on local, regional or national advertising as we deem

appropriate. We produce advertising in-house and through advertising agencies. Advertising

and marketing may include advertising to sell franchises. Franchises that we (or our affiliates) own and operate will contribute Marketing Fees equal to those contributed by our

franchisees.

We maintain all Marketing Fees in an account separate from our other monies. We will not

use them for any of our expenses, except for reasonable costs and overhead, if any, that we

incur in activities reasonably related to the direction and implementation of marketing and advertising programs for franchisees and the System. These costs may include costs of personnel for creating and implementing advertising, promotional, and marketing programs'

The Marketing Fees are not our asset. Any monies remaining from Marketing Fees at the end of the taxable year in which such monies were received will be used for advertising or promotional purposes in the following taxable year before contributions from that taxable year are used. We reserve the right to terminate the Marketing Fees at any time, in which case all Marketing Fees remaining will be expended for advertising or promotional purposes

or returned to the contributors on the basis of their respective contributions. The Marketing

Fees and any earnings on them will not otherwise benefit us. We may offset some internal marketing costs with any payments we receive for providing advertising and marketing services. We are not a fiduciary of yours with respect to the Marketing Fees.

- e. National Call Center Fees. We require you to use the National Call Center service provided by us and/or our designee and pay national call center fees to cover the cost, currently \$0. These fees may change or increase in the future. These fees may apply to all customer calls, both inbound and outbound, not handled by you in a timely manner, as specified in the Operations Manual. National Call Center fees are subject to change, with notice, to reflect changes in cost and must be paid to us each month with the Royalty and Service Fee to Us or our affiliate if applicable.
- f. Complaint Fee & Customer Refunds. We may in our sole discretion refund all or a portion of the revenue from a customer to resolve a customer complaint and you must reimburse Us for such refunds monthly at settlement.
- g. National/Regional Accounts. We reserve the right to provide sales of service and/or products to National or Regional accounts and distributors without any compensation to you.
- h. Integrated Business Management System & Credit Card Processing. To maintain the integrity of the System, and provide our Franchised Businesses with an integrated business management solution, we have contracted with designated providers for customer

service management software, website hosting services, telecom services, email and credit

card processing services'. The National Call Center incurs these service cost from the process of handling inbound and outbound calls, processing payments, and other backend services administered on behalf of the Franchise outlets and on behalf of the System. Provider costs for these services may increase in the future and this cost may be passed along to our Franchisee's with a minimum 30 day notice.

j. Interest on Overdue Payments. You must pay interest of the lesser of eighteen percent (18%) (compounded daily) per year or the highest amount permitted by law on any amounts you owe Us that are more than fifteen (15) days past due.

k. Audit. You must pay any cost we incur for any audit we perform which results in a finding that you have failed to comply with the franchise agreement.

1. Transfer Fee. In the event that you transfer this franchise, you must pay us a fee equal to 50% of the then current initial franchise fee. No fee is imposed for a transfer to other PottyPro® franchise owners. The transfer fee is due upon approval of transfer by Us.

m. Training Fees. Costs and expenses incurred in connection with any

training programs and seminars are your responsibility. We provide initial Franchisee training for one individual (1) at no charge.

The training fees are subject to change on 30 days' notice to reflect changes in cost and must be paid as

incurred.

n. Sales Commission. You may engage us to sell your existing Franchised Business for a fee ("Sales Commission") agreed upon in a Commission Agreement that typically will not be less than 10% of the sales price. The Sales Commission will be due to Us upon the execution of the

Purchase and Sale Agreement by both the buyer and seller

#### 5. OBLIGATIONS OF FRANCHISOR

a. Training We provide a (3)-day Operations Training program, for one (1) individual, which is required of new franchisees who will be providing services. We do not charge for the

Operations Training at the start up of your Franchised Business, but you are responsible for all expenses you incur as a result of training, such as travel, lodging and entertainment. However, any additional training that you or your employees may require will be billed at five hundred dollars (\$500) per day.

- b. Operations Manual. We will loan you a copy of our proprietary Operations Manual' to offer guidance in the operation of your Franchised Business.
- c. Vehicle And Site Approval. We do not currently place any restrictions on the model, brand, or type of truck a Franchisee purchases and utilizes to provide PottyPro® brand pet waste removal services. We provide guidance and advice regarding the selection of your vehicles you are considering to utilize in your Franchised Business. We do not currently place any restrictions on commercial office space selection, should the Franchisee decide to not operate their Franchised Business from their home.

You are solely responsible for choosing your vehicle and commercial location, if any, that will meet

our current specifications set forth in the Operations Manual. Your selected vehicle and commercial site must possess the capabilities necessary to satisfy the needs of the System and requirements set forth in the Operating Manual.

d. Sources. We reserve the right to specify at, any time, an update or change to the current required equipment and /or supplies that we believe is in the best interest of the Franchisee's or the System. The required supply and product types, specifications, and sources of such will be outlined in the Operating Manual.

We may negotiate terms and maintain relationships with suppliers for the benefit of the franchise system and the customers it serves. You may be restricted

from purchasing telecommunications equipment and services,

credit card processing services, call center services, bags, dog waste baggies, pet waste removal tools, equipment, products, supplies, decals/signs, service forms, brochures, and marketing materials from vendors or brands that We have not approved.

e. Marketing. We raise fees related to marketing through Marketing Fees collected from our franchisees. We designate these fees for use in advertising and marketing activities. We

spend them as we determine is most beneficial to promoting our Marks and System. We use

advertising and marketing fees to develop, produce, distribute and/or conduct advertising programs, marketing programs, public relations, internet and social media, and Marketing research. We may spend advertising fees on local, regional or national advertising as we deem appropriate in our sole discretion. We may produce advertising in-house or through advertising agencies. We pay the costs of marketing activities, including a share of corporate

overhead related to advertising and Marketing, with advertising and Marketing fees.

Advertising and marketing may include advertising to sell franchises. We do not guarantee

that you will benefit directly from any Marketing or advertising. We will make available to

you sources for marketing your Franchised Business including advertising plans and formats for advertising, marketing and promotional materials.

You may only use advertising material we have prescribed or approved, and you may only

distribute it to people or businesses located in your Territory. All advertising must carry only

our toll-free phone number and our headquarters address. However, we may approve the use

of a local address and/or a local phone number, which can be rolled over to the National Call

Center.

f. Billing. We own all accounts, which you service. We and/or our designee have the right to bill and collect revenue from customers you serve, upon payment by the customer, remit

the payments to you monthly, less royalty and advertising fees owed by you. We are not liable to repay you or to compensate you in any way for any monies due from a customer

that failed to remit payment for the services your Franchised Business rendered. We may upon request require the Franchisee to assist in the collections of past due accounts from customers within their territory.

g. Technical Support. We will provide telephone and/or internet support for your questions

regarding products and services, billing, payments, and customer service, during normal business hours.

- i. Advanced Training/National Meetings, We may require your attendance from time to time to attend a National or Regional Franchisee training/meeting session. The advanced training and meeting sessions are free of charge. However, Franchisee's will be responsible for the cost incurred to attend, including but not limited to travel, meals, and lodging.
- j. National Call Center Support. For the benefit of the System and for consistency in customer service, we or our designee will provide call center operations for accepting new customer calls and customer service requests. The cost of which is supported by National Call Center Fees. We may forward customer calls to your direct local line from the National Call Center from time to time for assistance. If we deem appropriate, we may forward inbound calls directly to a Franchisee from a customer calling from within the Franchisee's Territory.
- k. Group Discounts. From time to time we may provide you with the opportunity to participate in group purchasing programs which offer group discounts. The discounts and terms for any such opportunities will vary.
- i. Vendor Relations Administration. For the benefit and integrity of the System, we and/or our affiliates may, in our sole discretion, contract and administer vendor relationships

for sources for our Products and Services and you must pay sources directly or reimburse us and/or our affiliates for actual costs and expenses, including a pro-rated share of costs and expenses incurred by us and/or our affiliates on behalf of your Franchised Business

m. Trademark Indemnity. You agree to indemnify, defend, and hold Us harmless against any legal, criminal, or civil action or lawsuit arising from the use of the System or Marks used in accordance with your Franchised Business.

You agree to indemnify, defend, and hold harmless us, our affiliates, and our and their respective owners, directors, officers, employees, agents and assignees (the "Company Parties") against, and reimburse any one or more of the Company Parties for all claims, obligations, and damages directly or indirectly arising out of or relating to: (1) the operation of your Business,

(2) the business you conduct, (3) your breach of this Agreement, or (4) the products and services offered and sold by your Business, including, without limitation, those claims, obligations, and damages alleged to be or found to have been caused by the Company Parties' negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by the Company Parties' intentional misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction.

### 6. OBLIGATIONS OF FRANCHISEE

a. Local Marketing. You may choose to use direct mail, companion mail, door hangers, and other direct marketing methods that we have approved. Your media and methods must be

approved by Us prior to placement and you must report your expenditures in a format specified by us, in the Operations Manual. The cost of local marketing is typically paid to third parties, however, if any costs are being billed directly to us and/or our affiliates on behalf of your Franchised Business they must be paid in advance, You must use trade names,

service marks and trademarks ("Marks") as we develop them. At this time, our primary Marks

are "PottyPro®" and "1-800-DOG POOP®". You must obtain our written consent before using our Marks in any way except for materials provided by us or previously approved (and not subsequently

disapproved) by us in writing. For example, you must obtain our approval prior to using our

Marks in advertising and marketing. You may not use any marks which could be confused

with our Marks. In the event that we, replace, add to or modify our Marks, you agree to update or replace your signs, supplies, etc to reflect the new marks, at your expense, in the time frame we provide at the time of such change. You must honor PottyPro® rate structures, discount programs and bear the cost of any discount granted to customers pursuant

to any discount program promoted by PottyPro®. We must approve all advertising and Marketing materials before you use such materials. You may purchase such materials from

any vendor, however, we may in the future require you to purchase such materials only from

a designated source.

- b. Training. You, or your Designated Manager, if any, must attend and successfully complete our Operations Training before you may operate the Franchised Business.
- c. Use of PottyPro® Marks. You agree to use our Marks as we develop them. You agree to obtain our prior written consent before using our Marks in any way except for materials we provide or have previously approved in writing (and not subsequently disapproved). For example, you must obtain our approval prior to using our Marks in advertising or marketing, including any website. You may not maintain a website or any Internet advertising in connection with the Franchised Business or our Marks without our

prior written approval. You agree not to use any marks which could be confused with our Marks. We may replace, modify or add to our Marks In the event that we replace, modify or

add additional Marks, you agree to update or replace yours signs, supplies, etc to reflect the

new Marks, at your expense, in the time frame we provide at the time of such an update. You

may not use our Marks in the name of any legal entity you create to own and/or operate the

Franchised Business. You must notify us if you learn of anyone who is using or claims the

right to use our Marks. If we take action against any unauthorized user of our Marks in your Territory, we may require you to assist us, in our efforts to enforce our rights in the Marks. We

must approve all printed materials, and any advertising before using our Marks in connection with your Franchised Business. You may choose not to use our designated providers if

you can find a qualified third party, approved by us, to provide the same products and services.

- d. Signs/Decals. You must display a decal on your service and/or sales vehicle(s) as approved by us. We must approve all your signs and vehicle decals before you order or display them
- e. Starting Date. You agree to begin operations and be open for business no later than thirty (30) days following the Effective Date of this Agreement.
- f. Operating Hours. You agree to solicit and service your customers during such times as we specify in the Operations Manual. Notice of non-availability must be given in writing forty-eight (48) hours prior via facsimile or as otherwise prescribed in the Operations Manual.

g. Integrated Business Management System & Credit Card Processing. We and our designated

third party sources are the only supplier of customer service management software, website

hosting, telecommunications equipment and services, email marketing, credit card processing, and related services. As we process all PottyPro® customer payments through the National Call Center, you agree to abstain from obtaining credit card processing software, or directly charging a customer for services without our expressed written consent.

h. Navigation System. You must obtain and maintain a navigation capabilities for each service

vehicle providing PottyPro® related services.

- i. Equipment. You must obtain and use computer systems and service equipment which meet our then current specifications in the Operations Manual. We may update the specifications. When the specifications are updated, you must either obtain or upgrade the computer systems and service equipment such that your equipment meets our then current specifications.
- j. Liability Insurance. You must obtain and maintain required insurance specified in the Operations Manual (i e workers compensation, comprehensive general liability insurance policies, vehicle liability insurance, ) for the Franchised Business, and you must pay the associated cost. Proof of all insurances must be remitted to Us when obtained and renewed. If you do not purchase and maintain in force the required insurance, we may purchase it on your behalf, and charge you for it, you will be required to pay us any amount so charged within thirty (30) days.
- k. National Call Center. You understand and acknowledge that in connection with the

Franchised Business granted by this Agreement, we will require you pay the associated costs

of and require you to use the National Call Center services during the term of this agreement

to maintain the integrity of the System.

m. Operations Manual. We will loan you a copy of the Operations Manual. The Operations Manual is a detailed extension of this Franchise Agreement which covers standards to be maintained, operating procedures and other information. We may change this

Operations Manual from time to time in order to adjust for competitive changes,

technological changes, legal requirements and attempts to improve in the marketplace. You

agree to be bound by the Operations Manual and future modifications of it. You must operate

the Franchised Business according to the then current Operations Manual in effect, including

any modifications, amendments or supplements made to the Operations Manual after the date

of this Agreement.

n. Participation. You agree that franchise services will be provided by yourself or under your direct supervision.

o. Quality Standards. You must perform all pet waste management services and other work

provided by your franchise carefully, timely, accurately and in accordance with prevailing industry standards and our Operations Manual. As may be explained further or modified in

the Operations Manual, you specifically agree to uphold the quality standards as specified in

the Operations Manual.

p. Billing. You agree that we own all accounts which you service no matter how procured.

We and/or our designee have the right to bill and collect revenue from customers you serve,

upon payment by the customer, remit the payments to you monthly, less Royalty and Service

Fees and Marketing Fees owed by you on that bill. However, we may require your assistance in collecting monies due to you from customers you have rendered services to.

q. Employees. If you desire to hire any salesperson and/or technician to interact with customers, they must adhere to the service guidelines and quality standards as outlined in the Operations Manual. You must hire sufficiently licensed, if required, staff to properly carry out

the Franchised Business and require your employees to have all certifications, undergo all screenings and comply with all other employee requirements, all as specified by the authorities of your Territory jurisdiction. You must also conduct, and require each of your employees to complete,

an employee policy and procedure training course as defined by us. You are solely responsible for hiring, firing, compensating, paying applicable payroll taxes and day to day

supervision and control over your employees. You agree to take such steps as are necessary

to ensure that all employees of the Franchised Business keep a neat and clean personal appearance, preserve good customer relations, comply with such dress codes and other

standards as outlined in the Operating Manual. We may at our sole discretion forbid an individual you have selected from administering sales/service or from interacting with customers in any way, should the individual be found to have a criminal history. We may at our sole discretion require a background check be performed, at your expense, of an individual(s) you have selected to administer PottyPro® services for your Franchised Business.

r. Vehicle And Location. You must obtain for all technicians providing pet waste management services in the Franchised Business sufficient vehicles which meets our standards and you must maintain it in a high degree of repair and in good condition so as to present a neat and professional image. You must obtain for all service technicians a

service vehicle capable of meeting the service demands and requirements as set forth in the Operating Manual.

s. Supplies, Decals, Equipment and Products. You agree that in order to establish a standard and consistent delivery of pet waste management services, certain items must be used in the operation of the franchise. You must use the items set forth as required and/or approved for use in the Franchised Business in the Operations Manual (e.g. customer invoices, contracts,

supplies, products, service equipment, telecommunications equipment, decals and computer systems) You are responsible for the cost of all promotional materials, supplies, furniture, equipment, products, telecommunications equipment, decals, computer equipment

and other items which may be necessary to conduct the Franchised Business.

t. Laws and Regulations. You agree to comply with all federal, state and local laws and regulations. You will secure all necessary permits, certificates, licenses and consents to operate your Franchised Business. You must comply with the licensing laws and regulations

for other' contractors and tradesmen in the pet waste management business. You also must comply with all local, state, and federal laws that apply to service establishments, including employment, discrimination and health and safety laws. These include, but are not limited to minimum wage laws. Environmental Protection Agency laws, state and local laws, and obtain any required licenses. In addition, you must comply with all the laws dealing with pet waste, waste, waste handling, and disposal of waste.

u. Importance of System Standards. You understand and acknowledge that every detail of the System and this Agreement is important to you, us, and other franchisees in order to develop and maintain high operating standards, to increase the demand for the services and products offered by all franchisees, and to protect our reputation and goodwill. You shall maintain our high standards with respect to customer service and operations.

v. Additional Lines of Service. You understand and acknowledge that in connection with the Franchised Business granted by this Agreement we may, in our sole discretion, require

you to pay the associated costs of and require you to add additional lines of service during the

term of this agreement to maintain the integrity of the System. Upon written notice, you will

be required to add such lines of service within ninety (90)days.

w. Website. We have the right, but not the obligation, to establish and maintain a website which may, without limitation, promote the Marks, the System, approved products or services, Franchised Businesses and the franchising of the System. We have the sole right to

control all aspects of the website, including, without limitation, its design, content, functionality, links to the websites of third parties, legal notices and policies and terms of usage. We also have the right to discontinue operation of the website at any time and without

notice to you.

We have the right, but not the obligation, to designate one or more web page(s) to describe

you and/or your Franchised Business, with such web page(s) to be located within our website. You must comply with our policies with respect to the creation, maintenance and content of any such web page(s). We have the right to refuse to post and/or discontinue posting any content and/or the operation of any web page(s).

You may not establish or maintain a separate website, register or use any domain name/URL

address, or use any other social media outlet, such as FaceBook, Twitter or any other outlet,

for or in connection with the Franchised Business without our prior written approval (which

we shall not be obligated to provide) You may not post, respond to, or otherwise participate

in any social media communications unless otherwise authorized by us (Franchise Agreement, 6b)

#### 7. REPORTS AND REVIEW

a. Reporting Gross Revenue. You must report all gross revenue from customers and local marketing expenses paid by you related to the Franchised Business in the manner, form and

times we specify.

b. Financial Reporting. By January 30th of each year, you must send us an unaudited profit and loss statement, in the manner and form we specify, for the twelve (12)-month period ending December 31 of the prior year. You must provide us

with a copy of your federal tax return for and related to the Franchised business every year upon filing with the Federal and State governments, unless an

extension is filed, then you must provide us a copy of the extension and the tax return by the due date.

c. Review. We have the right to review, inspect and copy, during normal business hours, all

of your financial records related to the Franchised Business.

d. Mail Reviews. If we request a copy of your customer invoices or other revenue related

documents (paper and/or electronic) or any other business records related to the Franchised

Business, you must send us at your expense these records within five (5) days of receiving our request.

e. Electronic Review. We may cause programs to run on your computer systems or devices that may send information related to the Franchised Business to' us. You agree that the use of such

programs will not unreasonably interfere with your operation of the Franchised Business, and

you agree to allow such programs to run without interference by you.

#### 8. TERMINATION

- a. You may terminate this Agreement only through non-renewal as set forth in Section 2 b of this Agreement. If you terminate this Agreement, you must comply with all of the post termination provisions of this Agreement
- b. We may terminate this Agreement without notice and the opportunity to cure for any of the following
- (i) If you or the Franchised Business become insolvent or take any steps to seek protection from creditors, or if a receiver (permanent or temporary) is appointed by a creditor or a court of competent authority or if you make a general assignment for the benefit of creditors,
- (ii) If a final judgment of record against you or your Franchised Business remains unsatisfied for 30 days or longer,
- (ill) If you commit a material violation of any law, ordinance, rule or regulation of a governmental agency or department reasonably associated with the operation of the Franchised Business,

- (iv) If you discontinue the active operation of the Franchised Business in the Territory for five (5) business days.
- (v) If you fail to open the Franchised Business within thirty (30) days of the execution of this Agreement. Or fail to add an additional line of service with ninety (90) days from the notice date.
- (vi) If you market to customers outside the Territory,
- (vii) If you fail to use in the Territory the systems we provide or recommend,
- (viii) If you fail to pay the total royalties and service fees due to Us from your Franchised Business and the arrears have exceeded thirty (30) days.
- (ix) If you fail to report revenue as outlined in the Operations Manual,
- (x) If you commit three (3) or more breaches of this Agreement, the Operations Manual or any other agreement related to the Franchised Business in any twelve (12)-month period regardless of whether such breaches were cured after notice,
- (xi) If you commit any material breach of any financing or other related agreements or
- (xii) If you fail to maintain the required insurance(s).
- c. We may terminate this Agreement, after sending you notice, and an opportunity to cure within seven (7) days, if
- (i) you violate any term or condition of this Agreement, the Operations Manual, or any other agreement related to the Territory or Franchised Business.
- (ii) any amount you owe us, our affiliates, or third-parties for leases, loans or purchases relating to the Territory or Franchised Business, is more than thirty (30) days past due, or
- (ill) you fail to submit required reports or other information as provided herein or if you

make any false submission in connection therewith.

Until the default has been cured, we or another franchisee authorized by us may solicit and service customers in your Territory.

#### 9. POST TERMINATION OBLIGATIONS

In the event that this Agreement expires, is not renewed or is terminated for any reason by any

party, including a sale of the Franchised Business, you must immediately

- a. Remove all PottyPro® decals or signs from all of your vehicles and other premises,
- b. Stop identifying yourself as a PottyPro® franchisee, cease and not thereafter commence, use of any of our Marks or any marks which are likely to be confused with our Marks.
- c. Stop using all literature received from us and other items bearing our Marks,
- d. Pay to us all amounts owing to us,
- e. Transfer to us all telephone numbers, listings and advertisements used in relation to the Franchised Business and deliver to us copies of such documents of transfer,
- f. Deliver to us all copies, including electronic copies, of lists and other sources of information containing the names of customers who patronized the Franchised Business,
- g. Deliver to us all customer files and records, and all copies thereof,
- h. Deliver to us the copy of the Operations Manual and all updates which we loaned to you,
- i. Cancel all fictitious name listings which you have filed for use of any of our Marks, and
- j. Adhere to the provisions of the covenant not to compete and any other covenant herein that requires performance by you after you are no longer a franchisee.

#### 10. COVENANT NOT TO COMPETE

- a. In-Term. During the term of this Agreement, you agree not to directly or indirectly, be employed by, work with, be engaged in, be interested in or advise, invest or contribute money to, lend money to or guarantee the debts or obligations of, any person or entity engaged in any business that competes with the pet waste management services offered by our franchisees, or any other business being earned on by us or our franchisees under franchise agreements, without our prior written consent.
- b. Post-Term. You agree that for a period of five (5) years following the termination, expiration, transfer or other disposition of this Agreement or the Franchised Business, you will not directly or indirectly, be employed by, work with, be engaged in, be interested in or advise, invest or contribute money to, lend money to or guarantee the debts or obligations of, any person or entity engaged in pet waste management services, within fifteen (15) miles of (i) your Territory, (ii) the Territory of any of our other franchisees or (iii) the territory of any of our
- affiliate-owned pet waste management businesses. Additionally, you will not solicit a service relationship with any of our customers, suppliers or strategic partners.
- c. For five (5) years after the Agreement expires or terminates, you will not contact, for the purpose of providing pet waste management services which are the same as or similar to those you are authorized to sell under this Agreement, any person or organization which was, at any time during the five (5)-year period prior to such expiration or termination, a customer to which you provided such services, or which you know is a customer of another franchisee located within fifteen (15) miles of your Territory "Customer" includes successors of any customer who reorganized, merged, acquired or transferred their business "Contact" includes responding to another's request for services.
- d. 'You acknowledge that a violation of any of the covenants in this Section 10 may cause irreparable injury to us and/or to our franchisees, for which money damages may not adequately compensate us. Accordingly, you agree that a court or arbitrator may enjoin your

violation of these covenants during the period of any dispute resolution proceeding between us, and you agree that we have no duty to post a bond as a condition of receiving such interim relief.

- e. You agree not to disparage us, including our current and former employees and directors
- f. You also agree that you will never, directly or indirectly during or after the term of this Agreement, divulge to or use for the benefit of any person or entity outside of the PottyPro® system, any information contained in our Operations Manual, any information concerning customers served by your Franchised Business, any information related to marketing, or any other systems or methods of operation of our business or that of our franchisees. You agree not to do any act prejudicial or injurious to our goodwill or name.

Information furnished to your employees will be reasonably limited to that which directly relates to and assists in the proper performance of such employee's duties.

- g. You hereby acknowledge that the qualifications to be a PottyPro® franchisee are special, unique and extraordinary, and that this Agreement would not be entered into by us except upon condition that such restrictive covenants be embodied herein.
- h. You acknowledge and agree that the provisions of this Section are reasonable, valid and not contrary to the public interest and you waive all defenses to the strict enforcement thereof by us.
- i. All of the covenants contained in this Section will survive any termination or expiration of this Agreement.
- j. If any covenant or provision herein is determined to be void or unenforceable, in whole or in part, it will be deemed severed and not to affect or impair the validity of any other covenant or provision of this Section.

We may reduce the temporal or geographic scope of any covenant in this Section 10, which reduction shall become effective upon your receipt of notice of it. You agree to comply with it as

#### 11. INDEPENDENT CONTRACTOR

You are an independent contractor. You are not our agent, partner, employee, or a participant in a joint venture and have no authority to hold yourself out as such to third parties. You do not have any authority to bind or obligate us. We are not and will not be liable for any act, omission, debt, or other obligation of yours.

You are responsible for all loss or damage and for all contractual liability to third parties originating in or in connection with the operation of the Franchised Business and for all claims or demands for damage directly or indirectly related thereto. You agree to defend, indemnify and hold us and our employees harmless from and with respect to any such claim, loss or damage including specifically paying any attorneys' fees or expert fees we incur as a result of any such claim.

#### 12. DEATH OR INCAPACITY

If both you and your Designated Manager become incapacitated to the extent that we determine you are both unable to conduct normal business functions, 'or if you and your Designated Manager dies, or if one of you dies or becomes incapacitated and the other does not assume day to-

day control of the Franchised Business, we, at our option, may allocate service calls in your Territory to neighboring franchisees without any obligation to compensate you or your estate, or we may appoint an interim Designated Manager. The interim Designated Manager, who may be another franchisee, shall operate the Franchised Business for the behalf of your estate, until the Franchised Business has been transferred to a new franchisee in compliance with Section 13, until the Franchised' Business has been terminated, or until we approve a new Designated Manager to operate the Franchised Business for the benefit of your Survivors. Your Survivors include your estate, others owning an interest in your Franchised Business, including any trust which owns an interest in the Franchised Business under terms which we have approved, and the

beneficiaries of any will or trust you have established ("Survivors"). If we must operate the business under Section 12 of the Franchise Agreement, we will operate the business for a 90 day period of time (which may be renewed for one additional 90 day period), and we will periodically discuss the status of the Franchised Business with you or your Survivors.

Absent agreement to the contrary, the interim Designated Manager's compensation shall equal thirty five percent (35%) of the net proceeds collected from amounts the Designated Manager bills on behalf of your Franchised Business. The Franchised Business shall be liable for paying sales taxes and all other expenses of the Franchised Business from its share of the proceeds. A Designated Manager may condition offering his or her services on the Survivor's agreement to different compensation or to an indemnification agreement.

We have no duty to appoint a Designated Manager for you or for your estate. We do not represent or warrant that any Designated Manager will operate the business in a way which is profitable. We will condition our approval of a Designated Manager on your Survivors releasing us from liability for acts or omissions of a Designated Manager.

If a Survivor does not desire to acquire or retain your or your Designated Manager's interest, the Survivor will have a reasonable period of time, but no more than 180 days, to make a transfer acceptable to us, subject to the procedures described in Section 13.

#### 13. ASSIGNABILITY

We may assign this Agreement to an assignee who agrees to remain bound by its terms, without obtaining your approval. We will not permit you to sub-license or sub-franchise the Franchised Business. Your interest under this Agreement or your ownership in the Franchised Business may be transferred or assigned only if you comply with the following provisions. No interest may be

transferred unless or until you are in full compliance with this Agreement. No accounts or assets

of the Franchised Business may be assigned apart from an assignment of this Agreement.

a. If you have received and desire to accept a signed, bona fide offer to purchase or otherwise transfer an interest in the Franchised Business or any interest in this Agreement or

you (the franchise entity), you will grant us the option (the "Right of First Refusal") to purchase the Franchised Business or interest in you as hereinafter provided.

b. If you or the owner of any interest in the franchisee entity desires to make a transfer, such

person or entity ("transferor") must comply with the following terms, conditions and procedures to effectuate a valid transfer:

- (i) If any proposed assignment of any rights under this Agreement, or if any other transfer which, when aggregated with all previous transfers, would, in our reasonable opinion, result in the transfer of effective control over the ownership of this Agreement and/or operation of the Franchised Business, a material part of your assets or you, (the franchisee entity), the transferee must apply for a Franchise and must meet all of our then current standards and requirements for becoming a franchisee (which standards and requirements need not be written).
- c. Regardless of the degree of control which would be affected by a proposed transfer
- (i) The proposed transferor shall first notify us in writing of any bona fide proposed transfer and set forth a complete description of all terms and fees of the proposed transfer in a manner we prescribe, including the prospective transferee's name, address, financial qualifications and previous five (5) years' business experience,
- (ii) The transferor shall provide us with a copy of any written offer or agreement to purchase, signed by the proposed transferee, together with copies of any documents referenced in the offer or agreement, including notes and security agreements. If all material terms of the proposed sale are not described in the offer or agreement, the

transferor shall provide details of all such terms in its submission to us, accompanied by the proposed transferee's written agreement to the terms.

- (iii) The proposed transferor shall provide us with any additional information, agreements, certifications or documents we request for use in our evaluation of whether to approve the transfer or to exercise our right of first refusal. We will not unreasonably withhold, delay or condition its consent to any proposed transfer or assignment by you which requires our consent under Section 13 of the Franchise Agreement.
- (iv) Upon receipt of our request, the proposed transferor shall promptly provide us with access to any property, documents or records relevant to the transaction and to the interest which is the subject of the transfer. Once we have received all materials submitted by the proposed transferor and have reviewed all property, records and documents we have requested, within thirty (30) days we shall notify the transferor of our decision to exercise our right, to acquire all or any part of the interest being transferred, and the conditions, if any, under which we will approve the proposed transfer.
- (v) If the Franchised Business is being offered in combination with one or more other Items, we have the right to purchase the interest we select at the price and under the terms offered or agreed to by the transferor. Regardless of whether the offer establishes different prices for different interests to be transferred, if the parties are unable to agree as to a purchase price and terms, the fair market value of such premises and property shall be determined by three appraisers chosen in the following manner. You shall select one and we shall select one, and the two

appraisers so chosen shall select a third appraiser. The decision of the majority of the appraisers so chosen shall be conclusive. The cost of the third appraiser shall be shared equally by the parties

- (vi) If non-monetary consideration is offered., we may pay the cash equivalent of the non-monetary consideration offered. If such non-monetary consideration includes the employment of the transferor, we may require the transferor to perform the proposed services on substantially the same terms as those offered by the proposed transferee. At our option, we may agree not to pay the agreed compensation for the services to be performed by the transferor, and decline the services to be performed under the terms of the offer. If we elect this option, we may set off against any amount due for services to be rendered by the transferor, any income to be received by the transferor for services performed by others during the period when the transferor had agreed to perform services for us. Neither we nor our designee shall be liable for paying any brokerage commission on the value of the interest transferred.
- (vii) If we exercise our right of first refusal, the transferor shall transfer the interest to us or to our assignee pursuant to an agreement to purchase which contains the material terms to which the transferor and the proposed transferee had agreed. However, if the offer or proposed purchase contract has omitted any terms customarily addressed in a transfer of an interest of the type which is the subject of the transaction, we may supply those terms in the purchase agreement and related documents.

(viii) If we or our assignee fail to exercise the option to purchase the interest sought to be

transferred, then we shall, within thirty (30) days after receipt of the notice of the proposed transfer, notify the proposed transferor in writing of our approval or disapproval of the prospective transferee.

d. A transfer to a "Controlled Entity" will not trigger the Right of First Refusal. A "Controlled Entity" is an entity in which you are the beneficial owner(s) of the majority of all

voting ownership interest in such entity. At the time of the desired transfer of interest to a Controlled Entity, you must notify us in writing of the name of the Controlled Entity. We only will approve a transfer to a Controlled Entity after all its beneficial owners have signed

a personal guaranty of the Controlled Entity's obligations to us in a form which we prescribe.

We do not charge a transfer fee for this change. The Controlled Entity is strictly prohibited

from engaging in any business or activity other than the exercise of the rights granted in this

Agreement to you and the performance of its obligation as a franchisee hereunder.

In the event you transfer to a Controlled Entity, you agree to comply with the following obligations:

- (i) a Controlled Entity which is a corporation shall comply, except as otherwise approved in writing by us, with the following requirements throughout the term of this Agreement.
- (1) The Controlled Entity shall furnish us with its Articles of Incorporation,

Bylaws, other governing documents, any other documents we may reasonably request, and

any amendments thereto.

(2) The Controlled Entity shall confine its activities, and its governing

documents, if any, shall at all times provide that its activities are confined, exclusively to the

management and operation of the Franchised Business contemplated hereunder, including the

establishment and operation of the Franchised Businesses to be developed hereunder.

(3) The Controlled Entity shall maintain stop transfer instructions against the transfer on its records of any voting securities and shall issue no certificates for voting securities upon the face of which the following printed legend does not legibly and conspicuously appear:

'The transfer of this stock is subject to the terms and condition's of a

Franchise Agreement with PottyPro® dated

Reference is made to the provisions of said Franchise Agreement and to the Articles and Bylaws of this Corporation'

(4) the Controlled Entity shall maintain a current list of all owners of record and all beneficial owners of any class of voting stock of Controlled Entity and shall furnish

the list to us upon request.

- (ii) The Controlled Entity which is a partnership or a limited liability company shall comply, except as otherwise approved in writing by us, with the following requirements throughout the term of this Agreement.
- (1) The Controlled Entity shall furnish us with its partnership agreement or membership agreement as well as such other documents as we may reasonably request, and

any amendments thereto, and

- (2) The Controlled Entity shall prepare and furnish to us, upon request, a list of all of its general and limited partners and all of its members.
- e. A transfer of interest among the owners of a franchisee entity will not trigger the Right of

First Refusal, provided that only the percentage of ownership, rather than the identity of the

owners, is changing At the time of the desired transfer of interest within an entity, you must

notify us in writing of the name and address of each officer, director, shareholder, member,

partner or similar person and their respective ownership interest before and after the transfer.

We do not charge a transfer fee for this change.

f. If we do not exercise our Rights of First Refusal, you may transfer the Franchised Business or ownership interest therein according to the terms set forth in the notice described

in Section 13 c (i), provided that you satisfy the conditions in sub-parts (f) through (j) below

and complete the sale within ninety (90) days from the day on which we received the notice.

If you do not conclude the proposed sale transaction within the ninety (90)-day period, the Right of First Refusal granted to us hereunder will continue in full force and effect.

g. The proposed transferee(s) must complete our then current PottyPro® franchise application and pass our application screening using our then current qualifications h. The proposed transferee(s) must sign the then current PottyPro® amendment forms and/or franchise agreement, as required by us, and must personally assume and be bound by

all of the terms, covenants and conditions therein.

- i. The proposed transferee(s) must attend and successfully complete our Operations Training.
- j. You must sign our then current transfer and release forms and pay us a transfer fee of fifty percent (50%) of the then current franchise fee. We may require up to 10% of the purchase price be held by us in a reserve account for 6 months from the date of the sale to cover any warranty or service agreement claims by customers you have served. The exact percentage held will be determined by the number of projects completed by you in the 6 months before the sale. If a claim is made, we will deduct from your reserve account Service

Assistance costs (currently \$100 per labor hour plus expenses) for each claim. At the end of

the 6 months, we will release any funds remaining to you.

### 14. NON-WAIVER OF BREACH

The failure of either party hereto to enforce any one or more of the terms or conditions of this

Agreement will not be deemed a waiver of such terms or conditions or of either party's rights

thereafter to enforce each and every term and condition of this Agreement.

#### 15. GOVERNING LAW

a. Ohio Law. This Agreement takes effect upon our acceptance and execution of it. It shall be interpreted and construed exclusively under the laws of the State of Ohio, which laws shall prevail in the event of any conflict of law, provided, however,

that if the covenants in Section 10 of this Agreement would not be enforceable under the laws

of Ohio, and your Franchised Business is located outside of Ohio, then such covenants shall be interpreted and construed under the laws of the state in which the Franchised Business is located. Nothing in this Section 15 is intended by the parties to subject this Agreement to any franchise or similar law, rule, or regulations of the State of Ohio to which this Agreement would not otherwise be subject.

b. Jurisdiction and Venue. In any suit brought by us, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, you consent to venue and

personal jurisdiction in the state and federal court of the county and state in which our national

office is located, presently Fairfield County, Ohio. In any suit brought against us, including

our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, venue will be proper only in the

federal court located nearest our national office (presently the United States District in Columbus, Ohio), or if neither federal subject matter or diversity jurisdiction exists, in the city or county state court located where our national office is.

c. Jury Waiver. In any trial between any of the parties hereto, including present and former

employees and agents of ours, you and we agree to waive our rights to a jury trial and instead

have such action mediated by arbitration.

d. Class Action Waiver. You agree that any claim you may have against us, including our past and present employees and agents, must be brought individually and you will not join such claim with claims of any other person or entity or bring, join or participate in a class

action against us.

e. Compensatory Damages; Attorneys' Fees. In any lawsuit, dispute or claim between or against any of the parties hereto, including present and former agents and employees of ours,

you and we agree to waive our rights, if any, to seek or recover punitive damages. Further,

the prevailing party in any dispute shall be awarded its reasonable attorneys' fees and expert

fees.

# 16. MODIFICATION

No modifications to this Agreement will have any effect unless such modification is in writing

and signed by you and by our authorized officer Notwithstanding the foregoing, we may modify the provisions of the Operations Manual, without your consent, at any time during the term of this Agreement in order to adjust for competitive changes, technological advancements, legal requirements and attempts to improve in the market place.

#### 17. RELEASE OF PRIOR CLAIMS

By executing this Agreement, you and everyone owning an interest in the franchisee entity, on

behalf of yourselves and your heirs, legal representatives, successors and assigns, and each

assignee of this Agreement, hereby forever release and discharge Potty Pro LLC, Its past and present employees, agents, officers and directors, including Potty Pro LLC's parent, subsidiary and affiliates, their respective past and present employees, agents, officers and directors, from any and all claims relating to or arising out of any franchise agreement between the parties executed prior to the date of this Agreement, and all other claims relating to any dealings between any of the parties. However, this release does not apply to any duty we may have to offer to renew your Franchise as provided in any prior franchise agreements between us.

## 18. INDEMNIFICATION

You agree to indemnify us against any and all claims or causes of action, including attorneys'

fees and expert fees, arising out of or related to your operation of the Franchised Business, unless such claim is solely the result of actions by us.

#### 19. NOTICES

Any notice or request hereunder must be given by mail or courier, postage bill prepaid, or

delivered personally, to our Chief Executive Officer, at our national headquarters, presently: 12101 7<sup>th</sup> Ave. Millersport, Ohio 43046

or by email: corp@PottyPro.com

Any such notice may also be given to you in the same manner at the address indicated below the Franchisee's signature on this Agreement.

#### 20. FULL UNDERSTANDING

This Agreement is the entire agreement between you and us. This Agreement supersedes all

other prior oral and written agreements and understandings between you and us with respect to

the subject matter herein. Nothing in this Agreement or in any related agreement is intended to

disclaim the representations we made in the Franchise Disclosure Document.

#### 21. ACKNOWLEDGMENTS

You acknowledge that you have read our franchise disclosure document and this Agreement and that you have been given the opportunity to clarify any provision that you do not understand.

You further acknowledge that you have independently investigated the business offered

hereunder and base your decision to purchase solely on such investigation. You acknowledge

that our franchise sales representatives are not authorized to make and have not made any representations as to your likely revenues, expenses, profits or success.

## 22. GUARANTY

You and all your officers, directors, partners, and members of the franchisee entity (collectively

"Guarantors"), agree to perform all the obligations in and relating to this Agreement, including,

but not limited to, the obligation to make payments specified herein, pay any other debts due us, and pay for products later ordered from us. Likewise, for and in consideration of this

Agreement, the signatures of the individual(s) below also constitute their personal joint and

several guaranty to perform all the obligations in and relating to this Agreement, including, but

not limited to, the obligation to make payments specified herein, pay any other debts due us, and pay for products later ordered from us. The Guarantors waive presentment, demand or notice of non-performance and the right to require us to proceed against the other Guarantors. In addition, by each of their individual signatures below, each individual Guarantor agrees to Sections 17 and 22 of this Agreement, and to be bound by the terms of Section 15(a)-(e), inclusive, of this Agreement, as if the term "Guarantor" were substituted for the term "you" in each provision of Section 15(a)-(e), inclusive, of this Agreement.

Name of	
Franchisee:	
Type of Entity (Individual, Partnership, LLC):	, Corporation,
Effective Date:	
FRANCHISEE:	
BY	
(Signature)	
(Printed Name)	
Title	
Address	
	-
(Telephone Number)	

Percentage of Ownership (if entity)	_%
BY	
(Signature)	
(Signature)	
(Printed Name)	
Title	
Address	_
(Telephone Number)	
Percentage of Ownership (if entity)	_%

BY
(Signature)
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Address
(Telephone Number)
Percentage of Ownership (if entity)%
BY
(Signature)

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Title	-
Address	-
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	-
(Telephone Number)	-
Percentage of Ownership (if entity)	%
GUARANTORS:	
BY	

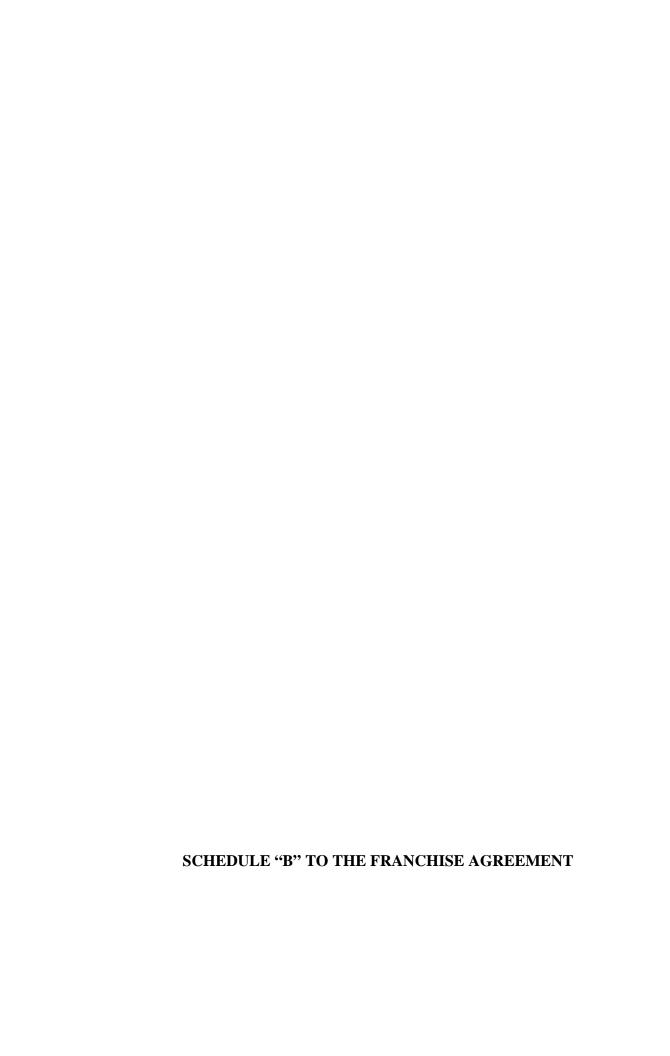
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Title	
Address	
	-
	-
	-
(Telephone Number)	
Percentage of Ownership (if entity)	_%
BY	
(Signature)	

(Printed Name)	
Title	_
Address	_
	_
	_
(Telephone Number)	_
Percentage of Ownership (if entity)	%
Potty Pro LLC	
BY	DATE
Patrick Kelly, Founder	

SCHEDULE "A" TO THE FRANCHISE AGREEMENT

**Territory** 

The Franchise Territory is as follows:
Targeted Households In Territory:
Targeted Households located within the Territory are as follows:
Scheduled Opening Date
Scheduled Opening Date for the Franchised Business is as follows:



# **Special Stipulations**

To the extent of any conflict between the following and the provisions of the Fr	anchise
Agreement dated, the following special stipulation(s) will control	

	NONE	
FRANCHISEE:		
ЗҮ		
Signature) (Signature)		
Printed Name) (Printed Name)		
(Title) (Title)		

Patrick Kelly, Founder DATE

SCHEDULE "C" TO THE FRANCHISE AGREEMENT

**State Addenda** 

# ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

# FOR THE STATE OF CALIFORNIA

This Addendum to the Franchise Agreement is entered to this day of
, 20, between Potty Pro LLC ("we", "us" or Franchisor") and ("you" or "Franchisee") to amend and revise the Franchise Agreement as follows
1 In recognition of the requirements of the California Franchise Investment Law,
Cal Corp Code §§31000-3516 and the California Franchise Relations Act, Cal Bus And Prof
Code §§20000-20043, the Franchise Agreement shall be amended as follows

a The California Franchise Relations Act provides rights to the Franchisee

concerning termination or non renewal of the Franchise Agreement If the

Franchise Agreement contains a provision that is inconsistent with the law,
the law will control.

b Sections 2 b and 13 j of the Franchise Agreement requires Franchisee to sign a general release as a condition of renewal and transfer of the franchise Under California Corporations Code Section 31512, any condition, stipulation or provision purporting to bind any person acquiring a franchise to waive compliance with any provision of that law or any rule or order related to that law is void.

c Section 8 b of the Franchise Agreement which terminates the Franchise Agreement upon the bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law (11 U S C Section 101, e/ seq )

d Section 10 of the Franchise Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Franchise Agreement, this covenant may not be enforceable under California law.

e Section 15 a of the Franchise Agreement is amended to provide that in the event of a conflict of law, California Law will prevail.

f Section 15 b of the Franchise Agreement requires litigation to be
conducted in the State of Ohio, the requirement may not be
enforceable under California law.
2 Each provision of this Addendum shall be effective only to the extent that the
jurisdictional requirements of the California Investment Law and/or the California Franchise
Relations Act are met independent of this Addendum. To the extent this Addendum shall be
deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits
or attachments thereto, the terms of this Addendum shall govern.
IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this
Addendum, understands and consents to be bound by all of its terms
Potty Pro LLC
Name
Title
Date

Name_	 		
mt d			
Title	 	 	
Title		 	

Franchisee

# ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### FOR THE STATE OF ILLINOIS

This Addendum to the Franchise Agreement is entered to this day of
1 In recognition of the requirements of the Illinois Franchise Disclosure Act, 815
ILCS 705, the Franchise Agreement for Potty Pro, LLC shall be amended as
follows

a Section 8 of the Franchise Agreement shall be amended to add

The conditions under which the Franchise Agreement can be terminated and the effects of termination may be governed by the Illinois Franchise Disclosure Act, 815 ILCS 705/19 and 705/20

b Section 15 a of the Franchise Agreement shall be amended to add

Notwithstanding the foregoing, the Franchise Agreement will be governed by Illinois Law No action for liability under the Illinois Franchise Disclosure Act shall be maintained unless brought before the expiration of three (3) years after the act or transaction constituting the violation upon which It IS based, the expiration of one (1) year after the Franchisee becomes aware of facts or circumstances reasonably indicating that he may have a claim for relief in respect to conduct governed by the Act, or ninety (90) days after delivery to the Franchisee of a written notice disclosing the violation, whichever shall first expire

c Section 15 b of the Franchise Agreement is amended to reflect that any claim arising under the Illinois Franchise Disclosure Act, 815 ILCS 705/4 shall be litigated or arbitrated in the State of Illinois.

2 Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

## IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

#### **Potty Pro LLC**

## ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### **FOR THE STATE OF INDIANA**

This Addendum to the Franchise Agreement is entered to this day of
1 In recognition of the requirements of the Indiana Deceptive Franchise Practices
Law, IC 23-2-27 and the Indiana Franchise Disclosure Law, IC 23-2-25, the Franchise
Agreement for Potty Pro, LLC shall be amended as follows
a Sections 2 b and 13 j of the Franchise Agreement do not provide for a
prospective general release of claims against Franchisor which may be
subject to the Indiana Deceptive Franchise Practices Law or the Indiana
Franchise Disclosure Law.

b Section 18 is amended to provide that Franchisee will not be required to indemnify Franchisor for any liability imposed upon Franchisor as a result of Franchisee's reliance upon or use of procedures or products which were

required by Franchisor, if such procedures or products were utilized by Franchisee in the manner required by Franchisor.

c Section 15 a is amended to provide that in the event of a conflict of law, the Indiana Franchise Disclosure Law, IC 23-2-2 5, and the Indiana Deceptive Franchise Practices Law, 23-2-2 7, will prevail.

2 Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Indiana Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms	
Potty Pro LLC	

Name	
Title	
Date	
Europalitara	
Franchisee	
Nama	
Name	-
Title	
Title	-
Date	_

# ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### **FOR THE STATE OF MARYLAND**

This Addendum to the Franchise Agreement is entered to this day of
1 In recognition of the requirements of the Maryland Franchise Registration and
Disclosure Law, Md Code Ann Bus Reg §§14-201 et seq, the Franchise Agreement shall be
amended as follows

a Sections 2 b and 13 j require Franchisee to sign a general release as a condition of renewal and transfer of the franchise, such release shall exclude claims arsing under the Maryland Franchise Registration and Disclosure Law.

b Section 4 1 of the Franchise Agreement is amended to add the following as the last sentence "Notwithstanding the foregoing, the Maryland Office of the Attorney General Securities Division requires us to defer payment of the Initial Franchise Fee and other initial payments owed by you to us until we have completed our pre-opening obligations contained in this Agreement".

c Section 8 b(i) of the Franchise Agreement which terminates the Franchise Agreement upon bankruptcy of the Franchisee may not be enforceable under federal bankruptcy law (11 U S C Section \Q\,et seq).

d Section 15 a of the Franchise Agreement states that the franchise must be governed by the laws of the State of Ohio, however, in the event of a conflict of laws, to the extent required by the Maryland Franchise Registration and Disclosure Law, the laws of the State of Maryland shall prevail.

e Section 15 b of the Franchise Agreement requires litigation to be conducted in the State of Ohio, the requirement shall not limit any nights

Franchisee may have under the Maryland Franchise Registration and

Disclosure Law to bring suit in the State of Maryland.

f Section 21 of the Franchise Agreement requires the Franchisee to disclaim the occurrence and/or non-occurrence of certain acts, such disclaimers are not intended to, nor shall they at act, a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

g Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

2 Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise. Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

3 Unless expressly amended by this Addendu	ım, all other terms of the Franchise
Agreement remain unchanged.	
IN WITNESS WHEREOF, each of the read this	undersigned hereby acknowledges having
Addendum, understands and consents to b	be bound by all of its terms
Potty Pro LLC	
Name	
Title	
Date	
Franchisee	
Name	_
Title	_
Date	_

# ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

FOR THE STATE OF MINNESOTA

This Addendum to the Franchise Agreement is entered to this day of
, 20, between Potty Pro LLC ("we", "us" or Franchisor") and
"you" or "Franchisee") to amend and revise the Franchise Agreement as follows

1 In recognition of the Minnesota Franchise Law, Minn Stat, Chapter 80C, Sections 80C 01 through 80C 22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860 4400, et seq, the parties to the attached Franchise Agreement agree as follows

a Sections 2 b and 8 shall be amended to add that with respect to franchises governed by Minnesota law, the Franchisor will comply with the Minnesota

Franchise Law which requires, except in certain specified cases, that a Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Agreement.

b Sections 2 b and 13 j do not provide for a prospective general release of claims

against Franchisor which may be subject to the Minnesota Franchise Law Minn

Rule 2860 4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

c Section 6 c shall be amended to add that as required by Minnesota Franchise Act, Franchisor will reimburse you for any costs incurred by you in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and IS given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

d Section 15 a shall be amended to add that Franchisor shall not in any way abrogate or reduce Franchisee's rights as provided for under the Minnesota Franchise Law including the right to submit matters to the jurisdiction of the courts of Minnesota.

e In addition. Section 15 a shall be amended to state that any claim concerning the Franchised Business or this Agreement or any related agreement will be barred unless an action for the claim is commenced within three (3) years from the date on which Franchisee or Franchisor knew or should have known, in the exercise of reasonable diligence, of the facts giving rise to or the claim.

f Minn Stat Sec 80C21 and Minn Rule'2860 4400(J) prohibit Franchisor from

requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Franchisee's rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

2 Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Minnesota Franchise Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

## IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

### Potty Pro LLC

Name	
Title	
Date	
Franchisee	
Name	_
Title	_
Date	

## ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### **FOR THE STATE OF NEW YORK**

This Addendum to the Franchise Agreement is entered to this day of
1 In recognition of the requirements of the General Business Laws of the State of
New York, Article 33, §§ 680 et seq, the Franchise Agreement is amended as follows,
a Sections 2 b and 13 j require you to sign a general release as a condition of
renewal and transfer of the Franchise, and Section 17 contains a general
release by you, the release excludes claims arising under the General
Business Laws of the State of New York.

b Section 11 is amended to provide that you will not be required to indemnify us for any liability imposed upon us as a result of your reliance

upon or use of procedures or products which we required, if such procedures or products were utilized by you in the manner required by us.

c Under Section 13 of the Franchise Agreement, we will not transfer and assign our rights and obligations under the Franchise Agreement unless the transferee will be able to perform our obligations under the Franchise Agreement, in our good faith judgment, so long as it remains subject to the General Business Laws of the State of New York.

d Section 15 a of the Franchise Agreement states that the franchise must be governed by the laws of the state in which our principal business is then located This requirement will not be considered a waiver of any right conferred.

2 Each provision of this Addendum is effective only to the extent that the jurisdictional requirements of the New York Law applicable to the provisions are met independently of this Addendum. To the extent this Addendum is inconsistent with any terms or conditions of the Franchise Agreement or exhibits or attachments thereto, the terms of this

Addendum govern.

3 Unless expressly amended by this Addendum, all other terms of the Franchise Agreement remain unchanged.

## IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

### Potty Pro LLC

Name	
Title	
Date	
Franchisee	
Name	_
Title	_
Date	

ADDENDUM TO THE FRANCHISE AGREEMENT

#### **Potty Pro LLC**

#### $\underline{\textbf{FOR THE STATE OF NORTH DAKOTA}}$

This Addendum to the Franchise Agreement is entered to this day of
, 20, between Potty Pro LLC ("we", "us" or Franchisor") and ("you" or "Franchisee") to amend and revise the Franchise Agreement as follows
1 In recognition of the requirements of the North Dakota Franchise Investment Law, the
Franchise Agreement for PottyPro® shall be amended as follows
(a) Section 2 b of the Franchise Agreement requires Franchisee to sign a general
release as a condition of renewal of the franchise, such release shall exclude
claims arising under the North Dakota Franchise Investment Law.
(b) Section 10 b of the Franchise Agreement is amended to add
Covenants not to compete such as those mentioned above are generally
considered unenforceable in the State of North Dakota.
(c) Section 15 a of the Franchise Agreement is amended to add
Notwithstanding the foregoing, the Franchise Agreement will be governed by
North Dakota law.

(d) Section 15 b of the Franchise Agreement is amended to add

Notwithstanding the foregoing, any claim arising under the North Dakota

Franchise Investment Law shall be litigated in the State of North Dakota.

(e) Section 15 c of the Franchise Agreement regarding waiver of jury trial is deleted

in Its entirety.

(f) Section 15 e of the Franchise Agreement is amended to delete the waiver of the

right to seek or recover punitive damages.

2 Each provision of this Addendum shall be effective only to the extent that the

jurisdictional requirements of the North Dakota Franchise Investment Law applicable to the

provisions are met independently of this Addendum. To the extent that this Addendum shall be

deemed inconsistent with any terms or conditions of the Franchise Agreement or exhibits or

attachments thereto, the terms of this Addendum shall govern.

3 Unless expressly amended by this Addendum, all other terms of the Franchise Agreement

remain unchanged.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

**Potty Pro LLC** 

Name	
Title	
Title	
Date	
Franchisee	
1 Tunemoce	
Name	_
Title	
Date	
Date	_

# ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### FOR THE STATE OF RHODE ISLAND

This Addendum to the Franchise Agreement is entered to this \_\_\_\_ day of

1 In recognition of the requirements of the Rhode Island Franchise Investment Act, the Franchise Agreement for Potty Pro, LLC shall be amended as follows
(a) Section 15 a of the Franchise Agreement is amended to add
Notwithstanding the foregoing, the Franchise Agreement will be governed by Rhode Island law.
(b) Section 15 b of the Franchise Agreement is amended to add
Notwithstanding the foregoing, any claim arising under the Rhode Island Franchise Investment Act shall be litigated in the State of Rhode Island.
2 Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Act applicable to the provisions are met independently of this Addendum. To the extent that this Addendum shall be deemed inconsistent with any terms or conditions of the Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

3 Unless expressly amended by this Addendum, all other terms of the Franchise Agreement

remain unchanged.

IN WITNESS W	VHEREOF, ea	ich of the un	dersigned l	hereby a	cknowledge	es having
read this						

read this
Addendum, understands and consents to be bound by all of its terms
Potty Pro LLC
Franchisee
Name
Title
Date
ADDENDUM TO THE FRANCHISE AGREEMENT
Potty Pro LLC
FOR THE STATE OF VIRGINIA
This Addendum to the Franchise Agreement is entered to this day of  20 between Potty Pro LLC ("we" "us" or Franchisor") and

1 In recognition of the requirements of the Virginia Retail Franchising Act, Va Code §§13 1-557 et seq , the Franchise Agreement shall be amended as follows

a Sections 8 b(x) and 8 c(i) states that the Franchisor may terminate the

Franchise Agreement if the Franchisee commits a default under any other franchise agreement with Franchisor, this provision may not be enforceable if the grounds for default or termination do not constitute "reasonable cause" as that term is defined in the Virginia Retail Franchising Actor laws of Virginia.

2 Unless expressly amended by this Addendum, all other terms of the Franchise Agreement remain unchanged.

## IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

#### **Potty Pro LLC**

Name

1 (41110	
Title	
Title	
Data	
Date	
Franchisee	
Name	

Title
Date
ADDENDUM TO THE FRANCHISE AGREEMENT
Potty Pro LLC
FOR THE STATE OF WASHINGTON
This Addendum to the Franchise Agreement is entered to this day of
, 20, between Potty Pro LLC ("we", "us" or Franchisor") and ("you" or "Franchisee") to amend and revise the Franchise Agreement as follows
1 In recognition of the requirements of the State of Washington Franchise Investment
Protection Act (the "Act"), the Franchise Agreement for Potty Pro, LLC shall be amended as follows
(a) Section 4.1 of the Franchise Agreement is amended to add the following as the

last sentence.

Notwithstanding the foregoing, the Securities Division of Washington's

Department of Financial Institutions requires us to defer payment to the Initial

Franchise Fee and other initial payments owed by you to us until we have

completed our pre-opening obligations contained in this Agreement.

(b) Section 13 j of the Franchise Agreement is amended to add

Transfer fees are collectable to the extent that they reflect Franchisor's reasonable estimated or actual costs in effecting a transfer.

- (c) Section 15 a of the Franchise Agreement is amended to add

  In the event of any conflict of laws, the provisions of the Act shall prevail.
- 2 A release or waiver or rights executed by Franchisee shall not include rights under the Act except when executed pursuant to a negotiated settlement after the Franchise Agreement is m 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.
- 3 The state of Washington has a statute, RCW 19 100 180 which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

4 In any arbitration involving a franchise purchased in Washington, the arbitration site shall

be either in the state of Washington, or in a place mutually agreed upon at the time of the

arbitration, or as determined by the arbitrator.

5 Each provision of this Addendum shall be effective only to the extent that the

jurisdictional requirements of the Washington Franchise Investment Protection Act applicable to

the provisions are met independently of this Addendum. To the extent that this Addendum shall

be deemed inconsistent with any terms or conditions of the Franchise Agreement or exhibits or

attachments thereto, the terms of this Addendum shall govern.

6 Unless expressly amended by this Addendum, all other terms of the Franchise Agreement

remain unchanged.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

**Potty Pro LLC** 

name	 	 
Title		
11110		 
Date		
Date		

Name_	 		
Title			

Franchisee

## ADDENDUM TO THE FRANCHISE AGREEMENT Potty Pro LLC

#### **FOR THE STATE OF WISCONSIN**

This Addendum to the Franchise Agreement is entered to this day of
, 20, between Potty Pro LLC ("we", "us" or Franchisor") and ("you" or "Franchisee") to amend and revise the Franchise Agreement as follows
1 The Wisconsin Fair Dealership Law Title XIV-A Ch 135, Sec 135 01-135 07, will supersede any conflicting terms of the Franchise Agreement.
2 This provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Wisconsin Fair Dealership Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits or attachments thereto, the terms of this Addendum shall govern.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this

Addendum, understands and consents to be bound by all of its terms

Name		
Title		
Date		
Franchisee		
Name		
Title		

Date\_\_\_\_\_

**Potty Pro LLC** 

# EXHIBIT 1 TO THE FRANCHISE AGREEMENT AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

uthorizes <b>Potty Pro LLC</b> (the "Company") to initiate debit entries and or credit correction ntries to the undersigned's checking and/or savings account indicated below and
uthorizes the depository designated below ("Depository") to debit such account pursuant
o Company's instructions
Sank Name
Address
Kudi ess
City State Zip Code

The undersigned depositor ("Depositor") hereby

Bank Transit/ ABA Number Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Depositor of the Depositor's termination of such authority in

such time and in such manner as to afford Depository a reasonable opportunity to act on it

Notwithstanding the foregoing. Depository shall provide Company and Depositor with 30 days
prior written notice of the termination of this authority. If an erroneous debit entry in initiated to
Depositor's account. Depositor shall have the right to have the amount of such entry credited to
such account by Depository, if (a) within 15 calendar days following the date on which
Depository sent to Depositor a statement of account or a written notice pertaining to such entry
or (b) 45 days after posting, whichever occurs first. Depositor shall have sent to Depository a
written notice identifying such entry, stating that such entry was in error and requesting
Depository to credit the amount thereof to such account. These rights are in addition to any
rights Depositor may have under federal and state banking laws.

#### **EXHIBIT E**

# AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)

#### The undersigned depositor ("Depositor") hereby

authorizes PottyPro® (collectively, the "Company") to initiate debit entries and or credit correction entries to the undersigned's checking and/or savings account indicated below and authorizes the depository designated below ("Depository") to debit such account pursuant to Company's instructions

Bank	
Address	
City State Zip Code	
Bank Transit/ABA	_

Bank Account Number

#### $\underline{EXHIBIT\;F}$

#### **GENERAL RELEASE**

KNOW THAT and Its successors, assigns, agents, affiliates, successors.
parents, subsidiaries and assigns, together with their past, present and fixture principals, owners,
shareholders, controlling persons, officers, directors, successors and assigns (collectively
"RELEASOR"), in consideration of the right to renew, assign or transfer its Franchise
Agreement with PottyPro® (POTTY PRO LLC) and other good and
valuable consideration, receipt and sufficiency whereof is hereby acknowledged, releases and
discharges PottyPro® (POTTYPRO LLC) and its officers, directors, employees, stockholders, agents and servants,
affiliates and their respective officers, directors, employees, agents and servants and their
respective successors and assigns (collectively, "RELEASEE") from any and all actions,

causes

of actions, suits, debts, hens, agreements, accounts, promises, liabilities, judgments, demands, losses, cost or expense, of any nature whatsoever; in law or equity, whether known or unknown, suspected or unsuspected, claimed or concealed, fixed or contingent, relating to any events or circumstances existing from the beginning of time through the date this Release is executed. which the RELEASOR, its heirs, executors, administrators, successors and assigns does have or hereafter can, shall or may have against the RELEASEE for, upon, or by reason of any matter. cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, except for any claims that may arise under the [Franchise Registration and Disclosure Law] This RELEASE may not be changed orally IN WITNESS WHEREOF, the RELEASOR has executed this RELEASEE on ,20\_\_\_\_ Executed and delivered in the presence of:

Witness:\_\_\_\_\_ Date:\_\_\_\_

Franchisee:	Date:
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#### $\underline{EXHIBIT\;G}$

#### **OPERATIONS MANUAL TABLE OF CONTENTS**

Section I	Introduction
Section II	Our Philosophy
Section III	Your Office Space
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Section V	Preparation
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Section IX	Commercial Accounts

Section X	Ending The Day
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Section XII	Dog Safety
Section XIII	Product Acquisition/Importing
Section XIV	Website and Internet/Social Policies
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Section XVI	Media Relations
Section XVII	Franchisee Benchmarks / Goals
Section XVIII	Brand Standards

#### EXHIBIT H

**List of Franchisees** 

Hatidani Mushangazhiki

-Brunswick Ohio

#### **EXHIBIT I**

#### **Confidentiality and Non-Disclosure Agreement**

With respect to determining the feasibility of purchasing a PottyPro® franchise, we are prepared to provide you with certain financial, business, marketing, and operational information concerning the PottyPro® franchise opportunity (referred to as the "Information)

We provide you this Information with your explicit understanding and agreement that you recognize and agree that this Information is confidential and valuable and constitutes special and

unique proprietary rights and assets of PottyPro® accepting this

Information, you agree that you will not, either before, during, or after the termination of the

relationship with PottyPro®, disclose this Information to any third person,

or make use of it yourself You further agree to maintain the confidentiality of any and all information relative to PottyPro® business, affairs, policies, methods,

services, customers, or associates, which we provide to you in a manner using at least the same

degree of care as the manner used to maintain the confidentiality of your most confidential

information

You further agree that access to this Information will be restricted to those persons who are

directly engaged in this analysis, investigation, and/or negotiations with respect to
PottyPro® opportunity
You further recognize that breach of this Confidentiality and Non-Disclosure Agreement by you will cause severe and irreparable damage to Potty Pro, LLC
You acknowledge, by your signature below, that you agree to the conditions of this
Confidentiality and Non-Disclosure Agreement, as stated above
ACKNOWLEDGED
Franchisee:
Print
Signature
Date: