FRANCHISE DISCLOSURE DOCUMENT

The Dog Stop Franchising, LLC
a Pennsylvania limited liability company
1632 William Flinn Highway
Glenshaw, PA 15116
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www.thedogstop.com

The Dog Stop businesses operate all-inclusive indoor/outdoor dog care facilities offering daycare, boarding, grooming, enrichment, obedience training, in-home services, dog walking, and retail products ("TDS Business(es)").

The total investment necessary to begin operation of a franchised TDS Business is between $493,850 and $1,373,500. This includes between $60,500 and $64,000 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of a The Dog Stop area developer business will depend on the number of TDS Businesses to be opened. The total investment necessary to begin operation of a The Dog Stop area developer business operating two to ten TDS Businesses is between $548,850 and $1,663,500. This includes between $110,500 and $354,000 that must be paid to the franchisor or its affiliate(s).

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jesse Coslov at 1632 William Flinn Highway, Glenshaw, PA 15116 and 1-855-635-3935, ext. 700.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: April 30, 2026

How to Use This Franchise Disclosure Document

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

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit B includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only TDS business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a TDS franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

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

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

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

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

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

Special Risks to Consider About *This* Franchise

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

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

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

3. **Supplier Control**. You must purchase all or nearly all of the inventory & supplies necessary to operate your business from Franchisor, its affiliates, or from suppliers that Franchisor designates at prices that the Franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchised business.

4. **Financial Condition.** The franchisor's financial condition, as reflected in its financial statements (see Item 21), calls into question the franchisor's financial ability to provide services and support to you.

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

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

NOTICE REQUIRED BY
STATE OF MICHIGAN

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

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

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

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

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

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five 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 months advance notice of franchisor's intent not to renew the franchise.

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48913, telephone (517) 373-7117.

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

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EXHIBITS:

Exhibit A	List of State Administrators and Agents for Service of Process
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APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE-SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE-SPECIFIC AMENDMENTS, IF ANY, APPEAR IN THE STATE ADDENDA AT EXHIBIT F.

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

To simplify the language in this Franchise Disclosure Document, "TDS Franchising," "we," "us," and "our" means The Dog Stop Franchising, LLC, the franchisor. "You," "your," and "Franchisee" means the person, and its owners if the Franchisee is a business entity, who buys the franchise from TDS Franchising.

The Franchisor

We are a Pennsylvania limited liability company formed on December 7, 2012. We do business under our corporate name and the trade name "The Dog Stop." Our principal business address is 1632 William Flinn Highway, Glenshaw, PA 15116.

We do not operate, and have never operated, a business of the type we franchise. We began offering franchises ("TDS Franchises" or "Franchises") for TDS Businesses in February 2013.

Since April 2017, we also offered area representative franchises. We currently offer area representative franchises to qualified candidates. An area representative ("Area Representative") helps us grow our franchise system by soliciting, screening, recruiting, developing, servicing, and supporting third-party franchisees in their development territory. As of the issuance date of this Franchise Disclosure Document, we have one Area Representative in our system. Area Representatives do not have management responsibility for the offer and sale of franchises. The Area Representative franchise opportunity is offered under a separate Franchise Disclosure Document. If you purchase a franchise within an Area Representative's territory, the Area Representative may provide you with certain initial and ongoing support.

We have not offered franchises in any other line of business.

Our agent for service of process in Pennsylvania is Jesse Coslov, 1632 William Flinn Highway, Glenshaw, PA 15116. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

Our Parents, Predecessors and Affiliates

We do not have a parent or predecessor. We do not have any affiliates that provide products or services to franchisees. We have six affiliates that operate TDS Businesses: The Dog Stop LLC, The Dog Stop South LLC, The Dog Stop Strip LLC, and TDS Boardman, LLC, The Dog Stop Allison Park, LLC and The Dog Stop Wexford, LLC. The principal business address for The Dog Stop, LLC is 1140 Washington Blvd., Pittsburgh, Pennsylvania 15206. The principal business address for The Dog Stop South LLC is 1789 West Liberty Avenue, Pittsburgh, Pennsylvania 15226. The principal business address for The Dog Stop Strip LLC is 2701 Smallman Street, Pittsburgh, PA 15222. The principal business address for TDS Boardman, LLC is 7690 Market Street, Boardman, Ohio, 44512. The principal business address for The Dog Stop Allison Park, LLC is 1632 William Flinn Highway Glenshaw, PA 15116. The principal business address for The Dog Stop Wexford, LLC is 9795 Perry Highway Wexford, PA 15090. We also have an affiliate that operates a dog training business.

The Franchise

The Dog Stop franchisees operate businesses that provide pet care services including dog daycare, training, grooming, enrichment, boarding, dog walking, and in-home services. TDS Businesses also sell premium dog food, dog treats, and dog-related accessories.

TDS Businesses operate under our system ("System") using The Dog Stop trademarks, service marks, trade names, and logos (the "Marks") from an approved retail location. TDS Businesses operate from a retail storefront typically between 3,000 and 10,000 square feet (a "Stop").

You must sign our standard franchise agreement, which is attached to this Franchise Disclosure Document as Exhibit C ("Franchise Agreement"). You may operate one TDS Business for each Franchise Agreement you sign.

We also offer to select qualified persons ("Area Developers") the opportunity to sign our area development agreement attached to this Franchise Disclosure Document as Exhibit D ("Area Development Agreement") and acquire the right to develop multiple TDS Businesses in a designated development area ("Development Territory") in accordance with a specified development schedule ("Development Schedule"). The Development Territory will be established based on the consumer demographics of the Development Territory, geographical area, city, county and other boundaries. If you enter into an Area Development Agreement, you must sign a Franchise Agreement for your first TDS Business ("Initial Franchise Agreement") at the same time that you sign the Area Development Agreement. Area Developers are required to open a minimum of two TDS Businesses, but they have the option to open additional TDS Businesses upon our approval. Unless otherwise stated, any reference in this Franchise Disclosure Document to "you" or "franchisee" includes you both as an Area Developer under an Area Development Agreement and as a franchisee under a Franchise Agreement.

The Franchise Agreement for the first TDS Business to be developed under the Area Development Agreement will be in the form attached as Exhibit C to this Franchise Disclosure Document and must be signed at the same time you sign the Area Development Agreement. For each additional TDS Business developed under the Area Development Agreement, you must sign the form of Franchise Agreement that we are then offering to new franchisees, which may differ from the current one included with this Franchise Disclosure Document, except the royalty you pay will be the same as the first Franchise Agreement.

The Market and Competition

The market for the products and services provided by a TDS Business is the general public, namely dog owners. This industry is competitive and well developed. You will compete directly with other businesses that sell and offer dog day care, training and overnight boarding services, as well as local and national dog day care, training and overnight boarding services, some of which may be owned by our affiliates or franchised by other franchisors. You will also compete with retail pet supply stores, groomers, dog trainers, dog walkers, and pet sitters. The goods and services offered by TDS Businesses are not seasonal.

Industry-Specific Regulations

In most states, franchisees are required to obtain and maintain a license to operate their business. Some may require a specialty license so you may provide pet care, grooming, pet sitting or dog walking

services. Although qualifications for these licenses vary from state to state, you may have to pass a knowledge test and background test and obtain insurance and a bond.

You must comply with all applicable federal, state, and local laws, including but not limited to, those dealing with zoning, grooming, kennel and pet sitting licensing, noise ordinances, bonding requirements, sanitation and the disposal of hazardous materials due to the presence of pets. You may need to obtain a zoning variance or similar entitlement when you obtain a site for your TDS Business. You must comply with all local, state, and federal laws and regulations that apply to any business, including laws and regulations that may apply to animal care, pet food products, and if you offer any delivery services, also to motor vehicles. There may be other laws applicable to the TDS Business and we urge you to make further inquiries about these laws. The nature and extent of regulation relating to this business could change rapidly and without prior notice. You should consult a lawyer with experience in pet care, pet sitting, pet grooming and dog walking issues to ensure familiarity with the current statutes and regulations applicable within your territory.

ITEM 2
BUSINESS EXPERIENCE

Owner and Chief Executive Officer: Jesse Coslov

Mr. Coslov is our founder and has held the position of owner and Chief Executive Officer since our formation in December 2012 in Pittsburgh, Pennsylvania. Mr. Coslov became an owner of TDS Boardman, LLC in Pittsburgh, Pennsylvania in November 2019. Mr. Coslov became an owner of The Dog Stop, Strip, LLC, in Pittsburgh, Pennsylvania upon its formation in April 2013. Mr. Coslov became an owner of The Dog Stop South, LLC in Pittsburgh, Pennsylvania upon its formation in July 2011. Mr. Coslov became an owner of The Dog Stop, LLC in Pittsburgh, Pennsylvania in May 2009.

Vice President of Operations: Jeff Farnell

Mr. Farnell has been our Vice President of Operations since October of 2024. From February 2018 to October 2024 Mr. Farnell was Senior Director of Operations at Dogtopia in Phoenix, AZ.

Director of Dog Care and Canine Training: Brett Reynolds

Mr. Reynolds has been our Director of Canine Training since November 2015 in Pittsburgh, Pennsylvania.

Director of Openings: Nancy Purvis

Ms. Purvis has been our Director of Opening since October 2024. From April 2016 to January 2023, Ms. Purvis served as the Managing Member and President of Plasmetrics LLC (dba Any Lab Test Now Memphis) in Memphis, TN. From March 2016 to December 2022, Ms. Purvis was the Managing Member and President of Wolfden Missouri LLC (dba Camp Bow Wow Lee's Summit) in Lee’s Summit, MO. From May 2015 to October 2022, Ms. Purvis served as the Managing Member and President of Wolfden Development LLC (dba Camp Bow wow Tampa Airport) in Tampa, FL. From March 2014 to July 2022, Ms. Purvis served as the Managing Member and President of NLP Enterprises LLC (dba Camp Bow Wow New Orleans) in New Orleans, LA.

Vice President of Marketing: Dave Sims

Mr. Sims has been our Vice President of Marketing since December 2025. From June 2025 to December 2025, he was unemployed. From December 2021 to June 2025 Dave was CMO of Austin Fitness Group in Austin, TX. From November 2019 to December 2021 he was Head of Customer Experience for Alchemee (formerly The Proactiv Company) in Los Angeles, CA.

Director of Training: Joie Tarnik

Mrs. Tarnik has been our Director of Training since October 2025 and served as our Senior Operations Manager in Pittsburgh, Pennsylvania from August 2018 to October 2025.

Board Member and Shareholder: David Hardy

Mr. Hardy became a shareholder of and joined the Board of The Dog Stop Franchising, LLC and The Dog Stop Holdings, LLC in April 2021. Concurrently, Mr. Hardy has served as one of Ultimate Fitness Group, LLC ("UFG") Managers since February 2016 and one of Ultimate Fitness Holdings, LLC's ("UFH") Managers since February 2016. Both UFG and UFH are based in Boca Raton, FL. Since March 1996, he has been the President of Franvest Capital Partners in Edmonton, Alberta.

Board Member and Shareholder: Christopher Kane

Mr. Kane became a shareholder of and joined the Board of The Dog Stop Franchising, LLC and The Dog Stop Holdings, LLC in November 2022. Prior to this, Mr. Kane was one of our owners and our Chief Financial Officer from December 2012 to November 2022 in Pittsburgh, Pennsylvania. Mr. Kane became an owner of TDS Boardman, LLC in Boardman, Ohio in November 2019. Mr. Kane became an owner of The Dog Stop, Strip, LLC in Pittsburgh, Pennsylvania upon its formation in April 2013. Mr. Kane became an owner of The Dog Stop South, LLC in Pittsburgh, Pennsylvania upon its formation in July 2011. Mr. Kane became an owner of The Dog Stop, LLC in Pittsburgh, Pennsylvania in May 2009.

Board Member: Matt Walsh

Mr. Walsh joined the Boards of The Dog Stop Franchising, LLC and The Dog Stop Holdings, LLC in April 2021. Mr. Walsh has also been a Senior Associate with Franvest Capital Partners, Inc. in Edmonton, Canada since August 2015.

Board Member and Shareholder: Nick Coslov

Mr. Coslov became an owner and joined the Boards of The Dog Stop Franchising, LLC and The Dog Stop Holdings, LLC in April 2021. Since August 2002, Mr. Coslov has also been a Partner and the Chief Executive Officer for Storage Deluxe in New York, NY. Mr. Coslov has also served as the cofounder and Principal of Deluxe Car Storage in New Hyde Park, NY since December 2012. Mr. Coslov founded UOVO in April 2011 in New York, NY and continues to serve on UOVO's board of directors.

Area Representative (Louisiana): Trey Boone

Mr. Boone has been Managing Member of Southern Canine Development Group LLC, an Area Representative located in Lafayette, Louisiana, since October 2016. Since March 2015, Mr. Boone has also been the owner of Dog Services of Louisiana LLC, a The Dog Stop franchisee in Lafayette, Louisiana. Mr.

Boone also has served as a Project Developer for J. Boone Development in Youngsville, Louisiana since January 2014.

ITEM 3
LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4
BANKRUPTCY

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

ITEM 5
INITIAL FEES

Initial Franchise Fee

The "Initial Franchise Fee" for a single TDS Business is $60,000. Each Franchise Agreement will grant you the right to operate one TDS Business. The Initial Franchise Fee is payment for the right to operate a TDS Business under our System and Marks, and includes all of our pre-opening assistance that we provide to allow you to open your TDS Business and also offsets some of our franchisee recruitment expenses. The Initial Franchise Fee is uniform, payable when you sign your Franchise Agreement and is nonrefundable under any circumstances, even if you do not open your TDS Business or terminate the agreement prior to opening.

If you are a qualified United States veteran who has been honorably discharged from any branch of the United States Armed Forces, as evidenced by your DD-214 or other official military discharge documentation acceptable to us, we will reduce the Initial Franchise Fee for your first Franchised Business by $5,000. You must submit a copy of your DD-214 or other acceptable documentation to us for verification prior to execution of the Franchise Agreement to qualify for this discount.

Technology Fee

You will be required to pay us a technology fee that varies based on certain milestones in your franchise development process. The technology fee structure is as follows: (i) $100 per month beginning immediately upon signing the Franchise Agreement; (ii) $250 per month beginning on the date you sign your lease agreement for the TDS Business; and (iii) $500 per month beginning three months before your scheduled opening date and continuing for the remainder of the Franchise Agreement. These fee increases are not prorated and take effect on the first day of the month immediately following the month in which the milestone occurs. This fee covers certain technologies such as the point of sale software, accounting software, internal communications tools and email hosting. We estimate that the time from when the Franchise Agreement is signed to the opening of the TDS Business will be approximately nine months, though your total time frame may be shorter or longer. Depending on your development timeline, the total technology fees paid before opening typically range from $500 to $3,000. Item 6 has more information on this fee. This fee is uniform and nonrefundable.

Development Fee

Franchisees may also purchase the rights to open additional TDS Businesses by signing our Area Development Agreement, subject to our approval, and paying a development fee ("Development Fee"). The Development Fee is in lieu of the Initial Franchise Fees.

We calculate the Development Fee uniformly for all franchisees based on the total number of TDS Businesses to be developed under the Area Development Agreement. The Development Fee represents a reduced per-unit franchise fee compared to the standard Initial Franchise Fee, with greater per-unit savings at higher development commitments. The total Development Fee is calculated by multiplying the applicable per-unit fee shown below by the total number of TDS Businesses being purchased. The Development Fee is deemed fully earned by us once paid and is nonrefundable. The Development Fee structure is as follows:

Number of TDS Businesses to be Developed	**Development Fee**
2	$55,000 per TDS Business
3-5	$45,000 per TDS Business
6-9	$40,000 per TDS Business
10 or more	$35,000 per TDS Business

To open additional TDS Businesses under an Area Development Agreement, you will be required to sign the then-current The Dog Stop franchise agreement, but you will not be required to pay an Initial Franchise Fee (all other fees will apply). The total Development Fee is calculated based on the number of TDS Businesses you commit to develop, is payable in full when you sign your Area Development Agreement, and is nonrefundable under any circumstances, even if you fail to open any TDS Businesses.

Financial Assurances

Some states may impose financial assurance requirements on the Franchisor. Please refer to the Addendum in Exhibit F to the Franchise Disclosure Document for further information.

ITEM 6
OTHER FEES

Name of Fee[1]	Amount	Due Date	Remarks
Royalty[2]	6% of Gross Sales	Due on Monday of each week	The "Royalty" is based on "Gross Sales" during the previous week. Your Royalty is an ongoing payment that allows you to use the Marks and the intellectual property of the System and pays for our ongoing support and assistance.
Brand Development Fund Contribution	2% of Gross Sales	Payable at the same time and in the same manner as the Royalty	This ("Brand Fund Contribution") will be used for a system-wide "Brand Development Fund" for our use in promoting and building The Dog Stop brand.
Local Advertising Payment	5% of Gross Sales in your first year of operations; 3% of Gross Sales in your second year of operations, and each following year.	Payable after receipt of invoice	If you fail to spend the required Local Advertising amount in any calendar quarter, you must pay us the difference, which will be contributed to the Brand Development Fund.
Local and Regional Advertising Cooperatives[3]	Established by cooperative members	Established by cooperative members	We currently do not have a cooperative but reserve the right to require one to be established in the future. Any amounts that you contribute to a cooperative will count towards your local advertising requirement. Item 11 contains more information about advertising cooperatives.
Convention Attendance Fee	$1,000 per person	Annually	Paid to us. A minimum of one attendee fee is required annually whether or not you attend.
Transfer Fee	$10,000	$1,000 nonrefundable deposit at time of transfer application submittal and the remaining balance of fee at time of the approved transfer	Payable in connection with the transfer of your TDS Business, a transfer of ownership of your legal entity, or a transfer of the Franchise Agreement.
Renewal Fee	$10,000	At the time you sign the new franchise agreement	Payable if you qualify to renew your Franchise Agreement and choose to enter into a successor franchise agreement.

Name of Fee[1]	Amount	Due Date	Remarks
Initial Training Program – Additional Trainees	Our then-current training fee per person, per day, plus expenses for the trainee (currently $500)	As incurred	The Initial Franchise Fee includes one initial training course for up to three people. If we must re-train anyone or provide initial training to additional people, you must pay our then-current training fee (see "Additional Training" below). You are responsible for all trainee expenses, including travel, lodging, meals, and wages. Your trainees must attend a regularly scheduled training class.
Additional Training	Our then-current per diem fee for each trainer we send to your location, plus the trainer's expenses (currently $500)	15 days after billing	If you request additional on-site training, or if we determine that additional on-site training is necessary, you must pay us the per diem fee listed above and reimburse our actual costs for providing the training, including the trainer's travel, lodging, and meals.
Audit	Cost of audit (minimum $500), plus interest at the lesser of 1.5% per month or the highest rate allowed by law, plus our expenses	15 days after billing	If an audit reveals a deficiency, you must pay the amount owed plus interest. If the audit reveals an understatement of Gross Sales by 2% or more, you must pay the amount owed plus applicable late fees with interest, and you must reimburse us for the cost of the audit, and our expenses including travel, lodging, wage expenses and reasonable accounting and legal costs.
Late Payment Fee	$100 per occurrence, plus interest at the lesser of 1.5% per month or the highest rate permitted by law	As incurred	Payable if any payment due to us or our affiliates is not made by the due date. Interest accrues from the original due date until payment is received in full.
Professional Fees and Expenses	Our actual costs	As incurred	You must reimburse us for any legal or accounting fees we incur as a result of: (a) any breach of your Franchise Agreement by you; (b) termination of your Franchise Agreement; or (c) enforcing our rights against you under the Franchise Agreement.
Indemnification	Our actual costs	As incurred	You must indemnify us and hold us harmless from any third-party claims, damages, losses, costs, and expenses (including reasonable attorneys' fees and court costs) arising from your operation of the TDS Business

Name of Fee[1]	Amount	Due Date	Remarks
Product Testing and Supplier Evaluation	Actual cost of testing, if any	Upon demand	If you request that we evaluate a potential product, supplier or professional that is not on our list of approved suppliers for our System.
Insurance	Reimbursement of our costs plus a $500 administrative fee	On demand	We may (but are not required to) obtain insurance coverage for your TDS Business if you do not do so.
Management Fee	$250 per day, plus expenses	If incurred	We may assume management and operation of your TDS Business in certain circumstances, including your default under the Franchise Agreement, your death, your disability, or your prolonged absence. If we do so, you (or your estate) must pay us the management fee listed above and reimburse our representative's actual expenses.
Non-compliance Fee	$100 for the first instance of non-compliance for which we give you written notice; $250 for the second instance; $500 for the third and each subsequent instance	If incurred	Payable upon your failure to comply with our System standards and requirements. This fee is in addition to all other remedies that we have under the Franchise Agreement.
Technology Fee[4]	The Technology Fee starts at $100 per month, increases to $250 per month upon signing of the lease agreement for your TDS Business, and increases to $500 per month three months before your scheduled opening date	Due immediately upon signing the Franchise Agreement and on the first day of each month thereafter. Fee increases are not prorated and take effect on the first day of the month immediately following the triggering event (lease signing or three months before scheduled opening date)	This fee covers the costs associated with the website hosting, point of sale software, accounting software, internal communications tools, email hosting and other technologies that are utilized in the operation of your TDS Business. We reserve the right to increase this fee in the event we offer updated or additional software or technology for use in the TDS Business. We reserve the right to upgrade, modify and add new technologies and software. You will be responsible for any increase in fees that result from any upgrades, modifications or additional software or from increases from third party vendors.
Broker Fee	Our actual costs	As incurred	If you transfer your TDS Business to a third party or purchaser, you must reimburse all of our actual costs for commissions, finder's fees and similar charges.

Notes:

1. All fees paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. Fees paid to vendors or other suppliers may be refundable depending on the vendors and suppliers. We currently require you to pay fees and other amounts due to us or our affiliates via electronic funds transfer ("EFT") or other similar means. You are required to complete the EFT authorization (in the form attached to this Franchise Disclosure Document in Exhibit H). We reserve the right to require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Franchise Agreement. If you enter into an Area Development Agreement to operate multiple TDS Businesses, the fees indicated in the chart above are the fees charged and/or incurred for each TDS Business. All fees are current as of the Issuance Date of this Franchise Disclosure Document. Certain fees that we have indicated may increase over the term of the Franchise Agreement, subject to any limitations and notification requirements set forth in this agreement.

2. "Gross Sales" means the revenues you receive from the sale of all goods, products and services sold at, from, or through your TDS Business and all other income, revenue and consideration of every kind and nature related to the TDS Business, whether for cash or credit, and regardless of collection in the case of credit, and all proceeds from any business interruption insurance, but not including: (a) any sales taxes or other taxes you collect from customers and then paid directly to the appropriate taxing authority; and (b) any bona fide refunds you make to customers.

3. Local and Regional Advertising Cooperatives. If a local or regional advertising cooperative is established, contribution amounts will be established by the cooperative members, subject to our approval. We anticipate that each TDS franchisee and each TDS Business that we own will have one vote for each TDS Business operated in the designated market. Each TDS Business we own that exists within the cooperative's area will contribute to the cooperative on the same basis as franchisees and will have one vote for each subject being voted on, including fee amounts to be paid by cooperative members. If our outlets have controlling voting power, there is no minimum or maximum on fees that could be imposed. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. No local or regional advertising cooperatives have been established as of the Issuance Date of this Franchise Disclosure Document.

4. Technology Fee. We will provide you with certain technical services in exchange for your monthly technology fee, which may change from time to time based on changes to the technical services we provide and/or our costs to provide these services. We reserve the right to enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology. We also reserve the right to create proprietary software or technology that must be used by TDS franchisees, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees. We reserve the right to change the software and technology that must be used by our franchisees at any time, which may result in changes to the technology fee. Currently, we require that you utilize software provided by third party suppliers, which is included as a portion of your Technology Fee.

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

Single Unit

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Initial Franchise Fee[(1)]	$55,000	$60,000	Lump Sum	When Franchise Agreement is Signed	Us
Lease Payments[(2)]	$9,000	$34,500	As Arranged	As Arranged	Landlord
Leasehold Improvements[(3)]	$275,000	$675,000	As Arranged	As Arranged	Approved Contractor
Blueprints/Design Documents	$5,000	$30,000	As Arranged	As Arranged	Architect/Design Professional
Furnishings, Fixtures and Equipment[(4)]	$95,000	$285,000	As Arranged	As Arranged	Designated Suppliers
Signage[(5)]	$2,500	$25,000	As Arranged	As Arranged	Suppliers
Initial Inventory[(6)]	$3,500	$17,500	As Arranged	As Arranged	Suppliers
Utility and Security Deposits[(7)]	$3,500	$17,500	As Arranged	As Arranged	Landlord, Utility Companies
Insurance – Annual Premium[(8)]	$1,500	$7,500	As Arranged	As Arranged	Insurance Providers
Grand Opening Advertising[(9)]	$20,000	$45,000	As Arranged	As Arranged	Suppliers
Travel and Living Expenses While Training[(10)]	$2,500	$5,000	As Arranged	As Arranged	Airlines, Hotels, Restaurants
Point-of-Sale and Computer System[(11)]	$750	$2,500	As Arranged	As Arranged	Suppliers
Technology Fees	$500	$3,000	As Arranged	As Arranged	Us

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Permits and Licenses[12]	$100	$1,000	As Arranged	As Arranged	Government Agencies
Professional Fees[13]	$0	$5,000	As Arranged	As Arranged	Attorney, Accountant
Financing Fees[14]	$0	$25,000	As Arranged	Before Opening	Third Parties
Construction Management [15]	$0	$25,000	As Arranged	Before Opening	Third Parties
Additional Funds – 3 months[16]	$20,000	$110,000	As Arranged	As Arranged	Third Parties
TOTAL ESTIMATED INITIAL INVESTMENT	$493,850	$1,373,500			

These estimated initial expenses are based on our experience and the experience of our existing franchisees as of the date of this disclosure document. Estimates above are based on our recommended guidelines of 4,000 to 10,000 square feet. If you select a larger space, or otherwise deviate from brand standards and recommendations, your costs may be higher. Your actual costs may vary based on market conditions, geographic location, and other factors. We do not offer direct or indirect financing for any of these items. All fees paid to us or our affiliates are non-refundable under any circumstances once paid, unless otherwise expressly stated in this agreement. Expenses paid to third parties are generally non-refundable, except as you may arrange (for example, utility deposits).

Notes:

1. Initial Franchise Fee. The Initial Franchise Fee is discussed in detail in Item 5.

2. Lease Payments. Your Stop will be between 3,000 and 10,000 square feet (with ideal locations between 5,000 and 7,500 square feet) in a free-standing building or in traditional retail, commercial warehouse, or light industrial space that receives vehicular or foot traffic. The amount of your monthly rent will depend on the site's size, condition, and location, your ability to negotiate with the landlord, and the demand for the site among prospective lessees. Your proposed site must be approved by us. Our estimates assume that you will be leasing space and that you will not purchase real property and build your own building for your TDS Business. If you choose to purchase real property and construct a building, we cannot estimate how your initial investment would increase.

3. Leasehold Improvements. You will need to build-out the interior of your Stop according to our specifications. Your blueprints for the build-out of your Stop must be approved by us before you may begin construction. Our review of your blueprints is only meant to verify that they meet our specifications, and is not meant to verify compliance with any applicable law, ordinance or building

code. Improvements include the estimated cost of construction modifications based on the costs incurred by TDS Businesses opening new leased locations and those who purchased real estate and then renovated the building in 2025. TDS Businesses that opened in 2025 in this category ranged from 4,000 to 12,000 square feet. Our estimates below reflect our recommended build-out size of 4,000 to 10,000 square feet. Data from TDS Businesses that selected spaces above 10,000 square feet have been excluded from the per-square-foot table below, as costs for those locations exceeded our recommended range and are not representative of a standard build-out following our specifications. These estimates do not include costs of TDS Businesses where the franchisee built their own building. The cost range listed indicates estimates based on the net amount paid for leasehold improvements after landlord contributions or allowances are subtracted. The estimates do not include the acquisition cost of the building for those TDS Businesses who purchased real estate. The following table highlights the estimated cost of improvements per square foot based on the 2025 data available to us, after landlord contributions are subtracted:

	Low	High	Average
Cost of Improvements Per Sq. Ft.	$49.03	$74.54	$61.79

Construction modifications commonly include: demolition, concrete repair, insulation, roof repairs, doors and hardware, partition walls, acoustical ceilings, flooring, painting, installation of fixtures, cabinets, plumbing, HVAC installation, electrical work, fire alarms, security systems, exterior fencing, and turf. We may require you to use our designated or approved contractors or suppliers for some or all of these items. We may designate new or different mandatory contractors or suppliers for any build-out service or product at any time. These estimates do not include upgrading outdated electrical or HVAC systems. The actual costs you incur may vary significantly based on multiple factors, including but not limited to: (i) the condition of the existing space; (ii) local labor market conditions, including whether union labor is required; (iii) developing in certain premium or high-cost markets; (iv) local permitting and inspection requirements; (v) supply chain conditions; (vi) material costs in your area; and (vii) seasonal construction timing. You should carefully evaluate these factors in your market when developing your budget.

Ground-up builds are only for existing TDS Businesses in good-standing who have operated a STOP for at least 1 year.

4. Furnishings, Fixtures and Equipment. The furnishings, fixtures and equipment (the "FFE") you must obtain for your TDS Business includes kennels, interior and exterior fencing, turf, reception counter, cabinets, display units, shelving, desks, refrigerator, grooming tubs and tables, washer/dryer, cleaning supplies, dog care supplies, televisions, cameras, and all additional equipment necessary to run your TDS Business. The table above describes your estimated initial investment if you purchase your FFE.

5. Signage. Our estimate includes the interior and exterior signage for your TDS Business.

6. Initial Inventory. Your initial inventory includes items for sale in the TDS Business such as dog food, dog toys and accessories, and any uniforms and apparel required.

7. Utility and Security Deposits. Your landlord may require that you pay a security deposit when you sign the lease, and your local utility companies may require you to pay security deposits.

8. Insurance. Our estimate includes the annual premium for required insurance coverage. You may have to pay your premiums monthly, quarterly, semi-annually or annually. The insurance you must maintain is described in Item 8. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of a TDS Business, your rates may be significantly higher than those estimated above

9. Grand Opening Advertising. You must spend a minimum of $20,000 on a grand opening advertising campaign to announce the opening of your TDS Business. Your grand opening advertising campaign must be conducted during the 75 days before and 30 days after your TDS Business opens. Your grand opening advertising campaign, including the beginning and ending dates and any proposed expenditures above the minimum requirement, must be approved by us in writing before you may begin the campaign. Your campaign must include channels approved by us in writing in advance, which may include flyers, newspaper advertising, brochures, direct mail postcards, digital advertising, social media, and other channels we approve. It will also include partnering with our vendor that provides guidance, planning and on-site support. You must provide us with documentation evidencing your campaign expenditures within 30 days after the completion of your grand opening advertising campaign.

10. Travel and Living Expenses While Training. We provide one initial training course in Pittsburgh, Pennsylvania, for you and up to two additional persons (typically managers) at no additional charge as part of the Initial Franchise Fee. Additional trainees beyond three persons will incur our then-current training fee per person, per day, plus expenses (see Item 6), but you must pay for your trainees' expenses, including travel, lodging, meals and wages (if applicable). The amount of the expenses will depend on the distance you must travel, the type of accommodations you choose, the number of attendees, and any wages you pay to employees of yours attending training. The low end of our estimate assumes that the trainees are within driving distance of our training facility.

11. Point-of-Sale and Computer System. You must purchase the computer system we designate or approve, including required hardware and software components. The estimated initial investment includes the estimated cost of the computer system. See Item 11 for more information about the computer system. You will not be required to substantially upgrade your computer system more than three times during the term of the Franchise Agreement.

12. Permits and Licenses. Our estimate includes business-specific licenses and permits that generally remain in effect for one year, but specifically excludes any construction-related permits and licenses. We strongly recommend you consult with an attorney to determine the types of permits and licenses you will need and their costs.

13. Professional Fees. You may wish to have an attorney assist you in negotiating lease terms or forming a corporate entity to own the franchise.

14. Financing Fees. These fees include amounts that may be payable for items like closing costs and SBA loans, financial broker fees and contingency accounts, and interim interest. The figures provided are just an estimate and the actual fees will vary depending on your creditworthiness and the financial markets generally. The minimum amount shown in the table is $0 because these fees may not be incurred by all franchisees unless they need these services.

15. Construction Management. The Construction Management fee shall be calculated as 3% of the total construction cost or a minimum of $20,000, whichever is greater. The typical Construction Management fee averages approximately $25,000. The minimum amount shown in the table is $0 because these fees may not be incurred by all franchisees unless they need these services.

16. Additional Funds. This item estimates your initial start-up expenses (other than the items identified separately in the table) for the initial period of operations of your TDS Business, which we anticipate will be three months. These expenses include Royalty fees, technology fees, Brand Fund Contributions, and employee wages for the first three months of operation. We have relied on our affiliates' experience since 2009 in developing TDS Businesses and our sale of TDS franchises since 2013 to prepare these estimates. We have elected to include certain fees as line items above, including costs for the lease payments, and insurance premiums. These fees could also be included in our Additional Funds amount. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing the franchise purchase and business start-up depend on many factors, including the availability of financing generally, your creditworthiness and collateral and lending policies of financial institutions from which you request a loan. These figures are estimates, with the high-end estimate including additional payroll costs that may be incurred if you choose to operate as an absentee owner rather than working in the business yourself. We cannot guarantee that you will not have additional expenses starting the business.

YOUR ESTIMATED INITIAL INVESTMENT
AREA DEVELOPER

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
Development Fee[1]	2 units - $110,000 3 units - $135,000 5 units - $225,000 7 units - $280,000 10 units - $350,000	2 units - $110,000 3 units - $135,000 5 units - $225,000 7 units - $280,000 10 units - $350,000	Lump Sum	When Area Development Agreement is Signed	Us
Initial Investment for The First TDS Business[2]	$438,850	$1,313,500	Per Table Above	Per Table Above	Per Table Above
TOTAL ESTIMATED INITIAL INVESTMENT FOR TWO TDS BUSINESSES[3]	$548,850	$1,423,500			

Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
TOTAL ESTIMATED INITIAL INVESTMENT FOR THREE TDS BUSINESSES (3)	$573,850	$1,448,500			
TOTAL ESTIMATED INITIAL INVESTMENT FOR FIVE TDS BUSINESSES (3)	$663,850	$1,538,500			
TOTAL ESTIMATED INITIAL INVESTMENT FOR SEVEN TDS BUSINESSES(3)	$718,850	$1,593,500			
TOTAL ESTIMATED INITIAL INVESTMENT FOR TEN TDS BUSINESSES(3)	$788,850	$1,663,500			

None of the expenses listed in the above chart are refundable. We do not finance any portion of your initial investment.

Notes:

1. Development Fee. You must pay us a Development Fee upon signing the Area Development Agreement instead of the Initial Franchise Fee. This fee is discussed in Item 5.

2. Other Expenditures for First TDS Business. These are the estimates to build-out your first TDS Business. Costs associated with building out additional TDS Businesses are subject to factors that we cannot estimate or control, such as inflation, increased labor costs or increased materials costs. The Initial Franchise Fee is not included in these totals, as that would be replaced by the Development Fee.

3. Figures May Vary. This is an estimate of your initial start-up expenses for an Area Developer Franchise. The Initial Franchise Fee has been replaced with the Development Fee in these totals.

ITEM 8
RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

You must operate the TDS Business according to our System and specifications. This includes purchasing or leasing all products, services, supplies, fixtures, equipment, inventory, computer hardware and software, and real estate related to establishing and operating the TDS Business under our specifications, which may include purchasing these items from: (i) our designees; (ii) approved suppliers; and/or (iii) us or our affiliates. We will provide our System standards and specifications to you in our Franchise Operations Manual ("Franchise Operations Manual"), and the System standards may be periodically updated. Updates to the System standards will be communicated to you in writing, including email, newsletters and updates to the Franchise Operations Manual. You are prohibited from deviating from these methods, standards, and specifications without our prior written consent, or from operating in any manner that may adversely affect our Marks or the System.

Purchases from Approved Suppliers

You must purchase, install, maintain in sufficient supply and only use fixtures, furnishings, equipment, signs and supplies that conform to the standards and specifications described in the Franchise Operations Manual or otherwise in writing. You will be required to maintain certain inventory levels that will depend on the location, size of your Stop and the demographics of the territory of your TDS Business as specified in the Franchise Operations Manual.

We may negotiate purchase arrangements with approved suppliers for the benefit of all The Dog Stop franchises in the System. There are currently no purchasing cooperatives or purchasing arrangements in place.

Currently, our approved suppliers include vendors for the following services and products:

- Site Selection Services
- Cleaning Solutions
- Designated Software
- Online Cameras
- Dog Enclosures and Fencing
- Flooring
- Dog Beds
- Grooming Tubs
- Dog Shampoo
- Credit Card Processing
- Webcam hardware and streaming services
- Construction Management
- Marketing services including SEM and Paid Social Media advertising
- Website
- Uniforms and Apparel
- The Dog Stop® Branded Merchandise and Swag
- All Marketing Materials, including, but not limited to: business cards, flyers, mailers, brochures, in-store signage, and graphics.

Some of these items must be purchased through our web portal: thedogstopswag.com.

Neither we nor our affiliates are currently approved suppliers of any products or services provided to franchisees. We and our affiliates reserve the right to become approved suppliers of any services and products. None of our officers own an interest in any supplier. We reserve the right to modify, remove and add designated suppliers in the future. We will provide you with a list of our designated and approved suppliers in our Franchise Operations Manual.

We do not provide material benefits to you (such as renewal rights or the right to open additional franchises) based on whether or not you purchase through the sources we designate or approve.

We reserve the right to collect and keep all allowances, rebates, credits, incentives, or benefits (collectively, "Allowances") that manufacturers, suppliers, and distributors offer based on your purchases. These Allowances may be offered to you, us, or our affiliates. You assign to us all of your rights to these Allowances. We or our affiliates may collect and keep any or all Allowances without restriction, unless the manufacturer, supplier, or distributor instructs otherwise.

In the fiscal year ending December 31, 2025, we received $172,334.63 in revenue from required purchases or leases by franchisees, which consisted of rebates, revenue sharing, and cost of goods resold. Our distribution affiliate received $15,120.40 in equipment resale revenue from required purchases or leases by franchisees during the same period.

When establishing your TDS Business, approximately 90% of all goods and services you purchase must come from approved or designated suppliers or meet our specifications. During ongoing operations, approximately 60% of your purchases must meet these requirements. During the fiscal year ending December 31, 2025, we did not receive any revenue from the sale or lease of products or services to franchisees.

Approval of New Suppliers

If you wish to use any product or service that has not been approved for use in the System or if you want to purchase from or contract with a supplier that has not yet been approved, you must first submit a written request for approval of the proposed product or supplier and obtain our approval of the product or the supplier before purchasing or entering into a contract with the supplier. You must pay us for the actual cost of testing, if any. We will notify you of our decision within 60 days after we receive your complete written request. Unless we provide our specific approval of a proposed product or supplier, the product or supplier is deemed not approved. We will notify you in writing of our decision by email, newsletter or updates to our Franchise Operations Manual. We will periodically establish procedures for submitting requests for approval of items and suppliers and may impose limits on the number of approved items and suppliers. Approval of a supplier may be conditioned on requirements relating to product quality, production and delivery capabilities, ability to meet our supply commitments, field of expertise, complaint and reporting history, financial stability, integrity and standards of service, familiarity with our System and ability to negotiate favorable terms for our franchisees. We do not make available to you or any supplier our specific criteria for product or supplier approval. We reserve the right to periodically re-inspect the facilities and products of any approved supplier or distributor and to revoke our approval if the supplier or distributor does not continue to meet our criteria. If we revoke our approval of the supplier or distributor, you will receive written notice and you must stop purchasing from the supplier or distributor immediately.

We may conduct market research and testing to determine consumer trends and salability of new products, materials and services. You must cooperate by participating in our market research programs, test marketing new products and services and providing timely reports and other relevant information regarding the market research. In connection with test marketing, you must purchase a reasonable quantity of products to be tested and effectively promote and make a reasonable effort to sell the products, materials and services.

Insurance

In addition to the purchases or leases described above, you must obtain and maintain, at your own expense, the insurance coverages that we require. We may regulate the types, amounts, terms and conditions of insurance coverage required for your TDS Business, including: standards for underwriters of policies providing required insurance coverage; our protection and rights under the policies as an additional named insured; required or impermissible insurance contract provisions; assignment of policy rights to us; periodic verification of insurance coverage that must be furnished to us; our right to obtain insurance coverage at your expense if you fail to obtain required coverage; our right to defend claims; and similar matters relating to insured and uninsured claims.

You currently must maintain the following insurance coverage: (1) comprehensive general liability coverage, including products liability coverage, and liability coverage of owned and non-owned automobiles, under one or more policies of insurance containing minimum liability coverage of $1,000,000 per occurrence for bodily injury and property damage, multi-peril package, and umbrella coverage of an additional $1,000,000; (2) business interruption insurance for a period adequate to re-establish normal business operations; (3) workers' compensation and employer's liability insurance as well as any other insurance that may be required by statute or rule in the state in which your TDS Business is located; and (4) any other insurance that we may require in the future or that may be required according to the terms of your lease.

You must maintain all required policies in force during the entire term of the Franchise Agreement and any renewal terms. We may periodically increase or decrease the amounts of coverage required under these insurance policies and require different or additional kinds of insurance at any time to reflect inflation, identification of new risks, changes in law or standards of liability, higher damage awards, or other relevant changes in circumstances. Each insurance policy must name us (and, if we request, our directors, officers, employees or shareholders) as additional insureds and must provide us with 30 days' advance written notice of any material modification, cancellation or expiration of the policy. If you fail to secure the required insurance coverages, we reserve the right to purchase the necessary insurance on your behalf. You will be responsible for reimbursing us for all expenses incurred in this process, in addition to a $500 administrative fee.

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	Article/Section in Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement: 2 Area Development Agreement: 3	7, 8, 11
b. Pre-opening purchases/ leases	Franchise Agreement: 2	7, 8, 11
c. Site development and other pre-opening requirements	Franchise Agreement: 2	7, 8, 11
d. Initial and ongoing training	Franchise Agreement: 4	7, 11
e. Opening	Franchise Agreement: 2	11
f. Fees	Franchise Agreement: 3, 4, 9, 11, 12, and 16 Area Development Agreement: 2 and 3	5, 6, 7, 11
g. Compliance with standards and policies/Operating Manual	Franchise Agreement: 4 and 8	8, 11, 16
h. Trademarks and proprietary information	Franchise Agreement: 5 and 6 Area Development Agreement: 7	13, 14
i. Restrictions on products/ services offered	Franchise Agreement: 2 and 8	8, 16
j. Warranty and client service requirements	Franchise Agreement: 8	8
k. Territorial development and sales quotas	Franchise Agreement: Not applicable Area Development Agreement: 3	12
l. Ongoing product/service purchases	Franchise Agreement: 2 and 8	8
m. Maintenance, appearance and remodeling requirements	Franchise Agreement: 8	6, 11
n. Insurance	Franchise Agreement: 8	7, 8
o. Advertising	Franchise Agreement: 9	6, 7, 11
p. Indemnification	Franchise Agreement: 5 and 16 Area Development Agreement: 14	6
q. Owner's participation/ management/staffing	Franchise Agreement: 1 and 4 Area Development Agreement: 7	15
r. Records and reports	Franchise Agreement: 10	6
s. Inspection and audits	Franchise Agreement: 11 Area Development Agreement: 12	6, 11
t. Transfer	Franchise Agreement: 12 Area Development Agreement: 11	6, 17
u. Renewal	Franchise Agreement: 13 Area Development Agreement: 5	6, 17
v. Post-termination obligations	Franchise Agreement: 15 Area Development Agreement: 10	17
w. Non-competition covenants	Franchise Agreement: 7, 12 and 15 Area Development Agreement: 12	17
x. Dispute resolution	Franchise Agreement: 17 Area Development Agreement: 19	17

Obligation	Article/Section in Agreement	Disclosure Document Item
y. Personal guaranty	Franchise Agreement: 8 and 12 and Attachment D	15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or any other obligation.

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

Except as listed below, The Dog Stop Franchising, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your TDS Business, we (or our designee) will provide the following assistance and services to you:

1. Provide you with written site selection guidelines and site selection assistance that we deem advisable (Franchise Agreement, Article 2). We will also designate the territory for your TDS Business when we have accepted your proposed location for the Stop (the "Territory"). If you are an Area Developer, we will designate your Development Territory when you sign the Area Development Agreement (Area Development Agreement, Section 1.1). Area Developers must use a real estate brokerage firm we designate (see Area Development Agreement Section 3.1). Single-unit franchisees may engage their own real estate broker subject to our approval.

2. We will consult with you about the proposed economics of a lease for the Stop, but you must have your own attorney review all terms of the lease. You must select a site that meets our site selection criteria. You will need between 3,000 and 10,000 square feet of space that we anticipate will be in a traditional retail, commercial warehouse or light industrial facility that receives vehicle and/or foot traffic. We will have five days after we receive all information we require to notify you whether the site you propose to use is accepted. Unless we provide our specific acceptance of a site, it is deemed not accepted. You must find an approved site within 90 days after you sign the Franchise Agreement. We must also approve the lease for the accepted site (Franchise Agreement, Article 2). We generally do not own and then lease any sites to you. We reserve the right to require that your lease includes an option to purchase the site and that the lease may be assigned to us.

3. Provide standard design specifications for the design, interior layout, fixtures, displays, equipment, signs, color scheme and décor and standard specifications and layouts for building and furnishing the TDS Business, which you will use to have site plans and build-out plans prepared, at your expense (Franchise Agreement, Article 2). We reserve the right to require you to use the architect/designer we designate and to inspect your TDS Business during its construction. You must comply with all ordinances, building codes, and permit requirements, and with any lease requirements and restrictions. We

do not provide assistance in your conformance of the premises to local ordinances and/or building codes, obtainment of required permits, and/or the construction, remodeling or decoration of your premises.

4. Provide you with digital access to the Franchise Operations Manual. The Franchise Operations Manual contains approximately 477 pages. The table of contents for the Franchise Operations Manual is attached to this Franchise Disclosure Document as Exhibit G (Franchise Agreement, Article 4). We also have a video library of more than 80 videos that each run between two minutes and 15 minutes.

5. Provide a list of approved suppliers, which we may revise during the term of your Franchise Agreement (Franchise Agreement, Article 8).

6. Provide an initial training program at our headquarters for up to three people, the cost of which is included in the Initial Franchise Fee (Franchise Agreement, Article 4). We do not provide training to any other employees of yours unless you request we provide additional training or on-site assistance, and pay our then-current training fees. We do not hire any of your employees.

7. We will assist with selecting equipment, signs, fixtures, opening inventory, and supplies by providing written specifications for these items. We do not provide these items directly but will provide you with names of our approved suppliers. We do not deliver or install any of these items.

We do not provide the above services to renewal franchisees and may not provide all of the above services to franchisees that purchase existing TDS Businesses.

Site Selection and Schedule for Opening

We estimate that the time from when the Franchise Agreement is signed to the opening of the TDS Business will be approximately 9 to 18 months. Your total time frame may be shorter or longer depending on the time necessary to obtain an accepted site, obtain proper zoning for our use and outdoor relief areas, to obtain financing, to obtain the permits and licenses for the construction and operation of the TDS Business, to complete construction or remodeling as it may be affected by weather conditions, shortages, delivery schedules and other similar factors, to complete the interior and exterior of the TDS Business, including decorating, purchasing and installing fixtures, equipment and signs, and to complete preparation for operating the TDS Business, including purchasing inventory and supplies. You must open the TDS Business and begin business within 180 days after signing the lease for your TDS Business. If you are not able to open your TDS Business within this period, we have the right to terminate your Franchise Agreement or, in our discretion, we may extend the period of time for you to open. You may not open your TDS Business for business until we have approved you to do so. If you do not locate a site which is acceptable to us, or find acceptable sites and open the TDS Businesses by the deadlines in your Area Development Agreement, we may terminate the agreements.

You must provide to us all of the information we require to evaluate the site you propose, which may include photographs of the proposed site and demographic studies. We will have 30 days after we receive all information we need to accept or not accept your proposed site. We will not unreasonably withhold our approval, if the site meets our minimum requirements. Our acceptance only indicates that the site meets our minimum requirements for a TDS Business. Unless we provide our specific acceptance of a proposed site, the site is deemed not accepted. Our criteria for reviewing a proposed site includes its location, traffic patterns, visibility, ease of access, proximity to a major road, parking, lighting, the physical characteristics of the building, and the amount of outdoor space you will have.

The lease rider, the form of which is attached to this Franchise Disclosure Document in Exhibit H, must be included in and become a part of the lease you sign for the TDS Business.

You are solely responsible for selecting the site of each of your TDS Businesses under the Area Development Agreement which will be subject to our review and acceptance. We do not locate sites for you. As an Area Developer, you must sign your first Franchise Agreement at the same time you sign the Area Development Agreement. The typical length of time between the signing of the Franchise Agreement and the opening of your first TDS Business under an Area Development Agreement is the same as for a single TDS Business, within 180 days after you sign the lease for your TDS Business. Each additional TDS Business you develop must be opened according to the terms of your Development Schedule. The site selection and approval process for each TDS Business under an Area Development Agreement is the same as that for a single TDS Business and will be governed by the Franchise Agreement signed for that location. In evaluating a proposed site, we consider such factors as location, traffic patterns, visibility, ease of access, proximity to a major road, parking, lighting, the physical characteristics of the building, and the amount of outdoor space you will have. We may conduct an on-site evaluation of the proposed site for your TDS Business. We will have 30 days after we receive all needed information to accept or not accept your proposed site. For each accepted TDS Business site, you must execute the then-current Franchise Agreement and return it to us within 10 days after your receipt of the Franchise Agreement. Failure to execute and submit the then-current Franchise Agreement to us within the 10 day time period voids our acceptance of the site and you will not have any rights to that site. The development schedule for the opening of each TDS Business is identified in Attachment C, Minimum Performance Schedule, to the Area Development Agreement.

All leasehold improvements must comply with our plans and specifications. You must engage a licensed contractor and comply with all applicable ordinances, building codes and permit requirements and with lease requirements and restrictions. You must submit building permits, construction plans or build-out plans and specifications to us for our approval before construction of the TDS Business begins, and you must submit all revised plans and specifications to us for our approval during construction.

You may not open your TDS Business for business until: (1) all persons that we require satisfactorily complete pre-opening training; (2) amounts then due to us have been paid; (3) all amounts due and owing to suppliers have been paid; (4) you give us certificates for all required insurance policies or other evidence of insurance coverage and premium payment that we request; (5) the TDS Business has been built-out, furnished and equipped according to our requirements and specifications; (6) you provide us with copies of all licenses and permits required for the TDS Business's proper operation; (7) we have approved your grand opening advertising campaign; (8) working capital has been verified and approved to meet cash flow requirements, and (9) you have received our written approval to open the TDS Business, which approval may be granted or withheld in our sole discretion.

Continuing Obligations

During the operation of your TDS Business, we (or our designee) will provide the following assistance and services to you:

1. Advise you regarding your operations based on your reports or our inspections. We also will guide you on standards, specifications, and operating procedures and methods that TDS Businesses use; purchasing required products and services from approved suppliers; advertising and marketing programs; employee training, administrative, bookkeeping, and accounting procedures. We will guide you in our Franchise Operations Manual, bulletins, or other written materials, emails, during telephone

consultations, and/or during consultations at our office or at your TDS Business (Franchise Agreement, Article 4.2).

2. Provide you with additional on-site assistance and/or training, at your expense (Franchise Agreement, Article 4.2). We will visit all new TDS Businesses at least two times in the first year, and one time each year after that. If you operate multiple TDS Businesses in the same area, we may visit each TDS Business, and each of these visits will count towards our visit requirements for that TDS Business (Franchise Agreement, Article 4.2).

3. Inspect and observe the operation of the TDS Business to help you comply with the Franchise Agreement, Franchise Operation Manual and all System standards (Franchise Agreement, Article 11.1).

4. Provide you access to our confidential operations information and proprietary business methods (Franchise Agreement, Article 6).

5. Allow you to use the Marks (Franchise Agreement, Article 5).

6. Provide you with advice and guidance on advertising and marketing (Franchise Agreement, Article 9).

Optional Assistance

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

1. Modify, update or change the System, including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new products, new equipment or new techniques.

2. Make periodic visits to your TDS Business to assist with operations and management. We will prepare written reports after these visits that outline suggested changes, improvements, or operational problems we identify. If you request additional visits beyond our standard periodic visits, you must reimburse our reasonable travel expenses and pay our then-current per diem training fee (see Item 6 for current fees).

3. Maintain and administer a Brand Development Fund for system-wide advertising and marketing. We reserve the right to dissolve the Brand Development Fund at any time upon written notice to you (Franchise Agreement, Article 9.3).

4. Hold periodic national or regional conferences to discuss business and operational issues affecting The Dog Stop franchisees.

Advertising

Grand Opening Advertising

You must spend at least $20,000 on a grand opening advertising campaign to announce the opening of your TDS Business. This campaign must occur during the 75-day period before your opening through

30 days after your opening. You must obtain our prior written approval of your campaign plan, including the beginning and ending dates. Your campaign must include channels approved by us in writing in advance, which may include flyers, newspaper advertising, brochures, direct mail postcards, digital advertising, social media, and other channels we approve. You must also partner with our designated vendor who will provide guidance, planning, and on-site support. You must provide us with documentation of all grand opening expenditures within 30 days after completing your campaign. You may spend more than $20,000 if you wish, but any expenditures above the minimum require our prior written approval.

Brand Development Fund

We have established a Brand Development Fund to promote the System, TDS Businesses and the products and services offered by TDS Businesses (Franchise Agreement, Article 9.3). You must pay 2% of Gross Sales for your Brand Fund Contribution. The Brand Development Fund will be used for national and regional advertising, publicity, and promotion relating to our business. Advertising and marketing may be prepared by us or by outside sources. We will determine, in our fully unrestricted discretion, the manner in which the Brand Development Fund will be spent. Some portion of the Brand Development Fund may be used for creative concept production, marketing surveys, test marketing and related purposes. We have the right to direct all advertising activities with sole discretion over creative concepts, materials and media used, as well as their placement and allocation. We also have the right to determine, in our sole discretion, the composition of all geographic and market areas for the implementation of these advertising and promotional activities. The Brand Development Fund is intended to maximize general public recognition in all media of the Marks and patronage of TDS Businesses and we have no obligation to ensure that expenditures of the Brand Development Fund in or affecting any geographic area are proportionate or equivalent to payments of the Brand Fund Contribution by franchisees operating in that geographic area, or that any TDS Business will benefit directly or in proportion to the Brand Fund Contributions paid for the development of advertising and marketing materials or the placement of advertising. We have the right to reimburse ourselves out of the Brand Development Fund for the total costs (including indirect costs) of developing, producing and distributing any advertising materials and collecting the Brand Fund Contribution (including attorneys', auditors' and accountants' fees, salaries and other expenses incurred in connection with collecting any Brand Fund Contribution).

All franchisees are required to contribute to the Brand Development Fund. However, the contribution basis may vary for certain franchisees, depending on when their Franchise Agreement was signed. TDS Businesses owned by us or our affiliates will contribute to the Brand Development Fund on the same basis as you. Brand Fund Contributions will be deposited into a separate account designated solely for Brand Development Fund contributions and expenditures, which will be maintained separately from our general operating funds. While we are not required to do so, we will maintain this account as a non-interest-bearing account. Money from the Brand Development Fund will not be used to defray any of our general operating expenses, except as described in the paragraph above. Any sums paid to the Brand Development Fund that are not spent in the year they are collected will carry over to the following year. We will prepare, and furnish to you upon written request, an annual, unaudited statement of funds collected and costs incurred.

Although the Brand Development Fund is intended to be perpetual, we may terminate the Brand Development Fund at any time. The Brand Development Fund will not be terminated until all monies in the Brand Development Fund have been spent for advertising or promotional purposes or returned to contributors on a pro rata basis. If we terminate the Brand Development Fund, we have the right to reinstate it at any time and you must again contribute to the Brand Development Fund.

No portion of the Brand Development Fund will be used for advertising that is principally a solicitation for the sale of franchises.

We are not obligated to spend any amount on advertising in your area or territory separate from the Brand Development Fund.

During the last fiscal year ended December 31, 2025, we collected $598,281 in Brand Development Fund contributions. The Brand Development Fund had total expenditures of $641,414. The difference of $43,133 between the amount collected and the amount spent was contributed by us, the franchisor. Brand Development Fund expenditures were allocated as follows: 25% for media production, 30% for administration, 32% for media placement, and 13% for other expenses. Sources for advertising materials include preparation in house as well as national and/or regional advertising agencies.

Local Advertising

You must conduct local advertising and marketing in your Territory. During your first year of operation you must spend at least 5% of Gross Sales each calendar quarter for local advertising, and starting in your second year of operation you must spend at least 3% of Gross Sales each calendar quarter for local advertising. Cooperative contributions count toward your Local Advertising requirement. Your advertising promotion and marketing will be completely clear, factual and not misleading and conform to the highest standards of ethical advertising and marketing policies that we periodically prescribe and as outlined in our Franchise Operations Manual. All of your advertising must also comply with any applicable laws or regulations. You must send samples of all advertising, promotional and marketing materials that we have not prepared or that was not previously approved by us for approval. At our request you must include certain language in your local advertising materials, including "Franchises Available" and/or "Each Franchise Location Independently Owned and Operated," our website address and telephone number.

Each quarter, you must provide us with proof of your expenditures on local advertising, including a report of the monies spent, copies of the advertising used and verification of advertising.

You may be required to participate in any local or regional advertising cooperative for The Dog Stop Franchises that are established. The area of each local and regional advertising cooperative will be defined by us, based on our assessment of the area. Franchisees in each cooperative will contribute an amount to the cooperative for each The Dog Stop Franchise that the franchisee owns that exists within the cooperative's area. Each The Dog Stop Franchise we own that exists within the cooperative's area, will contribute to the cooperative on the same basis as franchisees. If our outlets have controlling voting power, there is no minimum or maximum on the fee that could be imposed. Members of the cooperative will be responsible for administering the cooperative, including determining the amount of contributions from each member. We may require that each cooperative operate with governing documents and prepare annual unaudited financial statements. We reserve the right to form, change, dissolve or merge any advertising cooperative formed in the future. If we elect to form such cooperatives, or if such cooperatives already exist near your territory, you will be required to participate in compliance with the provisions of the Franchise Operations Manual, which we may periodically modify at our discretion.

You are required to order sales and marketing material either directly from us or from our approved suppliers. It is a material breach of the Franchise Agreement to use other marketing material without obtaining our prior written approval. If you desire to use your own advertising materials, you must obtain our prior approval, which may be granted or denied in our sole discretion. We will review your request and we will respond in writing within 30 days from the date we receive all requested information. If we do not

respond within the specified time frame, it should be interpreted as a rejection of your request. Use of logos, Marks and other name identification materials must follow our approved standards. You may not use our logos, Marks and other name identification materials on items to be sold or services to be provided without our prior written approval.

Advisory Councils

We reserve the right to form an advisory council comprised of our representatives and franchisee representatives. If we choose to form an advisory council, it will act in an advisory capacity only and will not have decision making authority. The advisory council may be formed to work with us to improve the System, the products and services offered by TDS Businesses, advertising and promotional programs, and other matters. Franchisee representatives to the council may be selected by us or may be elected by other franchisees in the System. If you are chosen to participate in the council, your expenses for travel and lodging will be paid for by us, and such participation is without compensation of any kind. We will have the right to form, change, merge or dissolve any advisory council at any time. We will also have the right to remove council members in our discretion.

Website and Intranet

If you wish to advertise online, you must follow our online policy that is contained in our Franchise Operations Manual. Our online policy may change as technology and the Internet changes. Under our online policy, we may retain the sole right to market and conduct e-commerce on the Internet, including all use of websites, domain names, advertising, and co-branding arrangements. You are not permitted to promote your Franchised Business or use any of the Marks in any manner on any social media or networking platforms, including but not limited to Facebook, Pinterest, Instagram, LinkedIn, X, TikTok, or any other current or future social media platforms or websites, without our prior written consent. We may not allow you to independently market on the Internet, or use any domain name, address, locator, link, metatag, or search technique with words or symbols similar to the Marks. We intend that any franchisee website will be accessed only through our home page.

Computer System

You are required to procure, either through purchase or lease, a computer system that includes the following hardware and software: (a) a minimum of one point of sale ("POS") system, a color printer, and a scanner, and (b) QuickBooks and the TDS POS Business Management System ("TDS POS") ("Computer System"). We estimate the initial cost of purchasing the Computer System will be between $750 and $2,500, subject to change based on technology requirements and market conditions. You must at all times have a high-speed internet connection. The Computer System will provide you with the following functions: point of sale, scheduling (for both clients and employees), client and pet management database, reporting and email. In addition, you will need to pay us a technology fee according to the following schedule: (i) $100 per month beginning on the first day of the month immediately after you sign this Agreement, (ii) $250 per month beginning on the first day of the month immediately after you sign your lease agreement for the Business (not prorated), and (iii) $500 per month beginning on the first day of the month immediately after the date that is three (3) months before your scheduled opening date for the Business (not prorated). The $500 per month technology fee will continue for the remainder of the Term of this Agreement.

Your POS system must allow you to pay any amounts due and owing to us by automatic debit from your bank account or by EFT.

We reserve the right to access the information and data on your computer system at any time, and to collect and use your information and data in a manner that we deem necessary for promoting the development of the System and the sale of franchises, subject to applicable laws and regulations. The information we may download includes financial and sales information, reservation information, client database, and similar information concerning your operation of the TDS Business. There is no contractual limitation on our right to receive information through your computer system. You must make sure that we have electronic access to your computer system at all times, at your expense. The client database, while under your management, will remain our property at all times.

During the term of your Franchise Agreement, we may require you to upgrade your existing computer hardware and software or procure additional equipment, subject to reasonable notice. There are no specific contractual obligations limiting the frequency or cost of your obligation to acquire upgrades and updates or to replace obsolete or worn out hardware or equipment. You must at all times have a maintenance contract for the computer system, which we anticipate will cost approximately $75 per month ($900 annually). We cannot estimate the cost of maintaining, updating or upgrading the Computer System or its components because it will depend on your repair history, local costs of computer maintenance services in your area and technological advances which we cannot predict at this time. In prior years we estimated the annual costs to approximately $150. Neither we nor our affiliates will provide you with any updates, upgrades or maintenance for your computer system.

Training

We will provide an initial training course, at no additional charge, to you (or your designated owner if you are an entity) and a minimum of two managers for the operation of a TDS Business. You may send additional trainees; however, we require that you and two managers attend training at a minimum. Our training program is mandatory for all new franchisees. If you request that we provide our training program on additional occasions, whether before your TDS Business opens or while it is operating, you must pay our then-current training fee. You must also pay for all expenses your trainees incur while attending the training program, including travel, lodging, meals and applicable wages.

Our training program must be completed within 30 days before your TDS Business opens. You and your general manager, if any, must complete our training program to our satisfaction before you will be permitted to open your TDS Business. We will conduct approximately ten days of training at our offices and our affiliates' TDS Business in Pittsburgh, Pennsylvania or at another location we designate. We will also provide you with up to five days of additional training at your Stop in preparation for, and during opening. We reserve the right to modify our training program at any time based on the needs or experience of any individual trainee.

We will also offer additional on-site assistance and training at your TDS Business upon request, or if we determine that such assistance and training is necessary. You must pay our then-current per diem fee for each trainer we send to you and reimburse each trainer's expenses while providing additional on-site assistance and training.

The training material will include our Franchise Operations Manual, along with any other material that we consider beneficial for the training program. There currently are no fixed (such as monthly or bi-monthly) training schedules. We will hold our training program on monthly basis, depending on the number of franchisees and their employees needing training. We project the following training schedule:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
Computer Operations	4	5	Pittsburgh, Pennsylvania
Dog Behavior and Care	5	8	Pittsburgh, Pennsylvania
Customer Service	4	5	Pittsburgh, Pennsylvania
Business and Financial Administration	4	2	Pittsburgh, Pennsylvania
Facility Management	2	3	Pittsburgh, Pennsylvania
Grooming	1	2	Pittsburgh, Pennsylvania
Retail TDS Business	2	2	Pittsburgh, Pennsylvania
Employee Administration	2	2	Pittsburgh, Pennsylvania
General Operations	6	12	Pittsburgh, Pennsylvania
Total Hours	30	41	

Our training program is supervised by Joie Tarnik. We may also draw upon the substantial experience of our affiliate's managers and/or employees as well as our Area Representative(s) to assist in providing training. Joie Tarnik has been our Director of Training ince October 2025 and served as our Senior Operations Manager in Pittsburgh, Pennsylvania from August 2018 to October 2025.

We reserve the right to hold periodic refresher training programs, which we expect to hold at least annually, and we may designate that attendance at refresher training is mandatory for you and/or any of your personnel. We will not charge a separate fee for any mandatory refresher training, but you must pay for all expenses your trainees incur while attending refresher training, including travel, lodging, meals and wages.

We reserve the right to hold a national meeting or convention of our franchisees, which will not be held more frequently than annually. If we hold a national meeting or convention, you must attend and pay our convention fee of $1,000 per attendee.

We also reserve the right to hold regional meetings up to twice a year. We may designate that attendance by you and/or certain of your personnel at the national meeting and one of the regional meetings, is mandatory. We do not expect that a national franchisee meeting will last longer than three days in any calendar year and no regional meeting will last longer than one day. We may conduct franchisee meetings to discuss new procedures or protocols, marketing strategies, new products or services, and/or to provide training. We may designate the location of the meeting (including a block of hotel rooms set aside for our franchisees). We will not designate an unreasonably expensive location. You are responsible for all expenses incurred by you, any general managers, and/or any other attendees at the franchisee meeting. This includes, but is not limited to, travel, lodging, meals, applicable wages, and meeting materials.

ITEM 12
TERRITORY

Franchise Agreement

You will receive the right to establish your TDS Business at a location to be approved by us. Your Territory will be described in terms of zip codes, geographic boundaries, or a radius from your location. We anticipate that your Territory will include at least 40,000 households and/or 25,000 dogs, based upon the U.S. Humane Society's Pet Ownership and Population Estimates, and/or any other source we may designate. We, and any affiliates that we may have, will not establish, nor will we allow another franchise owner to establish, another TDS Business within your Territory. Once we establish your Territory, we will not change or modify it without your written consent.

During the term of the Franchise Agreement, we and any our affiliates have the right: (a) to offer and sell and to grant others the right to offer and sell the products and services offered at TDS Businesses, both inside and outside of the Territory, under trade and service marks other than the Marks and under any terms and conditions we deem appropriate; (b) to operate and to grant others the right to operate TDS Businesses located outside the Territory; (c) to engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or to be converted into a new system with any business whether franchised or corporately owned, including a business that competes directly with your TDS Franchise, wherever located, provided that in such situations the newly acquired businesses will not operate under the Marks inside the Territory; (d) the right to implement multi-area marketing programs, which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs, and (e) to engage in any other business activities not expressly prohibited by the Franchise Agreement, both within and outside your Territory.

You may not relocate your TDS Business without our written consent, which will not be unreasonably withheld. Your new location must be within your Territory. You must use our then-current criteria and requirements for locating a suitable replacement site for the TDS Business and for constructing the TDS Business at the new site. Our criteria for reviewing a proposed site includes location, traffic patterns, visibility, ease of access, proximity to a major road, parking, lighting, the physical characteristics of the building, and the amount of outdoor space you will have.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. We and our affiliates may also sell products or services under the Marks both within and outside your Territory through any method of distribution other than a dedicated TDS Business, including sales through channels of distribution such as the Internet, catalog sales, fairs, expos, pet shows and the like, telemarketing or other direct marketing sales (together, "alternative distribution channels"). You may not use alternative distribution channels to make sales anywhere (inside or outside your Territory), and you will not receive any compensation for our sales through alternative distribution channels. You may place advertisements in printed media, television, and radio that target customers and prospective customers within your Territory. You will not violate the Franchise Agreement if those advertisements reach prospective customers outside your Territory due to the natural circulation of printed media or the broadcast reach of television and radio. You may not directly solicit customers outside of your Territory; however you may provide services to customers who reside outside of your Territory. You have no options, rights of first refusal, or similar rights to acquire additional franchises. You are strictly prohibited from selling any product at wholesale, unless we have given you our advance written permission to do so.

Except for the Nashville, Tennessee franchisee's operations as a TDS Business under the "Bark Public" brand (as described in Item 13), we have not established other franchises, company-owned outlets, or another distribution channel selling or leasing similar products or services under a different trademark.

Except for TDS Businesses operated by our affiliates, neither we nor any parent or affiliate has established other franchised or company-owned businesses that sell our products or services under a different trade name or trademark. However, we reserve the right to do so in the future without obtaining your consent.

The continued protection of your Territory is not dependent upon your achievement of a certain sales volume, market penetration, or other contingency. We do not pay you compensation for soliciting or accepting orders inside your Territory.

Area Development Agreement

Under the Area Development Agreement, we grant you the right to develop and operate the number of TDS Businesses in the Development Area that is specified in the Development Schedule, which is an exhibit to the Area Development Agreement. The Development Area is typically described by zip codes or clearly defined on a map using roads, bodies of water, or other geographic details. The actual size of the Development Area will vary depending on the availability of contiguous markets, our long-range development plans, your financial and operational resources, and population and market conditions. Our designation of a particular Development Area is not an assurance or warranty that there are a sufficient number of suitable sites for TDS Businesses in the Development Area for you to meet your Development Schedule. You are solely responsible for the location and preparation of a sufficient number of suitable sites. Each additional TDS Business you develop must be opened according to the terms of your Development Schedule.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets we own, or from other channels of distribution or competitive brands that we control. Except as described below, during the term of the Area Development Agreement, neither we nor our affiliates will operate or grant a franchise for the operation of TDS Businesses to be located within the Development Area. However, we may terminate these protections if you are not in full compliance with all terms and conditions of the Area Development Agreement and all Franchise Agreements signed under it.

Except as expressly limited by the Area Development Agreement, we and our affiliates retain all rights with respect to TDS Businesses, the Marks, and any products and services anywhere in the world, including the right to: (a) offer and sell, and grant others the right to offer and sell, the products and services offered at TDS Businesses (both inside and outside the Development Territory) under trade and service marks other than the Marks and under any terms and conditions we deem appropriate; (b) operate and grant others the right to operate TDS Businesses located outside the Development Territory; (c) engage in any transaction, including purchasing or being purchased by, merging or combining with, converting to the System or being converted into a new system with any business (whether franchised or company-owned), including a business that competes directly with your TDS Franchise, wherever located, provided that the newly acquired businesses will not operate under the Marks inside the Development Territory; and (d) engage in any other business activities not expressly prohibited by the Development Agreement, both within and outside your Development Territory.

We and our affiliates may also sell products or services under the Marks both within and outside your Development Territory through any alternative distribution channels. You may not use alternative distribution channels to make sales outside or inside your Development Territory and you will not receive any compensation for our sales through alternative distribution channels.

We and our affiliates and any other authorized person or entity (including any other TDS franchise) may, at any time, conduct any other type of activities within your Development Territory that we are permitted to conduct under the Franchise Agreement.

To maintain your rights under the Area Development Agreement, you must have open and operating the cumulative number of TDS Businesses stated in the Development Schedule by the dates specified in the Development Schedule. Failure to do so will be grounds for either loss of the Development Area or termination of the Area Development Agreement.

Upon termination or expiration of the Area Development Agreement, your exclusive rights under the Area Development Agreement with respect to the Development Area will terminate, and we and our affiliates will have the right to operate and grant to others development rights and franchises to develop and operate TDS Businesses within the Development Area. This right will be subject only to the territorial rights under the Franchise Agreements signed by you for TDS Businesses in the Development Area. The Development Area may not be altered unless we and you mutually agree to do so. There are no minimum sales goals, market penetration, or other contingencies that you must meet to keep your Development Area, except that you must meet your Development Schedule. You are not granted any right of first refusal to obtain additional development rights.

ITEM 13
TRADEMARKS

Under the Franchise Agreement and subject to your payment of Royalties, we grant to you the right to use certain trademarks, service marks, and other commercial symbols in connection with the operation of your franchise. The Area Development Agreement does not grant you the right to use the Marks or the System. We have registrations with the United States Patent and Trademark Office ("USPTO") for the following Marks:

Registered Mark	Registration Number	Registration Date	Register
The Dog Stop	4,257,234	12/11/2012 Renewed: 12/22/18 & 04/21/22	Principal Register
	4,691,660	2/24/2015 Renewed: 08/13/20	Principal Register

Registered Mark	Registration Number	Registration Date	Register
WHERE TAILS GO TO WAG!	5,697,198	3/12/19 Renewed: 6/12/24	Principal Register
WHERE TAILS GO TO WAG!	5,697,199	3/12/19 Renewed: 6/12/24	Principal Register
BARK PUBLIC	6,009,142	3/10/2020 Renewed: 8/4/25	Principal Register
BARK PUBLIC	6,009,143	3/10/2020 Renewed: 8/4/25	Principal Register

There are no effective adverse material determinations of the USPTO, the Trademark Trial and Appeal Board or the trademark administrator of any state, or any court, and no pending infringement, opposition, or cancellation proceedings or material litigation involving the Marks. All required affidavits and renewals required to maintain the federal registration of the above-identified Proprietary Marks have been filed. There are no agreements currently in effect which significantly limit our right to use or to license others to use the Marks that could materially affect your use of the trademarks.

We are aware of three businesses using the name "The Dog Spot" in Nashville, Tennessee. Our investigation indicates that their use of "The Dog Spot" trademark in the Nashville, Tennessee area may predate our use of "The Dog Stop" trademarks in that specific geographic area. To the extent that we are the junior user in the Nashville, Tennessee area, our use may constitute likelihood of confusion. Any restriction on our use of the Marks in that area is, in our opinion, negligible impact on our overall operations and expansion potential. We sold one franchise in 2019 in the Nashville, Tennessee area. This franchisee operates their TDS Business under the "Bark Public" trademark instead of "The Dog Stop."

We are also aware of two other locations using our name, "The Dog Stop," in both El Paso, Texas and Rowley, Massachusetts. To the extent that we are the junior user in these two areas, our use may constitute likelihood of confusion. Any restriction on our use of the Marks in these areas is, in our opinion, negligible impact on our overall operations and expansion potential.

You must strictly comply with all rules and guidelines we establish regarding use of the Marks, as may be modified from time to time in our sole discretion. You may not use any Mark (1) in your corporate or legal business name; (2) with any prefix, suffix or other modifying words, terms, designs, or symbols (except for those we license to you); (3) in selling any unauthorized services or products; (4) as part of any domain name, electronic address, or search engine you maintain on any website; (5) in any other way we have not expressly authorized in writing; or (6) that may damage or cause harm to us, our affiliates, the Marks, the System or our principals. You may not make any disparaging remarks related to us, our affiliates, our franchisees, the Marks, the System or our principals.

You must promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of, our right to use and to license others to use, or your right to use, the Marks. We have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the sole and exclusive right, but not the

obligation, to take action against uses by others that may constitute infringement of the Marks, and you hereby agree to cooperate fully in any such action. We may defend you against any third party claim, suit or demand arising out of your use of the Marks. If we, in our sole discretion, determine that you have used the Marks in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be borne by us. If we determine that you have not used the Marks in accordance with your Agreement, the cost of the defense, including the cost of any judgment or settlement, will be yours. If there is any litigation relating to your use of the Marks, you must sign any and all documents and do any acts as may, in our opinion, be necessary to carry out the defense or prosecution, including becoming a nominal party to any legal action. Except if this litigation is the result of your use of the Marks in a manner inconsistent with the terms of your Agreement, we will reimburse you for your out-of-pocket costs in doing these acts.

We retain the right to substitute different Marks for use in identifying the System and the businesses operating under it, at our sole discretion. We are not required to reimburse you for any costs you incur in relation to any change or substitution, such as the cost of changing stationery or signage, and have no obligation or liability to you as a result of any change or substitution.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

You do not receive the right to use an item covered by a patent or copyright, but you can use the proprietary information in our Franchise Operations Manual. The Franchise Operations Manual is described in Item 11. Although we have not filed an application for a copyright registration for the Franchise Operations Manual, we claim a copyright in it and the information is proprietary. We may provide the Franchise Operations Manual in hard copy and electronically.

You must promptly tell us when you learn about unauthorized use of this proprietary information. We are not obligated to take any action but will respond to this information as we think appropriate. We are not obligated to indemnify you for losses brought by a third party concerning your use of this information, but we will take all steps we think are appropriate to protect our copyright in the Franchise Operations Manual.

You are required to operate your TDS Business in accordance with the standards, methods, policies, and procedures outlined in the Franchise Operations Manual, which includes several guides and other relevant documents. One copy of the Franchise Operations Manual is loaned to you by us for the term of the Franchise Agreement after you complete our initial training program to our satisfaction.

You must treat the Franchise Operations Manual, any other of our manuals that are used in the operation of your TDS Business and the information in them as confidential, and must use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce these materials, in whole or in part or otherwise give them to any unauthorized person. The Franchise Operations Manual will remain our sole property and must be kept in a secure place at the TDS Business.

We may revise the contents of the Franchise Operations Manual and you must comply with each new or changed standard. You must make sure that the Franchise Operations Manual is kept current at all times. In the event of any dispute as to the contents of the Franchise Operations Manual, the terms of the master copy maintained by us at our home office will be controlling.

During the term of your Agreement and thereafter, you are prohibited from communicating, divulging, or utilizing for the benefit of any other person, partnership, association, or corporation, any confidential information, knowledge, or know-how related to the methods of operation of the TDS Business that may be communicated to you or that you may acquire during your operation under the terms of your Agreement. You may divulge this confidential information only to those of your employees who have access to and who operate your TDS Business. The term "Confidential Information" includes, but is not limited to, System standards, market research, advertising and promotional campaigns, approved suppliers, operating results of TDS Businesses, proprietary software (whether existing now or developed in the future), the terms of your Agreement with us, the Franchise Operations Manual, graphic designs and other intellectual property, trade secrets, business methods, customer data, and your client database.

At our request, you must require your general manager and any personnel having access to any of our confidential information to sign agreements that say that they will maintain the confidentiality of information they receive in connection with their employment by you at your TDS Business. The agreements must be in the form provided by us.

If you, your owners, managers or employees develop any ideas, techniques, services and products in the operation or promotion of the TDS Business, you hereby assign all rights in such developments to us immediately upon creation, without compensation, and must promptly disclose all such developments to us in writing. You, your owners, managers and employees must acknowledge that any of these ideas, techniques, services and products will become our sole and exclusive property and we may give the information to other franchisees.

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

The TDS Franchise is to be managed by you, or if you are an entity, by one owner who is a natural person that you designate in writing to us as the individual responsible for making all decisions for the franchisee entity and who will be primarily responsible for communicating with us regarding the TDS Business ("Designated Owner"). The Designated Owner must have the authority and responsibility for the day-to-day operations of your TDS Business and must have at least 10% equity. Under certain circumstances, we may allow you to appoint a General Manager ("General Manager") to run the day-to-day operations of the TDS Business. The Designated Owner and General Manager must each successfully complete our training program (See Item 11). We do not require that the General Manager have an ownership interest in the legal entity of the Franchise owner. If you replace the Designated Owner or General Manager, the new Designated Owner or General Manager must satisfactorily complete our training program at your own expense.

Any General Manager and, if you are an entity, any officer that does not own equity in the franchisee entity, must sign the "System Protection Agreement," the form of which is attached to this Franchise Disclosure Document in Exhibit H. All of your employees, independent contractors, agents or representatives that may have access to our confidential information must sign a confidentiality agreement (unless they already signed a System Protection Agreement), the current form of which is attached to this Franchise Disclosure Document in Exhibit H. If you are an entity, each direct and indirect owner (i.e., each person holding a direct or indirect ownership interest in you of 20% or greater) must sign an owners agreement, the form of which is attached to the Franchise Agreement as Attachment D. We also require that the spouses of the Franchise owners sign the owner's agreement.

ITEM 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer all products and perform all services that we periodically mandate for TDS Businesses, and you are prohibited from offering any products or services that we have not expressly approved. All suppliers, products and services approved by us must be offered for sale on a continuous basis from your TDS Business at the time and in the manner required by us. No sale of any product or service except those products and services from approved suppliers may be solicited, accepted or made at or from your TDS Business. If requested by us with at least 30 days' notice, the marketing of a product or service may be discontinued. If we notify you that a specific product or supplier is no longer approved, you must immediately stop purchasing that product and/or stop purchasing and/or refrain from further contracts with that supplier. Our System standards may regulate required and authorized vendors, products and services and product and service categories. We periodically may change required and/or authorized vendors, products and services and product and service categories. There are no limitations on our rights to make changes to the required services and products offered by you.

Our online policy may impose a complete prohibition on your use of the Marks on social networking sites or any other online platforms. You may not sell products through other channels of distribution such as wholesale, Internet or mail order sales. Otherwise, we place no restrictions upon your ability to serve customers provided you do so from the location of your TDS Business in accordance with our policies.

We may periodically advise you regarding the prices you charge for the products and services offered from your TDS Business, but you will set your own prices. If you choose to follow any pricing advice we provide, we make no guarantees or warranties that offering the products or services at the recommended price will enhance your sales or profits.

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ITEM 17
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Article in Franchise Agreement	Summary
a. Length of the franchise term	Article 1.2	Ten years.
b. Renewal or extension of the term	Article 13	If you are in good standing and meet our requirements to renew, you may renew your franchise for an additional term of ten years.
c. Requirements for franchisee to renew or extend	Article 13	The term "renewal" refers to extending our franchise relationship at the end of your initial term and any other renewal or extension of the initial term. Your successor franchise rights permit you to remain as a Franchise after the initial term of your Franchise Agreement expires. You must sign our then-current Franchise Agreement and ancillary documents for the successor term, and this new franchise agreement may have materially different terms and conditions than your original contract, from the Franchise Agreement that covered your original term. The boundaries of your territory will remain the same but the fees may be higher (except your royalty fee) on renewal but won't be greater than the fees we then impose on similarly situated renewing franchisees. You must provide notice that you wish to renew your Franchise Agreement not less than six months and not more than nine months before expiration; you must be current in all payments; sign a release; not be in default of your Franchise Agreement; if we require, you must renovate and/or upgrade your TDS Business; and pay a renewal fee.
d. Termination by franchisee	Not applicable	The Franchise Agreement does not provide for this. But you may seek to terminate on any grounds available to you at law.
e. Termination by franchisor without cause	Not applicable	We may not terminate you without cause.
f. Termination by franchisor with cause	Article 14.1	Each obligation outlined in the Franchise Agreement is deemed to be material and essential, and any breach of these obligations may lead to the termination of the Agreement.

Provision	Article in Franchise Agreement	Summary
g. "Cause" defined – curable defaults	Article 14.2	You have 15 days to cure monetary defaults, 30 days to cure operational defaults and other defaults not listed in (h) below. Curable defaults include non-compliance with our System, unauthorized use of the Marks, suspension of a required license and failure to pay taxes.
h. "Cause" defined – non-curable defaults	Article 14.1	Non-curable defaults include material misrepresentation, failure to open TDS Business on time, failure to equip TDS Business, failure to complete training, abandonment, unapproved transfers, loss of required licenses; conviction of a felony or misdemeanor involving violence or moral turpitude, interference with our right to inspect, dishonest or unethical conduct, unauthorized use or disclosure of the Franchise Operations Manual or confidential information, repeated defaults (even if cured), failing three inspections in a 12 month period, bankruptcy, an assignment for the benefit of creditors, appointment of a trustee or receiver, violation of a non-compete restriction, uncured default under your lease, violation of any law, ordinance or regulation relating to terrorist activities, if assets, property or interests are "blocked" due to violations of applicable laws or regulations, failure to comply with any other provisions of the Agreement and failure not cured within the required time.
i. Franchisee's obligations on termination/non-renewal	Article 15	Obligations include paying outstanding amounts; complete de-identification of the premises; and returning confidential information (also see (o) and (r) below).
j. Assignment of contract by franchisor	Article 12.1	No restriction on our right to assign; we may assign without your approval.
k. "Transfer" by franchisee – defined	Article 12.2	Includes transfer of Franchise Agreement, sale of TDS Business's assets and ownership change.
l. Franchisor approval of transfer by franchisee	Article 12.3	You may not transfer or assign the Franchise Agreement without our prior written approval.
m. Conditions for franchisor approval of transfer	Article 12.3	Pay transfer fee of $10,000; transferee meets our standards; transferee is not a competitor of ours; transferee and its owners, if applicable, sign our then-current franchise agreement and related documents (including Owners Agreement or other guaranty); you've made all payments to us and are in compliance with all contractual requirements; transferee completes initial training program; you sign a general release (unless prohibited by applicable state law); business location complies with then-current system specifications (including remodel, if applicable).

Provision	Article in Franchise Agreement	Summary
n. Franchisor's right of first refusal to acquire franchisee's business	Article 12.7	If you want to transfer your business (other than to or among your owners), we have a right of first refusal for a period of 30 days.
o. Franchisor's option to purchase franchisee's business	Article 15.5	We have the option, upon expiration or termination of your Franchise Agreement, to purchase any assets of the franchised business within 30 days after termination or expiration.
p. Death or disability of franchisee	Article 12.5	Upon your death or disability, your representative must designate an operator who is acceptable to us for your TDS Business within 60 days and transfer your interest to an approved party within 90 days. This transfer is subject to the same terms and conditions as any other transfer.
q. Non-competition covenants during the term of the franchise	Article 7	You, your partners, and owners must not seek to employ any of our or other franchisee's employees or have involvement in any competing business. (Subject to state law)
r. Non-competition covenants after the franchise is terminated or expires	Article 15.4	No direct or indirect ownership interest in, or performing for, Competitive Businesses for two years within 50 miles of any TDS Business in the System (same restrictions apply after transfer). Owners may not solicit any customer of the Franchise or any TDS Business Franchise for two years. (Subject to state law)
s. Modification of the Agreement	Article 17.12	No modifications except by mutual agreement of the parties. The Franchise Operations Manual is subject to change during the term of the Franchise Agreement.
t. Integration/Merger Clause	Article 17.14	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and the Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 17	Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (currently Pittsburgh, Pennsylvania), subject to applicable state law.
v. Choice of forum	Article 17	Except for certain claims, all disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our principal place of business (currently Pittsburgh, Pennsylvania), subject to applicable state law.
w. Choice of law	Article 17	Pennsylvania law applies, subject to applicable state law.

Note 1: A Competitive Business is any business offering pet related goods and services, including pet feeding, pet walking, pet grooming, pet sitting, or any retail store primarily offering goods related to pet care.

THE AREA DEVELOPER RELATIONSHIP

Provision	Section in Area Development Agreement	Summary
a. Length of the franchise term	Section 6	Length of the Development Schedule.
b. Renewal or extension of the term	Section 5	There is no renewal period. Upon expiration, you may enter into our then-current Area Development Agreement, subject to our approval and availability.
c. Requirements for Area Developer to renew or extend	Not applicable	Not applicable.
d. Termination by Area Developer	Not applicable	The Agreement does not provide for this. But you may seek to terminate on any grounds available to you at law.
e. Termination by franchisor without cause	Not applicable	Not applicable.
f. Termination by franchisor with cause	Section 9	We can terminate if you or any of your affiliates materially default under the Area Development Agreement, any individual Franchise Agreement, or any other agreement with us, if you commit any one of several listed violations.
g. "Cause" defined – curable defaults	Section 9	If you use the Marks or System without our consent; participating in a Competitive Business; failure to pay money to us when due; you begin developing a TDS Business before all of your pre-development obligations are met; failure to obtain our consent when required; you open any TDS Business before a Franchise Agreement for that TDS Business has been signed by us and all fees have been paid.
h. "Cause" defined – non-curable defaults	Section 9	Failure to meet your development schedule; failure to comply with applicable laws; if all of your TDS Businesses stop operating; unauthorized transfer; you make a material misrepresentation to us; conviction by you or your owners of an indictable offense; bankruptcy or insolvency; if a Franchise Agreement with us is terminated according to its terms (this is a cross-default provision).
i. Area Developer's obligations on termination/non-renewal	Section 10	You must stop selecting sites for TDS Businesses, and you may not open any more TDS Businesses.
j. Assignment of contract by franchisor	Section 11	No restriction on our right to assign. However, no assignment will be made except to an assignee who, in our good faith judgment, is willing and able to assume our obligations under the Area Development Agreement.
k. "Transfer" by Area Developer – defined	Section 11	Includes transfer of any interest in the Area Development Agreement.
l. Franchisor approval of transfer by Area Developer	Section 11	You may not transfer the Area Development Agreement or any rights to the Development Territory.

Provision	Section in Area Development Agreement	Summary
m. Conditions for franchisor approval of transfer	Section 11	You may not transfer the Area Development Agreement or any rights to the Development Territory.
n. Franchisor's right of first refusal to acquire Area Developer's business	Section 12	We have the right to match the offer to purchase your TDS Business or an ownership interest in you.
o. Franchisor's option to purchase Area Developer's business	Not applicable	Not applicable.
p. Death or disability of Area Developer	Section 11	Interest must be transferred to an approved party within 12 months.
q. Non-competition covenants during the term of the franchise	Section 12	Can't divert business or operate a Competitive Business anywhere. (Subject to state law)
r. Non-competition covenants after the franchise is terminated or expires	Section 13	No participation in a Competitive Business for two years and within 50 miles of any TDS Business in the System. (Subject to state law)
s. Modification of the agreement	Section 18	No modifications except by mutual agreement of the parties.
t. Integration/merger clause	Section 18	Only the terms of the Area Development Agreement are binding (subject to state law). Any representations or promises made outside the disclosure document and the Area Development Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 19	Except for certain claims, all disputes must be mediated and arbitrated in the principal city closest to our principal place of business (currently Pittsburgh, Pennsylvania), subject to applicable state law.
v. Choice of forum	Section 19	Except for certain claims, all disputes must be mediated, arbitrated, and if applicable, litigated in the principal city closest to our principal place of business (currently Pittsburgh, Pennsylvania), subject to applicable state law.
w. Choice of law	Section 18	Pennsylvania law applies, subject to applicable state law.

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, 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.

As of December 31, 2025, we had 40 franchised TDS Businesses ("Franchised Locations") and 6 affiliate-owned TDS Businesses ("Affiliate Locations"), of which 10 Franchised Locations opened after January 1, 2025, and 30 Franchised Locations and all 6 Affiliate Locations were in operation for the entire calendar year of 2025. This Item 19 provides a historical financial performance representation for the 29 Franchised Locations that provided financial data to us and 6 Affiliate Locations that were open for the entire calendar year of 2025 ("Reporting Group") for the period from January 1, 2025 to December 31, 2025 ("Reporting Period"). One additional Franchised Location (Huntsville, Alabama) was open for the entire calendar year of 2025 but did not submit financial data to us, and is therefore excluded from the Reporting Group.

Franchised TDS Businesses are similar to our Affiliate Locations in terms of competition, services, and goods offered. However, Affiliate Locations have different financial obligations, paying a lower Royalty and Brand Fund Contribution, and are exempt from the Technology Fee. The financial information presented has not been adjusted to reflect the differences between the Royalty, Brand Fund Contribution, and Technology Fees applicable to Affiliate Locations and those applicable to Franchised Locations (see Notes). The TDS Businesses in the Reporting Group offered substantially the same products and services to the public as you will.

The financial performance information for the Affiliate Locations was taken from unaudited profit and loss statements for the Reporting Period, and the financial performance information for the Franchised Locations was taken from reports submitted to us using our uniform reporting system. The financial performance information for both the Affiliate Locations and the Franchised Locations was prepared on an accrual basis of accounting.

Part 1: 2025 Revenue & Facility Information for All Locations Open 1/1/2025 – 12/31/2025

#	Year Opened	Sq Ft	# of Kennels	Total Revenue	Rev / Sq Ft	Total Rent	Rent / Sq Ft	Rev / Kennel
1	2009	11,700/6,127	55	$717,590	N/A	$44,600	N/A	$13,047
2	2011	9,200	68	$919,387	$99.93	$95,336	$10.36	$13,520
3	2013	9,765	78	$920,710	$94.29	$214,760	$21.99	$11,804
4	2014	11,500	45	$842,598	$73.27	$118,852	$10.33	$18,724
5	2015	9,605	85	$1,057,404	$110.09	$120,146	$12.51	$12,440
6	2018	8,000	42	$894,743	$111.84	$109,443	$13.68	$21,303
7	2018	5,000	56	$767,975	$153.59	$11,587	$2.32	$13,714
8	2019	9,985	55	$851,168	$85.24	$108,996	$10.92	$15,476
9	2019	6,600	64	$625,687	$94.80	$110,126	$16.69	$9,776
10	2019	8,055	72	$963,312	$119.59	$69,403	$8.62	$13,379
11	2019	10,000	94	$1,090,542	$109.05	$167,944	$16.79	$11,602
12	2019	5,640	71	$1,663,075	$294.87	$280,432	$49.72	$23,424
13	2020	10,400	52	$735,847	$70.75	$76,761	$7.38	$14,151
14	2020	4,470	29	$390,641	$87.39	$90,125	$20.16	$13,470
15	2020	8,493	62	$559,439	$65.87	$178,920	$21.07	$9,023
17	2021	14,009	162	$2,550,968	$182.09	$428,006	$30.55	$15,747
18	2022	5,470	56	$537,806	$98.32	$83,243	$15.22	$9,604

#	Year Opened	Sq Ft	# of Kennels	Total Revenue	Rev / Sq Ft	Total Rent	Rent / Sq Ft	Rev / Kennel
19	2022	9,600	47	$723,167	$75.33	$115,200	$12.00	$15,387
20	2022	9,819	48	$826,983	$84.22	$152,195	$15.50	$17,229
21	2022	6,035	45	$754,117	$124.96	$248,473	$41.17	$16,758
22	2023	10,855	66	$894,324	$82.39	$130,080	$11.98	$13,550
23	2023	12,664	88	$836,321	$66.04	$183,540	$14.49	$9,504
24	2023	8,594	71	$1,284,241	$149.43	$223,845	$26.05	$18,088
25	2023	7,900	121	$1,330,505	$168.42	$226,774	$28.71	$10,996
26	2024	9,290	72	$389,572	$41.93	$144,235	$15.53	$5,411
27	2024	6,750	62	$822,081	$121.79	$235,739	$34.92	$13,259
28	2024	10,500	77	$625,663	$59.59	$191,426	$18.23	$8,125
29	2024	7,950	59	$441,066	$55.48	$70,324	$8.85	$7,476
30	2024	7,360	46	$1,132,985	$153.94	$154,993	$21.06	$24,630
31	2024	10,000	65	$455,464	$45.55	$153,862	$15.39	$7,007
32	2024	10,800	61	$985,014	$91.20	$132,084	$12.23	$16,148
33	2024	13,240	80	$483,216	$36.50	$207,428	$15.67	$6,040
34	2024	8,000	73	$311,450	$38.93	$62,952	$7.87	$4,266
35	2024	9,770	55	$393,003	$40.23	$247,704	$25.35	$7,146
36	2024	10,000	66	$379,896	$37.99	$176,501	$17.65	$5,756
		8,980	**67**	**$833,084**	**$97.79**	**$153,315**	**$17.97**	**$12,771**

Note (Location #1): This location relocated in June 2025, from a previous facility of 11,700 square feet to a new facility of 6,127 square feet. Both facilities had 55 kennels. Revenue per square foot and rent per square foot are reported as not available because the location operated from two facilities of differing sizes during the Reporting Period.

Note (Location #16): This location was open for the entire calendar year of 2025 but did not provide any financial data to us, and is therefore excluded from the tables above.

Revenue Mix by Service Line for All Locations Open 1/1/2025 – 12/31/2025

#	Year Opened	Daycare %	Boarding %	Grooming %	Membership %	Retail %	Other %
1	2009	5.3%	54.2%	11.7%	23.0%	1.9%	3.9%
2	2011	6.4%	39.1%	24.2%	19.9%	7.4%	2.9%
3	2013	6.2%	41.5%	15.9%	28.1%	6.3%	1.9%
4	2014	10.9%	36.1%	19.4%	19.4%	6.2%	7.9%
5	2015	8.9%	41.3%	30.1%	5.6%	8.4%	5.9%
6	2018	16.4%	43.0%	32.5%	0.0%	0.4%	7.6%
7	2018	21.8%	49.4%	16.6%	0.1%	1.3%	10.8%
8	2019	10.2%	45.2%	21.9%	15.6%	3.3%	3.8%
9	2019	8.5%	48.4%	16.8%	7.5%	7.2%	11.6%
10	2019	12.7%	58.1%	5.8%	20.4%	0.9%	2.1%
11	2019	10.3%	47.3%	22.7%	7.1%	4.6%	8.0%
12	2019	10.2%	40.6%	25.5%	17.5%	3.3%	2.9%
13	2020	9.4%	49.2%	24.0%	10.8%	4.7%	2.0%
14	2020	13.8%	58.7%	14.0%	11.9%	1.1%	0.4%
15	2020	9.8%	59.9%	11.7%	14.7%	2.3%	1.7%

#	Year Opened	Daycare %	Boarding %	Grooming %	Membership %	Retail %	Other %
17	2021	10.6%	49.2%	24.5%	1.1%	1.3%	13.3%
18	2022	6.3%	49.5%	16.8%	22.0%	2.5%	2.9%
19	2022	19.8%	31.6%	26.9%	18.6%	1.5%	1.6%
20	2022	8.7%	40.4%	30.1%	17.4%	2.3%	1.3%
21	2022	10.5%	40.3%	21.5%	23.7%	0.7%	3.3%
22	2023	7.0%	41.8%	22.0%	22.7%	5.5%	0.9%
23	2023	6.4%	54.7%	23.8%	2.7%	7.4%	5.0%
24	2023	7.4%	37.9%	21.8%	27.0%	2.2%	3.8%
25	2023	6.6%	53.0%	24.6%	11.7%	2.1%	2.0%
26	2024	4.3%	40.0%	30.9%	18.6%	4.8%	1.4%
27	2024	9.6%	44.9%	25.2%	12.3%	2.9%	5.0%
28	2024	5.3%	46.8%	26.0%	13.1%	5.2%	3.7%
29	2024	11.6%	47.4%	23.4%	8.7%	5.2%	3.7%
30	2024	6.1%	41.5%	20.2%	25.9%	3.1%	3.2%
31	2024	14.5%	42.5%	16.5%	16.1%	3.2%	7.2%
32	2024	5.2%	32.1%	43.3%	9.7%	5.7%	4.0%
33	2024	7.6%	50.7%	21.9%	7.8%	3.1%	8.9%
34	2024	15.9%	43.2%	14.7%	19.6%	2.6%	4.0%
35	2024	6.0%	39.8%	20.0%	20.6%	4.6%	8.9%
36	2024	5.8%	50.4%	21.1%	15.5%	3.6%	3.7%
		9.6%	**45.7%**	**21.7%**	**14.5%**	**3.6%**	**4.8%**

Part 2: 2025 Total Revenue by Age Cohort for All Locations Open 1/1/2025 – 12/31/2025

Cohort	# in Cohort	Avg Revenue	Max Revenue	Min Revenue	Median Revenue
12-23 Months	11	$583,583	$1,132,985	$311,450	$455,464
24-48 Months	9	$833,530	$1,330,505	$314,308	$826,983
48+ Months	16	$971,943	$2,550,968	$390,641	$872,955

Part 3: 2025 Total Appointments and Revenue per Appointment for All Locations Open 1/1/2025 – 12/31/2025

Service	Total Appts	Total Revenue	Avg Rev/ Appt	Min	Median	Max	Appts Above Avg
Boarding	81,490	$12,916,359	$158.50	$39	$183	$8,986	22,704
Daycare (Membership)	188,436	$4,128,704	$21.91	$9.96	$28.30	$56.25	91,325
Daycare (Drop In)	92,753	$2,710,469	$29.22	$6	$37	$59	39,380
Daycare (Total)	**281,189**	**$6,839,173**	**$24.32**				
Grooming	125,620	$6,463,034	$51.45	$10	$48.70	$247	47,401

Total New Customers across all locations during the Reporting Period: 20,189.

Notes:

1. In the Tables above, locations marked with an asterisk (*) and shaded represent affiliate-owned TDS Businesses ("Affiliate Locations"), while non-asterisked, non-shaded locations represent franchisee-owned TDS Businesses ("Franchised Locations").

2. The Reporting Group consists of the 29 Franchised Locations that submitted financial data to us and the 6 Affiliate Locations, all of which were open for the entire Reporting Period (January 1, 2025 through December 31, 2025). One additional Franchised Location (Huntsville, Alabama) was open for the entire Reporting Period but did not submit financial data and is therefore excluded from the Reporting Group. Ten Franchised Locations that opened during 2025 are also excluded from the Reporting Group because they were not open for the entire Reporting Period.

3. "Total Revenue" (also referred to herein as "Sales") refers to the total revenues received from all goods, products, and services sold at, from, or through the TDS Business, as well as any other income, revenue, or consideration related to the TDS Business, regardless of whether paid in cash or credit, and irrespective of collection in the case of credit. This also includes any proceeds from business interruption insurance. Total Revenue does not include (a) any sales taxes or other taxes collected from customers and subsequently paid directly to the appropriate taxing authority, or (b) any bona fide refunds made to customers.

4. "Revenue per Square Foot" is calculated by dividing Total Revenue by Square Footage. "Rent per Square Foot" is calculated by dividing Total Rent by Square Footage. "Revenue per Kennel" is calculated by dividing Total Revenue by the number of kennels at the location.

5. "Total Rent" includes base rent and common area maintenance charges paid during the Reporting Period. "Total Rent" does not include utilities, insurance, or property taxes, which are separately reported in your operating expenses.

6. The age cohorts in Part 2 are based on the number of full months a location had been open as of December 31, 2025. "12-23 Months" includes locations that had been open for at least 12 but fewer than 24 months. "24-48 Months" includes locations that had been open for at least 24 but fewer than 48 months. "48+ Months" includes locations that had been open for 48 or more months. Cohort assignments are based on the duration each location has been operational, not on calendar year of opening.

7. The appointment counts in Part 3 are aggregated across all 35 locations in the Reporting Group. "Daycare (Membership)" refers to daycare appointments redeemed under monthly daycare membership plans. "Daycare (Drop In)" refers to daycare appointments paid for on a per-visit basis. "Avg Rev/Appt" is calculated by dividing total service revenue by total appointments. "Appts Above Avg" refers to the number of appointments at or above the average revenue per appointment.

8. The financial performance representations in the Tables above do not reflect certain operating and non-operating costs and expenses that must be deducted from Total Revenue to obtain your net income or profit. These costs and expenses include, but are not limited to, cost of goods sold, payroll and payroll taxes, utilities, supplies, insurance, marketing, royalties, brand fund contributions, technology fees, debt service, depreciation, amortization, and income taxes.

9. The financial performance representations in this Item 19 are based on historical results of locations within the Reporting Group during the Reporting Period and do not constitute a projection or forecast of future financial performance. A new outlet's individual financial results are likely to differ from the results presented above. Many factors, including geographic location, local market conditions, competition, lease terms, management experience, hours of operation, the franchisee's business acumen, and general economic conditions, are unique to each outlet and may significantly affect the financial performance of your TDS Business.

10. The financial performance information for the Affiliate Locations was taken from unaudited profit and loss statements maintained by the Affiliate Locations for the Reporting Period. The financial performance information for the Franchised Locations was taken from reports submitted to us by the franchisees through our uniform reporting system. We have not audited or independently verified the information submitted by Franchised Locations, although we have no reason to believe the information is materially inaccurate.

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request. The information presented above has not been audited.

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

Other than the preceding financial performance representation, The Dog Stop Franchising, LLC does not make any financial performance representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. 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 Jesse Coslov at 1632 William Flinn Highway, Pittsburgh, Pennsylvania 15222 and 888-635-3935, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

System-wide Outlet Summary
For Years 2023 - 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	18	19	+1
	2024	19	31	+12
	2025	31	40	+9
Company-Owned*	2023	5	6	+1
	2024	6	6	0
	2025	6	6	0
Total Outlets	2023	23	25	+2
	2024	25	37	+12
	2025	37	46	+9

*The Company-Owned outlets reflected in the above chart are owned and operated by our affiliates.

Table No. 2

Transfers of Franchised Outlets to New Owners
(other than the Franchisor)
For Years 2023 - 2025

State	Year	Number of Transfers
Alabama	2023	0
	2024	1
	2025	0
Florida	2023	0
	2024	0
	2025	1
Totals	2023	0
	2024	1
	2025	1

Table No. 3

Status of Franchised Outlets
For Years 2023 - 2025

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Alabama	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
California	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Colorado	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Delaware	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Florida	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Georgia	2023	1	0	0	0	0	0	1
	2024	1	2	0	0	0	0	3
	2025	3	0	1	0	0	0	2
Illinois	2023	1	0	0	0	0	0	1
	2024	1	2	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Kentucky	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Louisiana	2023	2	1	0	0	0	0	3
	2024	3	2	0	0	0	0	5
	2025	5	0	0	0	0	0	5
New Jersey	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
New York	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Ohio	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Oregon	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Pennsylvania	2023	4	0	1	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Tennessee	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	0	0	0	0	0	2

State	Year	Outlets at Start of the Year	Outlets Opened	Termina-tions	Non-Renewals	Reacquired by Franchisor	Ceased Opera-tions-Other Reasons	Outlets at End of the Year
Texas	2023	1	1	1	0	0	0	1
	2024	1	3	0	0	0	0	4
	2025	4	1	0	0	0	0	5
Virginia	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Washington	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	1	0	0	0	0	2
Total	2023	18	3	2	0	0	0	19
	2024	19	12	0	0	0	0	31
	2025	31	10	1	0	0	0	40

Table No. 4

Status of Company-Owned Outlets
For Years 2023 - 2025

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
Ohio	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Pennsylvania	2023	4	1	0	0	0	5
	2024	5	0	0	0	0	5
	2025	5	0	0	0	0	5
Total Outlets	2023	5	1	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6

The outlets shown in the table above are owned and operated by our affiliates, as described in Item 1.

Table No. 5

Projected Openings as of
December 31, 2025

State	Franchise Agreements Signed But Outlet Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
Arizona	0	1	0
California	1	2	0
Colorado	2	2	0
Connecticut	0	1	0
Florida	2	2	0
Georgia	2	0	0
Illinois	1	2	0
Kentucky	1	0	0
Massachusetts	0	1	0
Michigan	1	1	0
Missouri	0	0	0
New York	4	2	0
Oregon	1	1	0
Pennsylvania	2	1	0
South Carolina	1	1	0
Texas	3	2	0
Utah	0	1	0
Virginia	2	2	0
Total	23	22	0

A list of the names of all franchisees and Area Developers and the addresses and telephone numbers of their businesses are provided in Exhibit E to this Disclosure Document.

The name and last known address and telephone numbers of our current franchisees and Area Developers are attached to this Franchise Disclosure Document as Exhibit E. The name and last known address and telephone number of every current franchisee and every Area Developer who have had a TDS Franchise terminated, canceled, not renewed or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement and Area Development Agreement during the one-year period ending December 31, 2025, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document is listed in Exhibit E. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experiences with TDS Franchising. During the last three fiscal years, current and former franchisees have signed confidentiality clauses restricting their ability to speak openly about their experiences with TDS Businesses. You may wish to speak with current and former franchisees, but know that not all franchisees can communicate with you. If

you buy a TDS Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

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

ITEM 21
FINANCIAL STATEMENTS

Exhibit B contains the financial statements required to be included with the Franchise Disclosure Document: our audited financial statements as of December 31, 2025, December 31, 2024 and December 31, 2023. Our fiscal year end is December 31st.

ITEM 22
CONTRACTS

Attached to this Disclosure Document are the following contracts and their attachments:

Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit F	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the TDS Franchise
Exhibit H-1	Sample General Release/Waiver and Release of Claims
Exhibit H-2	Sample System Protection Agreement
Exhibit H-3	Sample Confidentiality Agreement
Exhibit H-4	Automated Clearing House Payment Authorization Form
Exhibit H-5	Sample Approval of Requested Assignment
Exhibit H-6	Lease Addendum
Exhibit H-7	Right of First Refusal and Option Agreement
Exhibit H-8	Leaseback Agreement

ITEM 23
RECEIPTS

Two copies of an acknowledgement of your receipt of this Disclosure Document are included at the end of this document under Exhibit J. Please sign and return one copy to us, retaining the other copy for your records. Your signature does not constitute a commitment or agreement to purchase a franchise but merely acknowledges your receipt of this Disclosure Document.

EXHIBIT A

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

STATE ADMINISTRATORS AND AGENTS FOR SERVICE OF PROCESS

CALIFORNIA

State Administrator and Agents for Service of Process:

Commissioner
Department of Financial
Protection and Innovation
320 W. 4th Street, #750
Los Angeles, CA 90013
(213) 576-7500
(866) 275-2677

HAWAII

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

Agents for Service of Process:

Commissioner of Securities of
the State of Hawaii
Department of Commerce and
Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, HI 96813
(808) 586-2722

ILLINOIS

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

INDIANA

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

MARYLAND

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

Agents for Service of Process:

Maryland Securities Commissioner
200 St. Paul Place
Baltimore, MD 21202-2020

MICHIGAN

Michigan Department of Attorney General
Consumer Protection Division
525 W. Ottawa Street
Lansing, MI 48913
(517) 373-7117

MINNESOTA

Department of Commerce
Commissioner of Commerce
85 Seventh Place East, Suite 280
St. Paul, MN 55101-3165
(651) 539-1600

NEW YORK

Administrator:

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8222

Agent for Service of Process:

Secretary of State
99 Washington Avenue
Albany, NY 12231

NORTH DAKOTA

North Dakota Securities Department
State Capitol, Fifth Floor, Dept. 414
600 E. Boulevard Avenue
Bismarck, ND 58505-0510
(701) 328-4712

RHODE ISLAND

Department of Business Regulation
1511 Pontiac Avenue, Bldg. 68-2
Cranston, RI 02920
(401) 462-9527

SOUTH DAKOTA

Division of Insurance
Securities Regulation
124 South Euclid, Suite 104
Pierre, SD 57501
(605) 773-3563

VIRGINIA

State Corporation Commission
Division of Securities and
Retail Franchising
1300 E. Main Street, 9th Floor
Richmond, VA 23219

Agent for Service of Process:

Clerk of the State Corporation Commission
1300 E. Main Street, 1st Floor
Richmond, VA 23219

WASHINGTON

State Administrator:

Department of Financial Institutions
Securities Division
P.O. Box 41200
Olympia, WA 98504-1200
(360) 902-8760

Agent for Service for Process:

Director of Department of Financial
Institutions
Securities Division
150 Israel Road SW
Tumwater, WA 98501

WISCONSIN

Department of Financial Institutions
Division of Securities
201 W. Washington Avenue
Madison, WI 53703
(608) 266-3364

EXHIBIT B

FINANCIAL STATEMENTS

THE DOG STOP FRANCHISING, LLC

FINANCIAL STATEMENTS

WITH INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

THE DOG STOP FRANCHISING, LLC

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KEZOS & DUNLAVY
Certified Public Accountants
& Business Advisors

Independent Auditor's Report

To the Members
The Dog Stop Franchising, LLC
Pittsburgh, Pennsylvania

Opinion

We have audited the accompanying financial statements of The Dog Stop Franchising, LLC, which comprise the balance sheet as of December 31, 2025, and the related statement of operations, changes in members' equity, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Dog Stop Franchising, LLC as of December 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Kezas & Dunlavy

St. George, Utah
April 27, 2026

THE DOG STOP FRANCHISING, LLC

BALANCE SHEET

As of December 31, 2025

	2025
Assets	
Current assets	
Cash and cash equivalents	$ 1,040,572
Accounts receivable, net	152,711
Prepaid assets	35,210
Inventory	9,000
Deferred franchise acquisition costs	121,813
Total current assets	1,359,306
Non-current assets	
Property and equipment, net	301,823
Franchise acquisition costs, less current portion	600,086
Total non-current assets	901,909
Total assets	$ 2,261,215
Liabilities and Members' EQUITY	
Current liabilities	
Accounts payable	$ 56,042
Accrued liabilities	10,244
Long term debt, current portion	3,547
Deferred franchise revenue, current portion	396,627
Total current liabilities	466,460
Non-current liabilities	
Long-term debt, non-current portion	150,754
Deferred franchise revenue, less current portion	2,129,811
Total non-current liabilities	2,280,565
Total liabilities	2,747,025
Members' equity	(485,810)
Total liabilities and members' equity	$ 2,261,215

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

THE DOG STOP FRANCHISING, LLC

STATEMENT OF OPERATIONS

For the year ended December 31, 2025

	2025
Operating revenue	
Royalties	$ 1,719,391
Franchise fees	466,894
Brand fund revenues	598,282
Technology fees	259,876
Total operating revenue	3,044,443
Operating expenses	
Salaries and wages	1,158,871
General and administrative	262,392
Brand fund expense	641,414
Professional fees	409,103
Franchise-related costs	1,272,415
Depreciation expense	11,150
Total operating expenses	3,755,345
Income (loss) from operations	(710,902)
Other income (expense)	
Grant and other income	6,228
Total other income (expense)	6,228
Net loss	$ (704,674)

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

THE DOG STOP FRANCHISING, LLC

STATEMENT OF MEMBERS' EQUITY

For the year ended December 31, 2025

Balance as of December 31, 2024	(620,061)
Issuance of Series A-2 preferred units	838,925
Net income	(704,674)
Balance as of December 31, 2025	$ (485,810)

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

THE DOG STOP FRANCHISING, LLC

STATEMENT OF CASH FLOWS

For the year ended December 31, 2025

	2025
Cash flow from operating activities:	
Net income (loss)	$ (704,674)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Depreciation	11,150
Provision for bad debt	(32,920)
Changes in operating assets and liabilities:	
Accounts receivable	7,193
Deferred franchise costs	70,681
Inventory	(9,000)
Prepaid assets	7,533
Intangible assets	60,000
Accounts payable	(21,082)
Accrued liabilities	(67,211)
Deferred franchise revenue	(241,865)
Net cash provided by (used in) operating activities	(920,195)
Cash flows from financing activities:	
Issuance and debt forgiveness	(2,668)
Member contributions	838,925
Net cash used in financing activities	836,257
Net change in cash and cash equivalents	(83,938)
Cash at the beginning of the year	1,124,509
Cash at the end of the year	$ 1,040,571
Supplementary disclosures of cash flows	
Cash paid for interest	$ 6,041
Cash paid for taxes	$ -

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

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

(a) Nature of Business

The Dog Stop Franchising, LLC ("Company") was formed on December 7, 2012, in the State of Pennsylvania as a limited liability company. The Company offers franchises to qualified persons or business entities for the right to operate businesses providing pet care facilities, offering dog daycare, training, grooming, boarding services, dog walking, and in-home services ("TDS Business"). TDS Businesses also offer premium dog food, dog treats, and dog related accessories for sale. TDS Businesses operate under the system using The Dog Stop trademarks, service marks, trade names and logos (the "Marks") from an approved retail location.

The Company uses the accrual basis of accounting, and their accounting period is the 12-month period ending December 31 of each year. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

(b) Affiliates

The Dog Stop, LLC was formed on June 12, 2009, in the state of Pennsylvania as a limited liability company. The Dog Stop South, LLC was formed on July 8, 2011, in the state of Pennsylvania as a limited liability company. The Dog Stop, Strip, LLC was formed on April 22, 2013, in the state of Pennsylvania as a limited liability company. TDS Boardman Limited Liability Company was formed on November 1, 2019, in the state of Pennsylvania as a limited liability company. These companies operated the four (4) affiliate owned locations.

The Dog Stop Holdings, LLC ("DSH") was formed on March 13, 2015, in the state of Pennsylvania as a limited liability company and is the owner of the above affiliate locations.

(c) Accounting Standards Codification

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

(d) Use of Estimates

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

(e) Cash and Cash Equivalents

Cash equivalents include all highly liquid investments with maturities of three months or less at the date of purchase.

(f) Accounts Receivable

Accounts receivable are recorded for amounts due based on the terms of executed franchise agreements for franchise sales, royalty fees, and service fees. These receivables are carried at original invoice amount less an estimate made for doubtful receivables based on a review of outstanding amounts. When determining the allowance for doubtful receivable, the Company has adopted ASC 326, Financial Instruments—Credit Losses. This standard requires that management utilize the Current Expected Credit Losses ("CECL") model to recognize the appropriate allowance for doubtful receivables. This model requires entities to estimate and recognize expected

credit losses over the life of the financial instrument. For trade receivables, management has elected to apply a simplified approach, based on historical loss experience and adjustments for current and forecasted economic conditions. Management regularly evaluates individual customer receivables, considering their financial condition, credit history and current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as income when received.

As of December 31, 2025, allowance for doubtful accounts was $45,433.

(g) Long Lived Assets

Long lived assets, such as property and equipment, are recorded at cost and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the difference between the carrying amount of the asset and the fair value of the asset. No impairment has been recognized to date.

(h) Revenue Recognition

The Company has adopted ASC 606, Revenue from Contracts with Customers. ASC 606 provides that revenues are to be recognized when control of promised goods or services is transferred to a customer in an amount that reflects the considerations expected to be received for those goods or services. In implementing ASC 606, the Company evaluated all revenue sources using the five-step approach: identify the contract, identify the performance obligations, determine the transaction price, allocate the transaction price, and recognize revenue. For each franchised location, the Company enters into a formal franchise agreement that clearly outlines the various components of the transaction price and the Company's performance obligations.

When a franchisee purchases a franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are 6% of gross sales. These revenues will be used to continue the development of the Company's brand, the franchise system and provide on-going support for the Company's franchisees. The royalties are billed weekly and are recognized as revenue when earned.

The Company's revenue mainly consists of franchise fees and royalties.

Royalty fees

Upon evaluation of the five-step process, the Company has determined that royalty and marketing fees are to be recognized in the same period as the underlying sales.

Brand Fund Contribution

The Company has a brand development fund fee of 2% of the gross revenues of each franchise location that is billed monthly and recognized as revenue when earned.

(i) Income Taxes

The Company is structured as a limited liability company under the laws of the state of Colorado. Accordingly, the income or loss of the Company will be included in the income tax returns of the members. Therefore, there is no provision for federal and state income taxes.

The Company follows the guidance under ASC 740, *Accounting for Uncertainty in Income Taxes*. ASC 740 prescribes a more-likely-than-not measurement methodology to reflect the financial statement impact of uncertain tax positions taken or expected to be taken in the tax return. If taxing authorities were to disallow any tax positions

taken by the Company, the additional income taxes, if any, would be imposed on the member rather than the Company. Accordingly, there would be no effect on the Company's financial statements.

The Company's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2025, the 2024, 2023, and 2022 tax years are subject to examination.

(j) Advertising Costs

The Company expenses advertising costs as incurred. Advertising expenses for the fiscal year ending December 31, 2025 was $0.

(k) Financial Instruments

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

(l) Concentration of Risk

The Company maintains its cash in bank deposit accounts that at times may significantly exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company invests client funds in equity and debt securities that may be subject to unanticipated market fluctuations.

(2) Contract Balances

The Company's deferred commissions activity is as follows for the year ended December 31:

	2025
Beginning deferred commissions	$ 816,803
Additions	90,000
Expenses recognized	(184,904)
Ending deferred commissions	$ 721,899
Deferred commissions, current	$ 121,813
Deferred commissions, non-current	600,086
Total deferred commissions	$ 721,899

The Company's deferred revenue activity is as follows for the years ended December 31:

	2025
Beginning deferred revenue	$ 2,847,380
Additions	243,150
Revenue recognized from beginning deferred revenue	(546,976)
Revenue recognized from contracts executed in the current year	(17,116)
Ending deferred revenue	$ 2,526,438

(3) Property and Equipment, Net

Property and equipment, net consists of the following at December 31:

	2025
Furniture and equipment	$ 34,495
Leasehold improvements	347,899
Total	382,395
Less accumulated depreciation	(80,571)
	$ 301,824

Depreciation expense was $11,150 for the year ended December 31, 2025.

(4) Long-Term Debt

Long-term debt consists of the following at December 31:

	2025
Note payable with the Small Business Administration face amount of $150,000 payable in 360 monthly installments of $731beginning November 2022 including interest at the rate of 3.75%, collateralized by the assets of the Company.	$ 150,000
Accumulated interest	625,000
Less: current maturities	(3,547)
	$ 621,453

Interest expense was $6,041for the year ended December 31, 2025.

(5) Commitments and Contingencies

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

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

(6) Subsequent Events

Management has reviewed and evaluated subsequent events through April 27, 2026, the date on which the financial statements were issued.

THE DOG STOP FRANCHISING, LLC

FINANCIAL REPORT

AS OF DECEMBER 31, 2024

THE DOG STOP FRANCHISING, LLC

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Independent Auditor's Report

To the Members
The Dog Stop Franchising, LLC
Pittsburgh, Pennsylvania

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying balance sheets of The Dog Stop Franchising, LLC as of December 31, 2024, and 2023 and the related statements of operations, members' (deficit) and cash flows for the years ended December 31, 2024, 2023 and 2022, and the related notes to financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Dog Stop Franchising, LLC as of December 31, 2024, and 2023 and the results of their operations and their cash flows for the years ended December 31, 2024, 2023 and 2022, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Dog Stop Franchising, LLC's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Dog Stop Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

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

Reese CPA LLC

Ft. Collins, Colorado
April 21, 2025

THE DOG STOP FRANCHISING, LLC
BALANCE SHEETS

	AS OF DECEMBER 31,	
	2024	**2023**
ASSETS:		
CURRENT ASSETS		
Cash and equivalents	$ 1,124,509	$ 359,690
Accounts receivable, net	126,984	245,192
Prepaid assets	42,743	40,177
Note receivable from affiliate	-	378,905
Deferred franchise acquisition costs	110,792	107,792
TOTAL CURRENT ASSETS	1,405,028	1,131,756
NON-CURRENT ASSETS		
Property and equipment, net	312,974	324,124
Franchise program	60,000	60,000
Franchise acquisition costs, less current portion	681,788	774,380
TOTAL ASSETS	$ 2,459,790	$ 2,290,260
LIABILITIES AND MEMBERS' (DEFICIT)		
CURRENT LIABILITIES		
Accounts payable	$ 77,124	$ 62,788
Accrued liabilities	77,455	27,648
Deferred franchise revenue	368,720	358,130
TOTAL CURRENT LIABILITIES	523,299	448,566
LONG-TERM LIABILITIES		
Long-term debt	156,969	159,909
Secured convertible note payable	-	3,211,595
Deferred franchise revenue, less current portion	2,399,583	2,590,199
TOTAL LIABILITIES	3,079,851	6,410,269
MEMBERS' (DEFICIT)	(620,061)	(4,120,009)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	$ 2,459,790	$ 2,290,260

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

THE DOG STOP FRANCHISING, LLC
STATEMENTS OF OPERATIONS

	YEARS ENDED DECEMBER 31,		
	2024	**2023**	**2022**
REVENUES			
Royalties	$ 1,352,418	$ 1,182,498	$ 999,483
Franchise fees	383,026	445,429	192,916
Brand fund revenues	472,517	386,551	433,585
Technology fees	175,356	98,200	45,298
TOTAL REVENUE	2,383,317	2,112,678	1,671,282
OPERATING EXPENSES			
Payroll	1,319,282	1,441,087	1,264,221
General and administrative	645,079	615,652	361,272
Brand fund costs	469,854	509,669	433,585
Professional fees	274,911	215,813	171,761
Franchise-related costs	226,747	284,895	168,672
Advertising	191,664	319,526	492,998
Depreciation expense	11,150	9,168	8,063
TOTAL OPERATING EXPENSES	3,138,687	3,395,810	2,900,572
OPERATING (LOSS)	(755,370)	(1,283,132)	(1,229,290)
OTHER INCOME			
Grant and other income	2	12,066	12,071
Forgiveness of accrued interest expense	473,780	-	-
TOTAL OTHER INCOME	473,782	12,066	12,071
INTEREST EXPENSE	(76,231)	(166,234)	(150,739)
NET (LOSS)	$ (357,819)	$ (1,437,300)	$ (1,367,958)

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

THE DOG STOP FRANCHISING, LLC
STATEMENTS OF CHANGES IN MEMBERS' (DEFICIT)
YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

	Total Members' (Deficit)
BALANCE, DECEMBER 31, 2021	$ **(1,761,626)**
Net loss	(1,367,958)
BALANCE, DECEMBER 31, 2022	**(3,129,584)**
Member contributions	446,875
Net loss	(1,437,300)
BALANCE, DECEMBER 31, 2023	**(4,120,009)**
Conversion of notes payable to member contribution	2,808,016
Member contributions	1,049,751
Net loss	(357,819)
BALANCE, DECEMBER 31, 2024	$ **(620,061)**

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

THE DOG STOP FRANCHISING, LLC
STATEMENTS OF CASH FLOWS

	YEARS ENDED DECEMBER 31,		
	2024	**2023**	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ (357,819)	$ (1,437,300)	$ (1,367,958)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	11,150	9,168	8,063
Provision for bad debt	(49,500)	(30,000)	-
Forgiveness of interest on secured convertible note, net	(403,579)	-	-
Recognition of deferred franchise costs	119,592	147,143	60,203
Recognition of deferred revenue	(378,026)	(445,429)	(188,652)
Changes in operating assets and liabilities:			
Accounts receivable	167,708	(42,294)	(91,272)
Deferred franchise costs	(30,000)	(405,800)	(421,200)
Prepaid assets	(2,566)	(9,665)	(3,749)
Accounts payable	14,336	(144,168)	147,819
Accrued liabilities	49,807	150,677	155,506
Deferred franchise revenue	198,000	1,250,000	1,703,225
Deferred marketing revenue	-	23,235	(107,137)
Net cash used in operating activities	(660,897)	(934,433)	(105,152)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	-	(12,979)	(264,736)
Net cash used in investing activities	-	(12,979)	(264,736)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments on notes payable	(2,940)	(3,145)	(1,700)
Proceeds from issuance of secured convertible note	-	365,625	-
Note receivable from affiliate	378,905	243,895	(322,800)
Due to related parties	-	-	38,092
Member contributions	1,049,751	446,875	-
Net cash provided (used) by financing activities	1,425,716	1,053,250	(286,408)
NET INCREASE IN CASH	764,819	105,838	(656,296)
CASH, BEGINNING	359,690	253,852	910,148
CASH, ENDING	$ 1,124,509	$ 359,690	$ 253,852
SUPPLEMENTAL DISCLOSURES			
Cash paid for interest	$ 8,772	$ 10,039	$ -
Cash paid for taxes	$ -	$ -	$ -

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

THE DOG STOP FRANCHISING, LLC
STATEMENTS OF CASH FLOWS (CONTINUED)

	YEARS ENDED DECEMBER 31,		
	2024	**2023**	**2022**
SUPPLEMENTAL SCHEDULE OF NON-CASH FLOW INFORMATION			
Conversion of secured convertible notes payable into member units	$ 2,808,016	$ -	$ -

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

NOTE 1 - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Dog Stop Franchising, LLC ("Company") was formed on December 7, 2012, in the State of Pennsylvania as a limited liability company. The Company offers franchises to qualified persons or business entities for the right to operate businesses providing pet care facilities offering dog daycare, training, grooming, boarding services, dog walking and in-home services ("TDS Business"). TDS Businesses also offer premium dog food, dog treats and dog related accessories for sale. TDS Businesses operate under the system using The Dog Stop trademarks, service marks, trade names and logos (the "Marks") from an approved retail location.

Affiliates

The Dog Stop, LLC was formed on June 12, 2009, in the state of Pennsylvania as a limited liability company. The Dog Stop South, LLC was formed on July 8, 2011, in the state of Pennsylvania as a limited liability company. The Dog Stop, Strip, L.L.C. was formed on April 22, 2013, in the state of Pennsylvania as a limited liability company. TDS Boardman Limited Liability Company was formed on November 1, 2019, in the state of Pennsylvania as a limited liability company. These companies operate the four (4) affiliate owned locations.

The Dog Stop Holdings, LLC ("DSH") was formed on March 13, 2015, in the state of Pennsylvania as a limited liability company and is the owner of the above affiliate locations.

The above affiliates do not sell franchises in any other line of business and are not otherwise engaged in any other business activity.

A summary of significant accounting policies follows:

Basis of Presentation

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

Preparation of the Company's financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of any contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. The Company had no cash equivalents as of December 31, 2024, and 2023.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

The timing of revenue recognition may be different from the timing of invoicing to customers. The Company records an accounts receivable when revenue is recognized prior to invoicing, or unearned revenue when revenue is recognized subsequent to invoicing. Management evaluates individual customers' receivables considering their financial condition, credit history and current economic conditions. Accounts receivable are written off if deemed uncollectible and recoveries of accounts receivable previously written off are recorded as income when received. The Company had an allowance for doubtful accounts of $78,352 and $127,853 as of December 31, 2024, and 2023. Bad debt expense was $0, $37,947, and $24,871 for the years ended December 31, 2024, 2023 and 2022.

Property and Equipment

The Company has adopted ASC 360 – Property, Plant and Equipment. Property and equipment are stated at historical cost. Depreciation is provided using straight-line method based on the estimated useful lives of the related assets (generally three to seven years).

Intangible Assets

The Company has adopted ASC 350, Intangibles – Goodwill and Other that requires that goodwill and intangible assets with indefinite lives no longer be amortized to earnings but be tested for impairment at least annually. Intangible assets with finite lives are amortized over their estimated useful lives. The useful life of an intangible asset is the period over which it is expected to contribute directly or indirectly to future cash flows. Intangible assets with infinite lives are reviewed for impairment if events or changes in circumstances indicate that the carrying value might not be recoverable. The Company developed the Franchise Program for The Dog Stop trademark was available for use in January of 2013. The useful life of the program is estimated to be indefinite and as such is tested for impairment annually. There is not any impairment loss recognized on the value of the intangible asset for the years ended December 31, 2024, and 2023.

Income Taxes

The members of the Company have elected to be taxed as a partnership under the provisions of the Internal Revenue Code. Under those provisions, taxable income and losses of the Company are reported on the income tax returns of its members and no provisions for federal or state taxes have been recorded on the accompanying balance sheets.

The Company adopted ASC 740-10-25-6 "Accounting for Uncertainty in Income Taxes", that requires the Company to disclose uncertain tax positions. Under the standard an entity may only recognize or continue to recognize tax positions that meet a "more likely than not" threshold upon examination by taxing authorities.

Based on its evaluation, the Company has concluded that there are no significant uncertain tax positions requiring recognition in its financial statements or that would affect the Company's members. The Company's evaluation was performed for the years ended December 31, 2024, 2023 and 2022 for U.S. Federal income tax and the state of Pennsylvania income taxes.

NOTE 1 – NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Company's revenue mainly consists of franchise fees and royalties.

Each franchise agreement is comprised of several performance obligations. The Company has concluded that these items represent a single performance obligation and recognize the initial franchise fees over the term of the contract, which is currently 10 years from the effective date of the franchise agreement.

When a franchisee purchases a franchise, the Company grants the franchisee the right to use the proprietary methods, techniques, trade dress, trademarks, and logos ("license"). The license is symbolic intellectual property. Revenues related to the license are continuing royalties and are 6% of gross sales. These revenues will be used to continue the development of the Company's brand, the franchise system and provide on-going support for the Company's franchisees. The royalties are billed weekly and are recognized as revenue when earned.

Brand Fund Contribution

The Company has a brand fund to develop, produce and place advertising, marketing, promotional and public relations materials, and programs for the benefit of the franchisees. The brand fee is 2% of gross sales and is billed weekly and is recognized as revenue when earned up to the amount spent on marketing activities as defined in the franchise disclosure document. Funds collected, but not yet spent, are recorded as deferred revenue on the balance sheet. As of December 31, 2024, and 2023, $0 and $0 was included in deferred revenue.

Advertising Costs

The Company expenses advertising costs as incurred. Advertising expense for the years ended December 31, 2024, 2023 and 2022 were $191,664, $319,526, and $492,665.

Fair Value of Financial Instruments

For the Company's financial instruments, which consist of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, the carrying amounts approximate fair value due to their short maturities.

Recently issued accounting pronouncements

The Company has adopted all recently issued Accounting Standards Updates ("ASU"). The adoption of the recently issued ASUs, including those not yet effective, is not anticipated to have a material effect on the financial position or results of operations of the Company.

NOTE 2 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following at December 31:

	2024	2023
Accounts receivable	$ 205,337	$ 373,045
Less allowance for doubtful accounts	(78,353)	(127,853)
	$ 126,984	$ 245,192

NOTE 3 – CONTRACT BALANCES

The Company recorded an asset for the incremental costs and a liability for unearned revenue associated with the performance obligation of the Company's franchise agreements. The account balances and activity at December 31 are as follows:

	2024	2023
Franchise Acquisition Costs:		
Balance beginning of year	$ 882,172	$ 623,515
Deferral of franchise acquisition costs	30,000	405,800
Recognition of franchise acquisition costs	119,592)	(147,143)
Balance at end of year	$ 792,580	$ 882,172
Deferred Non-refundable Franchise Fees:		
Balance beginning of year	$ 2,948,329	$ 2,143,758
Deferral of non-refundable franchise fees	198,000	1,250,000
Recognition of non-refundable franchise fees	(378,026)	(445,429)
Balance at end of year	$ 2,768,303	$ 2,948,329

Estimated Recognition of Deferred Franchise Costs and Revenues

Estimated expenses and revenues to be recognized in future periods related to deferred franchise costs and revenues as reported at December 31, 2024, is as follows:

	Franchise Acquisition Costs	Non-refundable Franchise Fees
Year ending December 31:		
2025	$ 110,792	$ 368,750
2026	110,792	367,500
2027	108,276	353,017
2028	108,276	353,017
2029	108,276	353,017
Thereafter	246,168	973,002
	$ 792,580	$ 2,768,303

NOTE 3 – CONTRACT BALANCES (CONTINUED)

Disaggregation of Revenues

Disaggregated revenues based on the satisfaction of performance obligations in the Company's contracts with franchisees for the years ended December 31, 2024, 2023 and 2022 is as follows:

	2024	2023	2022
Performance obligations satisfied at a point in time	$ 2,000,291	$ 1,667,249	$ 1,478,366
Performance obligations satisfied by the passage of time	383,026	445,429	192,916
Total revenues	$ 2,383,317	$ 2,112,678	$ 1,671,282

NOTE 4 – PROPERTY AND EQUIPMENT, NET

Property and equipment, net consists of the following at December 31:

	2024	2023
Furniture and equipment	$ 34,496	$ 34,496
Leasehold improvements	347,899	347,899
Total	382,395	382,395
Less accumulated depreciation	(69,421)	(58,271)
	$ 312,974	$ 324,124

Depreciation expense was $11,150, $9,168, and $8,063, for the years ended December 31, 2024, 2023 and 2022.

NOTE 5 – LONG-TERM DEBT

Long-term debt consists of the following at December 31:

	2024	2023
Note payable with the Small Business Administration face amount of $150,000 payable in 360 monthly installments of $731 beginning November 2022 including interest at the rate of 3.75%. Collateralized by the assets of the Company.	$ 150,000	$ 150,000
Accumulated interest	6,969	9,909
	156,969	159,909
Less current maturities	-	-
	$ 156,969	$ 159,909

The maturities of the long-term debt are as follows:

Year ending December 31:	
2025	$ -
2026	-
2027	3,117
2028	3,305
2029	3,447
Thereafter	140,131
	$ 150,000

Interest expense was $5,625, $5,625, and $5,330 for the years ended December 31, 2024, 2023, and 2022.

NOTE 6 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2022, The Company entered into an open ended promissory note with its affiliate, The Dog Stop Holdings, LLC, the note has an annual interest rate of 1.07% and it due in full no later than December 31, 2024. The balance outstanding as of December 31, 2024, and 2023 was $0, and $378,905. This is reported as a note receivable from affiliate in the accompanying balance sheets.

NOTE 7 – SECURED CONVERTIBLE NOTE PAYABLE

On April 27, 2021, the Company and its members entered into a Secured Convertible Promissory Note Purchase Agreement with a private equity company ("PE"). Under the terms of the agreement the Company has issued a Secured Convertible Promissory Note ("Note") to PE in the amount of $ $2,442,390. The funds are to be used by the Company to conduct its business and provide liquidity. Interest on the Note is accrued at the rate of 6% per annum through the maturity date of the Note. The Company may make payments of principal and interest from time to time as agreed by the parties and the outstanding principal and accrued interest is due and payable on May 1, 2026. Under the terms of the agreement the PE has the right to convert all unpaid principal and interest into the number of voting units of the Company's Senior Securities that is equal to 45% of the Company's issued and outstanding Equity Securities, subject to certain limitations and adjustments as defined in the agreement. The loan is secured by all assets of the Company. During 2023 the Company received additional advances under the terms of the agreement of $365,625.

In June of 2024 the PE converted the principal of the secured convertible note payable into Equity Securities under the terms of the note agreement with a conversion value of $2,808,016 and agreed to forgive accumulated interest on the principal totaling $473,480.

Secured convertible note payable consists of the following at December 31:

	2024	2023
Secured convertible note payable	$ -	$ 2,808,016
Accumulated interest	-	403,579
	$ -	$ 3,211,595

Interest expense was $70,201, $159,341, and $146,543 for the years ended December 31, 2024, 2023, and 2022.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Operating Lease

The Company leases office space from a subsidiary of its affiliate DSH on a month-to-month rate of $4,420. During 2023 the Company also leased storage space from an unrelated entity on a month-to-month rate of $1,931 which arrangement ended on December 31, 2023. Rent expense was $50,100. $69,241, and $19,760, for the years ended December 31, 2024, 2023, and 2022.

Litigation

The Company may be party to various claims, legal actions and complaints arising in the ordinary course of business. In the opinion of management, all matters are of such kind, or involve such amounts, that unfavorable disposition, if any, would not have a material effect on the financial position of the Company.

Date of Management's Evaluation

Management has evaluated subsequent events through April 21, 2025, the date on which the financial statements were available to be issued.

EXHIBIT C

FRANCHISE AGREEMENT

THE DOG STOP FRANCHISING, LLC

FRANCHISE AGREEMENT

FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (the "Agreement") is made and entered on the "Effective Date," which is identified in Attachment A to this Franchise Agreement, by and between The Dog Stop Franchising, LLC, a Pennsylvania limited liability company whose principal business address is 1632 William Flinn Highway, Glenshaw, PA 15116 ("we", "us" or "our") and the "Franchise Owner" identified in Attachment A to this Franchise Agreement ("Franchisee," "you", or "your"). If more than one person or entity is listed as the Franchisee, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Agreement.

ARTICLE 1
PREAMBLES AND GRANT OF FRANCHISE

1.1 Preambles

1.1.1 We and our affiliate have designed and developed a method of operating a dog care facility offering dog daycare, boarding, grooming, enrichment, obedience training, in-home services, dog walking, as well as retail items including premium dog food, dog treats and accessories (collectively, the "Services") operating under our Marks and System (each defined below). The businesses (each a "Franchised Business") have distinctive business formats, methods, procedures, designs, layouts, standards and specifications, all of which we may improve, further develop and otherwise modify from time to time. Our system (the "System") includes, but is not limited to, uniform formats, designs, systems, methods, specifications, standards and procedures, all of which may be changed, updated, improved and further developed by us from time to time.

1.1.2 We and our affiliates have developed and use, promote and license certain trademarks, service marks and other commercial symbols in operating Franchised Businesses, including the mark "The Dog Stop®," which have gained and will continue to gain public acceptance and goodwill, and we may create, use and license other trademarks, service marks and commercial symbols for use in operating Stops (collectively, the "Marks").

1.1.3 We grant to persons who meet our qualifications, and who are willing to undertake the investment and effort, a franchise to own and operate a Franchised Business offering the products and services we authorize and using our System.

1.1.4 You have applied for a franchise to own and operate a Franchised Business, and we have approved your application relying on all of your representations, warranties and acknowledgments contained in such application and this Agreement.

1.2 Grant of Franchise; Term

Subject to the terms of this Agreement, we grant you a franchise (the "Franchise") to operate as a Franchised Business at the "Site" identified on Attachment C, and to use the Marks and the System in your operation for a term beginning on the date of this Agreement and expiring ten years from that date, unless sooner terminated as provided herein. You may renew this Agreement as described in Article 13, subject to our approval in our sole discretion and your compliance with all terms and conditions of this Agreement, including but not limited to being in good standing with no uncured defaults during the term, and any additional renewal criteria we may establish at the time of renewal.

1.3 Territorial Rights

Upon our approval of the Site for your Franchised Business, we will describe your protected territory (the "Territory") in Attachment C hereto. The Territory may be described in terms of zip codes, geographic boundaries, or a radius from the Site and may be depicted on a map attached to Attachment C. Except as limited by Section 1.4 below, and provided that you are in full compliance with this Agreement, we and our affiliates will not operate or grant a franchise for the operation of another Franchised Business at a location within the Territory during the term of this Agreement. You may not directly or indirectly solicit or market to customers outside of your Territory; however, you may provide services to customers who reside outside of your Territory if they independently seek your services without any direct or indirect solicitation, advertising, or marketing by you. Any revenues derived from customers residing outside your Territory shall still be included in Gross Sales for purposes of calculating Royalty Fees and Brand Fund Contributions. You shall not offer or sell any products or services by catalog, direct mail, telephone order, by use of electronic means (e.g., the Internet), or in any other medium not approved in writing by us.

1.4 Rights Reserved to Us

Except as expressly limited by Section 1.3 above, we and our affiliates retain all rights and discretion with respect to Franchised Businesses, the Marks, the sale of similar or dissimilar products and services, and any other activities we deem appropriate, in any location and at any time, including, but not limited to:

1.4.1 the right to offer and sell and to grant others the right to offer, within or outside of your Territory, the products and services offered at Franchised Businesses, under trade and service marks other than the Marks and under any terms and conditions we deem appropriate;

1.4.2 the right to own, franchise, establish and license to others to establish or operate Franchised Businesses located outside the Territory under any terms and conditions we deem appropriate and regardless of proximity to your Franchised Business;

1.4.3 the right to use the Marks and the System to sell any products or services, similar to those which you will sell, through any alternate channels of distribution within or outside of the Territory. This includes, but is not limited to, other channels of distribution such as catalog sales, fairs, expos, pet shows and the like, telemarketing or other direct marketing sales or over the Internet (together, the "Alternative Distribution Channels"). You may not use Alternative Distribution Channels to make sales outside or inside your Territory and you will not receive any compensation for our sales through Alternative Distribution Channels;

1.4.4 the right to engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted to a new system with any business whether franchised or corporately owned, including a business that competes directly with your Franchised Business, provided that in such situations the newly acquired businesses will not operate under the Marks in your Territory;

1.4.5 the right to implement multi-area marketing programs, which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs; and

1.4.6 the right to engage in any other business activities not expressly prohibited by this Agreement, both within and outside your Territory.

We are not required to pay you any compensation, damages, or other consideration if we exercise any of the rights specified above within or outside your Territory. The continuation of the Territory is not dependent upon your achievement of a certain sales volume, market penetration or other contingency. We do not pay compensation for soliciting or accepting orders inside your Territory. You expressly waive any claims for damages, lost profits, or other compensation arising from our exercise of any reserved rights.

1.5 Relocation

You may not relocate your Franchised Business without our prior written consent, which will not be unreasonably withheld. Your new location must be within your Territory. You shall use our then-current criteria and requirements for locating a suitable replacement site for the Franchised Business and for constructing the Franchised Business at the new site. You shall pay all costs associated with the relocation, including but not limited to our reasonable relocation review fee, site inspection fees, architectural review fees, and any other costs we incur in connection with the relocation. Any relocation shall require execution of our then-current form of lease addendum and collateral assignment of lease.

ARTICLE 2
SITE SELECTION AND OPENING OF BUSINESS

2.1 Acceptance of Site and Lease

You must use a real estate brokerage firm that we designate to assist you in locating, determining the suitability of and negotiating for the site for your Franchised Business. You shall be responsible for paying any and all fees, commissions, or other costs which are or may be required to be paid to the brokerage firm. You shall obtain our written acceptance of any proposed site for the Franchised Business in accordance with our procedures, which acceptance will not be unreasonably withheld. Unless we provide our specific acceptance of a proposed site, the site is deemed not accepted. We will periodically establish procedures for submitting requests for approval of professionals. You acknowledge that in approving a proposed site we may consider such matters as we deem material including, without limitation, demographic characteristics, traffic patterns, ingress and egress, proximity to major roadways, the predominant character of the neighborhood, competition from other businesses providing similar services within the area, the exclusivity granted to other franchisees of ours, the site's size, its appearance, and other physical characteristics.

Within five days after our receipt of all information we require concerning the proposed site, we will accept or not accept the site you propose for the operation of the Franchised Business by giving written notice to you. Unless we provide our specific acceptance of your proposed site, the site is deemed unaccepted. We will not unreasonably withhold our acceptance of a proposed site that meets our standards and specifications for a Franchised Business. You must find an approved site within 90 days of the Effective Date of the Agreement. Upon our acceptance of a proposed site for the Franchised Business, the Site's address of the Franchised Business will be inserted on Attachment C to this Agreement.

You hereby acknowledge and agree that our acceptance of the Site does not constitute an expressed or implied assurance, representation or warranty of any kind as to the suitability of the site for a Franchised Business or for any other purpose. Our acceptance of the Site indicates only that we believe the Site complies with acceptable minimum criteria established by us solely for our purposes as of the time of evaluation. We shall not be responsible for the failure of the Site to meet your expectations as to revenue, operational performance or other measures. You further acknowledge and agree that your acceptance of a franchise for the operation of the Franchised Business at the Site is based on your own independent investigation of the suitability of the Site. You expressly waive any and all claims against us arising from

or related to the Site selection, approval, or performance, and agree to indemnify and hold us harmless from any claims by third parties related to your Site.

Before you may execute a lease for the Site, you must submit the lease to us for our review and approval. We reserve the right to approve or disapprove the lease in our sole discretion. You and your landlord must sign our then-current form of Lease Addendum and Collateral Assignment of Lease, the current form of which is attached to Exhibit H to the Franchise Disclosure Document, as a condition precedent to our approval of the lease. You shall not execute any lease or amendment thereto without our prior written approval. Failure to obtain our approval of the lease or to execute the required Lease Addendum and Collateral Assignment of Lease shall constitute a material breach of this Agreement.

2.2 Build-Out of Site

We shall provide you suggested prototype plans and standard design specifications for the design, interior layout, fixtures, displays, equipment, signs, color scheme and décor of your Franchised Business. We will provide guidance in the selection of design professionals, contractors, suppliers, and installers for all aspects of building out your Franchised Business. You shall, at your expense, arrange to have construction plans for the build-out of your Franchised Business according to our standards and specifications. We reserve the right to designate or approve the architect you must use to build-out the Franchised Business according to the construction plans we have approved, and to inspect your Franchised Business during its construction. You understand and acknowledge that our review of your construction plans is only intended to verify that the plans conform to our specifications for the System and presentation of the Marks. Our review is not meant to assess any compliance with applicable laws or building codes, which responsibility is solely yours. You expressly waive any claims against us arising from or related to the construction, design, or build-out of the Franchised Business, and agree to indemnify and hold us harmless from any claims by third parties related to the construction or condition of your Franchised Business. You must submit your construction plans to us for our review and approval before you may begin building out your Franchised Business. Any changes to such construction plans must also be approved by us.

You must, at your expense, use a contractor that has been approved by us. If you wish to use a contractor that has not been approved by us, you must first submit a written request for approval, including all requested information about the proposed contractor, and receive our written approval before employing the contractor. We will, within a reasonable time (within five days), notify you of our decision. Unless we provide our specific approval of a proposed contractor, the contractor is deemed not approved. We will notify you in writing of our decision. We will periodically establish procedures for submitting requests for approval of professionals.

2.3 Operating Assets

You agree to use in developing and operating the Franchised Business only such furniture, fixtures, equipment, supplies and other operating assets that we approve in writing from time to time for Franchised Businesses as meeting our specifications and standards for quality, design, appearance, function and performance ("Operating Assets"). A list of Operating Assets is included in the franchise operations manual (which is defined in Section 4.3) and is subject to change from time to time. You agree to place or display at the Site (interior and exterior) only the signs, emblems, lettering, logos and display materials that we approve in writing from time to time. If we require, you must purchase or lease only approved brands, types and/or models of Operating Assets and/or purchase or lease them only from suppliers we designate or approve from time to time (which may include or be limited to us and/or our affiliates). If you desire to use any Operating Asset that we have not yet evaluated, you may submit such Operating Asset for our consideration by following the procedure set forth in Section 8.3.

2.4 Computer and Network System

You agree to use in operating the Franchised Business the computer equipment, hardware, and software (including, without limitation, laptops, desktops, point of sale systems, firmware, QuickBooks software, web technologies, or applications, internet access, modems, printers, scanners, or related equipment and methods of operation and maintenance thereof, and collectively, the "Computer System"), that we specify from time to time. We may periodically modify specifications for and components of the Computer System. Our modification of specifications for the Computer System and/or other technological developments or events may require you to purchase, lease and/or license new or modified, equipment, computer hardware and/or software and to obtain service and support for the Computer System, and we reserve the right to require that some of these purchases, leases, or licenses be paid to us or to approved suppliers. Although we cannot estimate the future costs of the Computer System, you agree to incur the costs of obtaining the equipment or the computer hardware and software comprising the Computer System (or additions or modifications) and required service or support. We have no obligation to reimburse you for any Computer System costs. Within 60 days after you receive notice from us, you agree to obtain the components of the Computer System that we designate and to ensure that your Computer System, as modified, is functioning properly. You understand and expressly acknowledge that technology is dynamic, and there are no limitations on the frequency or cost of your obligation to acquire upgrades and updates or to replace obsolete or worn out hardware or equipment for your Computer System. You agree that we may require technology upgrades or replacements at any time we deem necessary to maintain system uniformity, security, or operational efficiency, and you waive any claims that such requirements are unreasonable or impose undue financial burden.

Notwithstanding the fact that you must buy, use and maintain the Computer System under our standards and specifications, you will have sole and complete responsibility (including, without limitation, responsibility for the cost thereof) for: (1) the acquisition, operation, maintenance and upgrading of the Computer System; (2) the manner in which your Computer System interfaces with our computer system and those of other third parties; and (3) any and all consequences that may arise if the system is not properly operated, maintained and upgraded. You agree to maintain, at all times during the term of this Agreement, a high speed internet connection for your Computer System. You further agree to maintain a maintenance contract for the Computer System and a maintenance contract for upgrades to the required operational software. It is your responsibility to make sure that you are in compliance with all laws that are applicable to the Computer System or other technology used in the operation of your Franchised Business, including all data protection or security laws.

In addition to using required Computer System(s), you must also acquire, use, and maintain our designated network program at your sole cost and expense. This program will provide both network connection and network equipment to ensure standardization, uniformity, and enhanced security & performance across our entire franchise system.

2.5 Opening

You agree not to open the Franchised Business for business until:

2.5.1 all persons that we require satisfactorily complete pre-opening training;

2.5.2 the initial franchise fee and all other amounts then due to us have been paid;

2.5.3 all amounts due and owing to suppliers has been paid;

2.5.4 you give us certificates for all required insurance policies or other evidence of insurance coverage and premium payment that we request;

2.5.5 the Franchised Business has been built-out, furnished, equipped and decorated according to our requirements and specifications;

2.5.6 you provide us with copies of all licenses and permits required for the Franchised Business's proper operation and any approval or condition set forth in this Agreement have been met;

2.5.7 we have approved your grand opening advertising campaign as provided in Section 9.5;

2.5.8 you have received our written approval to open the Franchised Business.

You are required to comply with these conditions and open the Franchised Business for business within 180 days after signing the lease for your Franchised Business. Time is of the essence. If you fail to open your Franchised Business within the specified timeframe, except for delay caused by Force Majeure events as defined in this Agreement, we reserve the right to terminate this Agreement without providing you with a refund of any monies you have paid to us. Any extension of the timeframe to open the Franchised Business is at our sole discretion.

ARTICLE 3
FEES

3.1 Initial Franchise Fee

Except as otherwise provided in any Area Development Agreement between you and us, you agree to pay us, upon execution of this Agreement, a nonrecurring and non-refundable initial franchise fee ("Initial Franchise Fee") in the amount of $60,000, payable in a lump sum upon execution of this Agreement. The initial franchise fee is in consideration of all of our pre-opening assistance that we provide to allow you to open your Franchised Business and our lost or deferred opportunity to enter into this Agreement with others, and it offsets some of our expenses for franchisee recruitment. The Initial Franchise Fee is fully earned by us when received and is not refundable under any circumstances, including but not limited to the termination of this Agreement for any reason or your failure to establish or operate the Franchised Business.

If you are a qualified United States veteran who has been honorably discharged from any branch of the United States Armed Forces, as evidenced by your DD-214 or other official military discharge documentation acceptable to us, we will reduce the Initial Franchise Fee for your first Franchised Business by five thousand dollars ($5,000). You must submit a copy of your DD-214 or other acceptable documentation to us for verification prior to execution of the Franchise Agreement to qualify for this discount.

3.2 Royalty Fee

You shall pay us, in the manner provided in Section 3.6, royalty fees ("Royalty Fee") each week equal to six percent (6%) of gross sales ("Gross Sales"), to be withdrawn every Monday for the Gross Sales of the previous week (Monday-Sunday), based upon statistical reports generated by the TDS POS Business Management System or any other software we designate. If Monday is a bank holiday, funds are due the following day. The Royalty Fee is an ongoing payment that allows you to use the Marks and the other intellectual property of the System and that pays for our ongoing support and assistance.

If any state imposes a sales or other tax on the Royalty Fees, then we reserve the right to collect this tax from you.

3.3 Brand Fund Contribution

Recognizing the value of uniform national and regional advertising and promotion of the System, you, in further consideration of the grant of this license, agree to pay to us a non-refundable contribution ("Brand Fund Contribution") to the Brand Development Fund (as hereinafter defined) equal to two percent (2%) of Gross Sales, payable each week at the same time and in the same manner as the Royalty Fee provided for in Section 3.2 and Section 3.6 hereof.

3.4 Definition of "Gross Sales"

As used in this Agreement, "Gross Sales" shall mean the revenues you receive from the sale of all goods, products and services sold at, from, or through your Franchised Business and all other income, revenue and consideration of every kind and nature related to the Franchised Business, whether for cash or credit, and regardless of collection in the case of credit, and all proceeds from any business interruption insurance, but not including: (a) any sales taxes or other taxes you collect from customers and then paid directly to the appropriate taxing authority; and (b) any bona fide refunds you make to customers.

3.5 Technology Fee

You are required to pay us a monthly technology fee ("Technology Fee") which shall be paid according to the following schedule: (i) $100 per month beginning immediately upon signing this Agreement; (ii) $250 per month beginning on the date you sign your lease agreement for the Franchised Business; and (iii) $500 per month beginning three (3) months before your scheduled opening date for the Franchised Business. The $500 per month Technology Fee shall continue for the remainder of the Term. The Technology Fee amounts specified above are not prorated and each increase takes effect on the first day of the month immediately following the month in which the triggering event occurs. The Technology Fee is payable on the first day of each month. The Technology Fee covers certain technologies, such as the point of sale software, accounting software, internal communications tools, CRM, email hosting, and any other technology systems that we may implement from time to time, utilized in the Franchised Business. You acknowledge and agree that changes to technology are dynamic and not predictable within the term of this Agreement. We reserve the right to: (i) upgrade, modify and add new technologies and software, in which case you will be responsible for any additional fees, separate from and in addition to the Technology Fee schedule outlined above, that result from such upgrades, modifications or additional software; (ii) change or add approved suppliers of these services at any time in our sole discretion; (iii) enter into a master license agreement with any software or technology supplier and sublicense the software or technology to you, in which case we may charge you for all amounts that we must pay to the licensor based on your use of the software or technology; (iv) create proprietary software or technology that must be used by our franchisees, in which case we may require that you enter into a license agreement with us and pay us reasonable initial and ongoing licensing, support and maintenance fees; and (v) increase or decrease the Technology Fee upon 30 days' notice to you. For clarity, any fees charged pursuant to subsections (i) through (iv) above shall be separate from and in addition to the Technology Fee schedule set forth in this Section, and shall not affect or modify such Technology Fee schedule unless specifically stated in writing.

3.6 Electronic Funds Transfer

All Royalty Fees, Brand Fund Contributions, Technology Fees, and other fees payable under this Agreement are required to be made via weekly electronic funds transfer or automatic debit of funds, in a

method determined by us. You shall sign and deliver to us the EFT authorization (in the form attached to the Franchise Disclosure Document in Exhibit H) and any documents required to authorize us to debit your bank account automatically for the Royalty Fee, Brand Fund Contribution, Technology Fee, and other amounts due under this Agreement. You agree to make the funds available for withdrawal by electronic transfer before each due date. We reserve the right to require an alternative payment method or payment frequency for any fees or amounts owed to us or our affiliates under the Agreement.

If the Royalty Fee and Brand Fund Contribution we debit are less than the Royalty Fee and Brand Fund Contribution you actually owe us, once we have been able to verify your accurate Gross Sales, we will debit your account for the outstanding balance on a day we specify. If the Royalty Fee and Brand Fund Contribution we debit are greater than the Royalty Fee and Brand Fund Contribution you actually owe us, we will credit the excess against the amount we otherwise would debit from your account during the following week. Reasons the amount taken from your account may vary from what you owe us could be due to arithmetic mistake, revenues were not reported correctly, etc.

3.7 Application of Payments and Right of Set-Off

Notwithstanding any designation by you, we may apply any of your payments to any of your past due indebtedness to us (or our affiliates). We may set-off any amounts you owe us or our affiliates against any amounts we or our affiliates might owe you. You may not withhold payment of any amounts you owe us due to our alleged nonperformance of any of our obligations under this Agreement or any other agreement between us (and/or our affiliates) and you.

3.8 Non-Compliance Fee

In the event you are, at any time during the term of this Agreement, found to not be in compliance with the terms hereof and/or the System Standards or this Agreement, you agree to pay to us $100 the first time you are found to not be in-compliance with the System; $250 for the second time you are found to not be in-compliance with the System; and $500 for the third and any subsequent times you are found to not be in-compliance with the System. If your non-compliance is monetary in nature, we reserve the right to notify your credit union or other banking institution that issued a loan or line of credit for the Franchised Business of your failure to comply with this Agreement. You agree that such fee and banking notification is in addition to any other rights or remedies we may have under this Agreement or at law.

We shall grant you the opportunity to cure the non-compliance within a reasonable time period, as determined by us, prior to imposing the Non-Compliance Fee. We have the right to require any form of verification to determine non-compliance, with or without cause, including but not limited to documentation, photos, video tours, etc. and that you shall be required to furnish such verification within 72 hours of our request. We have the right to make personal visits without notice to the Franchised Business.

3.9 Late Fee

Any payment not made by the due date will be deemed overdue. In the event of any overdue amounts, you will pay us, besides the overdue amounts, a late fee equal to $100 per occurrence plus interest at the lesser of the daily equivalent of one and one-half percent (1.5%) per month simple interest or the highest amount allowed under applicable law, on any overdue amount for each day any amount is past due, accruing from the due date until the past-due amount is paid in full. This provision does not permit or excuse late payments. Notwithstanding the foregoing, each failure to pay the Royalty Fees, Brand Development Fund Contributions, Technology Fees, or other payments payable to us when due will be a material breach of this Agreement. You agree that such late fee and interest are in addition to, and not in lieu of, any other rights or remedies we may have under this Agreement, at law, or in equity, and that payment of such amounts

does not cure any breach or default under this Agreement. The foregoing late fees and interest shall not apply if the lateness is solely and directly the result of our failure to debit your account in a timely manner, provided that you have maintained sufficient funds in the designated account and have not taken any action to prevent or delay such debit.

The acceptance of any late fee, interest payment, or any other payment by us, whether or not designated as such, shall not be construed as a waiver of any breach or default, or of any other rights or remedies available to us under this Agreement, at law, or in equity, and shall be without prejudice to our right to terminate this Agreement with respect to such default or any other default in accordance with the provisions of this Agreement. No delay or omission by us in exercising any right or remedy shall constitute a waiver of such right or remedy or any other right or remedy.

3.10 Payment of Additional Fees

You shall pay such other fees or amounts described in this Agreement.

ARTICLE 4
TRAINING AND ASSISTANCE

4.1 Training

Before the Franchised Business opens, we will conduct one training course for you and at least two additional persons on the operation of a Franchised Business. We will not limit the number of trainees you can send to our initial training course; however, at a minimum you must be one of the trainees as well as at least two (2) additional individuals to serve as managers of the Franchised Business. If you request that we provide our training program on additional occasions, whether before your Franchised Business opens or while it is operating, you shall pay our then-current training fee for each additional trainee, and you shall pay any expenses associated with that training. We will provide approximately ten days of training at our designated training site (which may include our headquarters, an operating Franchised Business and/or another location). We will also provide you with up to five days of additional training at your Franchised Business in preparation for, and during opening. Initial training will be held at such time and location and for such duration as we designate. You (or your Designated Owner if you are an entity) and your General Manager (if any) identified in Section 8.8 must complete the initial training to our sole satisfaction and participate in all other activities we require not later than 30 days before opening the Franchised Business. Our determination of satisfactory completion shall be final and binding. We provide this training at no additional fee; however, you must pay all travel and living expenses which you and your trainees incur in connection with such training, including, but not limited to, travel, lodging, meals and applicable wages. You agree to replace any General Manager if we determine that he or she is not qualified and/or has not completed our training program to our satisfaction, and to pay our then-current fee for training his or her replacement. All upper management personnel whom you hire must complete our initial training program to our reasonable satisfaction. Unless we have stated otherwise in writing to you, all other employees you hire, such as, but not limited to, handlers, receptionists, etc., shall be required to complete our online training courses and pass the corresponding exams prior to beginning employment.

We may offer to you and/or your employees refresher training courses, and we may designate that attendance at such training courses is mandatory. Your failure to attend any mandatory training shall constitute a material breach of this Agreement. We will not charge a separate fee for such refresher training, but you shall be solely responsible for the expenses you and/or your employees incur while attending such courses, including travel, lodging, meals and wages.

In the event you request that we provide additional training or assistance on-site at your Franchised Business, or if we determine, in our sole discretion, that you require additional training, you shall pay our then-current fee for such training and you shall reimburse our representative's expenses in connection with such training or assistance, including, but not limited to, travel, lodging, meals, and a reasonable per diem. All such fees and expenses shall be due and payable within ten (10) days of invoice. If we determine that additional training is required due to your failure to comply with System Standards, such training shall be at your expense and your failure to complete such training within the timeframe we specify shall constitute a material breach of this Agreement.

4.2 Ongoing Guidance

We will advise you regarding the Franchised Business's operation based on your reports or our inspections. We also will guide you on standards, specifications, and operating procedures and methods that Franchised Businesses use; purchasing required Operating Assets and inventory; advertising and marketing programs; and employee training, administrative, bookkeeping, and accounting procedures. We will guide you in our Franchise Operations Manual, bulletins, or other written materials, emails, during telephone consultations, and/or during consultations at our office or at your Franchised Business. We are not obligated to perform services set forth in this Agreement to your particular level of satisfaction, but as a function of our experience, knowledge and judgment. We do not represent or warrant that any other services will be provided to you, other than as set forth in this Agreement. To the extent any other services, or any specific level or quality of service is expected, you must obtain a commitment to provide such service or level of service in writing signed by our authorized officer.

4.3 Franchise Operations Manual

We will loan to you, to use in operating the Franchised Business during this Agreement's term, one copy (or access to an electronic copy) of our franchise operations manual ("Franchise Operations Manual"), which might include audiotapes, videotapes, computer disks, compact discs and/or written materials. We may provide the Franchise Operations Manual in hard copy format or electronic format, such as USB drive or a password-protected Website. You agree to develop and operate the Franchised Business pursuant to this Agreement and the Franchise Operations Manual, including all directives, requirements, standards, methods of operations, systems and any and all modifications, additions, deletions and changes made to the Franchise Operations Manual from time to time during the term of this Agreement (collectively, "System Standards"), however communicated including, but not limited to intranet system, email, fax, video, verbal or mail. Any significant changes to the System Standards will be communicated to you in writing and you will be given a reasonable period of time, as determined by us in our sole discretion, to implement these changes. Our determination of what constitutes a reasonable implementation period shall be final and binding. You agree to promptly accept and comply with any such addition, subtraction, revision, modification or change and to make such expenditures as may be necessary to comply at your sole cost and expense, regardless of the amount of such expenditures. You acknowledge that we have made no representation regarding the cost of compliance with future changes to System Standards. The Non-Compliance Fee described in Section 3.9 shall apply to this Section 4.3 if you fail to implement the changes. You agree to keep your copy of the Franchise Operations Manual current and in a secure location at the Franchised Business. If there is a dispute over the contents of the Franchise Operations Manual, the master copy of the Franchise Operations Manual maintained by us (whether in physical or electronic form) shall control. Our determination of the contents of the master copy shall be final and binding. You agree that the contents of the Franchise Operations Manual are confidential and that you will not disclose the Franchise Operations Manual to any person other than Franchised Business employees and/or independent professionals who need to know its contents. You may not at any time copy, duplicate, record, photograph, scan, or otherwise reproduce any part of the Franchise Operations Manual in any form or medium, except as we expressly authorize in writing for your use in operating the Franchised Business. Any authorized

copies remain our property and must be returned or destroyed upon termination or expiration of this Agreement. In the event you require a replacement copy of the Franchise Operations Manual, if a hard copy of the Franchise Operations Manual was provided to you, you agree to pay our then-current replacement fee for the replacement volume of the Franchise Operations Manual.

4.4 Delegation of Performance

You agree that we have the right to delegate the performance of any portion or all of our obligations under this Agreement to third party designees, whether these designees are our agents or independent contractors with whom we have contracted to perform these obligations.

4.5 Franchisee Meetings

We reserve the right to hold a meeting or convention of our franchisees, which will not be held more frequently than annually. If we hold a meeting or convention, you must attend and pay our convention fee of one thousand dollars ($1,000) per attendee. This fee is due for a minimum of one (1) attendee regarding of whether you attend the convention. We also reserve the right to hold regional meetings of our franchisees not more than twice a year. We may designate that attendance at a franchisee meeting by you and/or any Designated Owner or General Manager is mandatory. We may conduct franchisee meetings to discuss new procedures or protocols, marketing strategies, new products and/or to provide training. We may designate the location of the meeting, but we will not designate an unreasonably expensive location. You are responsible for all expenses incurred by you, your manager and/or any other attendees at the franchisee meeting, including travel, lodging, meals, applicable wages and any meeting supplies or material we designate.

ARTICLE 5
MARKS

5.1 Ownership and Goodwill of Marks

You acknowledge that the Marks are owned by us or our affiliate, and that any references to our right, title or interest in the Marks in this Article 5 shall include the owner's right, title or interest. You agree that your right to use the Marks is derived only from this Agreement and is limited to your operating the Franchised Business according to this Agreement and all System Standards we prescribe during its term. Your unauthorized use of the Marks is a breach of this Agreement and infringes our rights in the Marks. You acknowledge and agree that your use of the Marks and any goodwill established by that use are for our exclusive benefit and that this Agreement does not confer any goodwill or other interests in the Marks upon you (other than the right to operate the Franchised Business under this Agreement). All provisions of this Agreement relating to the Marks apply to any additional and substitute trademarks and service marks we authorize you to use.

5.2 Limitations on Your Use of Marks

You agree to use the Marks as the sole trade identification of the Franchised Business, provided that you shall identify yourself as the independent owner of the Franchised Business in a manner acceptable to us. You may not use any Mark or any variation thereof (1) as part of any corporate or legal business name, (2) with any prefix, suffix or other modifying words, terms, designs or symbols (other than logos we have licensed to you), (3) in selling any unauthorized services or products, (4) as part of any domain name, electronic address or search engine you maintain on any website; (5) in any other manner we have not expressly authorized in writing; or (6) that may damage or cause harm to us, our affiliates, the Marks, the System or our principals. You may not make any disparaging remarks related to us, our affiliates, our franchisees, the Marks, the System or our principals. You may not use any Mark in advertising the transfer,

sale or other disposition of the Operating Assets or the Franchised Business without our prior written consent, which we will not unreasonably withhold. You agree to display the Marks prominently as we prescribe at the Franchised Business and on forms, advertising and other materials we designate. You agree to give the notices of trademark and service mark registrations that we specify and to obtain any fictitious or assumed name registrations required under applicable law.

5.3 Notification of Infringements and Claims

You agree to notify us immediately, in writing, of any apparent infringement of or challenge to your use of any Mark, or of any person's claim of any rights in any Mark, and not to communicate with any person other than us and our attorneys, and your attorneys, regarding any infringement, challenge or claim. We may take the action we deem appropriate (including no action) and may control exclusively any settlement, litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding arising from any infringement, challenge or claim or otherwise concerning any Mark. You agree to sign any documents and take any actions that, in the opinion of our attorneys, are necessary or advisable to protect and maintain our interests in any litigation or Patent and Trademark Office or other proceeding or otherwise to protect and maintain our interests in the Marks.

5.4 Discontinuance of Use of Marks

If we believe at any time that it is advisable for us and/or you to modify or discontinue using any Mark and/or use one or more additional or substitute trademarks or service marks, you agree to comply with our directions within a reasonable time, as determined by us, after receiving notice. We need not reimburse you for your expenses in complying with these directions (such as costs you incur in changing the Franchised Business's signs or replacing supplies), for any loss of revenue due to any modified or discontinued Mark, or for your expenses of promoting a modified or substitute trademark or service mark.

5.5 Indemnification for Use of Marks

You will promptly notify us of any suspected unauthorized use of, or any challenge to the validity or use of, or your right to use, the Marks we license to you. You acknowledge we will have the sole right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement thereof. We will have the right, but not the obligation, to take action against uses by others that may constitute infringement of the Marks. We will defend you against any third-party claim, suit, or demand arising out of your use of the Marks under this Franchise Agreement. If we, in our sole discretion, determine you have used the Marks in strict compliance with this Franchise Agreement and our written guidelines, we will pay for such defense, including the cost of any judgment or settlement. If we, in our sole discretion, determine you have not used the Marks as authorized under this Franchise Agreement, you will pay for such defense, including the cost of such litigation, including without limitation, our attorney's fees and the cost of any judgment or settlement. If any litigation occurs relating to your use of the Marks, you will execute any and all documents and do such acts as may, in our opinion, be necessary to carry out such defense or prosecution including, but not limited to, becoming a nominal party to any legal action. Except if such litigation results from your use of the Marks in a manner inconsistent with this Franchise Agreement, we agree to reimburse you for your out-of-pocket litigation costs in cooperating with us with respect to the litigation, excluding the compensation costs of your employees.

ARTICLE 6
CONFIDENTIAL AND GENERAL INFORMATION

6.1 Confidential Information

We and our affiliates possess (and will continue to develop and acquire) certain confidential information relating to the development and operation of the Franchised Business (the "Confidential Information"), which includes (without limitation):

6.1.1 methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge and experience used in developing and operating the Franchised Business (including, without limitation, the System Standards);

6.1.2 market research and promotional, marketing and advertising programs for the Franchised Business;

6.1.3 knowledge of specifications for and suppliers of, and methods of ordering, certain Operating Assets, materials, equipment and fixtures that the Franchised Business uses;

6.1.4 knowledge of the operating results and financial performance of our business, System, and franchisees other than your Franchised Business;

6.1.5 client communication programs, along with data used or generated in connection with those programs;

6.1.6 the terms of this Agreement;

6.1.7 the Franchise Operations Manual;

6.1.8 graphic designs and related intellectual property; and

6.1.9 the Client Database (as described in Section 6.3 below).

6.2 Restriction on Use of Confidential Information

You acknowledge and agree that you will not acquire any interest in Confidential Information, other than the right to use certain Confidential Information in operating the Franchised Business during this Agreement's term and according to this Agreement's terms and conditions, and that your use of any Confidential Information in any other business would constitute an unfair method of competition with us and our franchisees and may violate certain laws. You further acknowledge and agree that the Confidential Information is proprietary, includes our trade secrets, and is disclosed to you only on the condition that you, your Owners, managers, employees and/or independent contractors who have access to it agree, and they do agree, that you and they:

6.2.1 will not use any Confidential Information in any other business or capacity;

6.2.2 will keep the Confidential Information absolutely confidential during and after this Agreement's term;

6.2.3 will not make unauthorized copies of any Confidential Information disclosed via electronic medium or in written or other tangible form; and

6.2.4 will adopt and implement all reasonable procedures that we periodically prescribe to prevent unauthorized use or disclosure of Confidential Information, including, without limitation, restricting its disclosure to Franchised Business personnel and others needing to know such Confidential Information to operate the Franchised Business, and requiring all employees and independent contractors having access to Confidential Information to sign confidentiality and non-competition agreements in a form acceptable to us. We have the right to regulate the form of confidentiality and non-competition agreement that you use and to be a third party beneficiary of that agreement with independent enforcement rights.

You must disclose to us all ideas, techniques, services and products concerning the development and operation of the Franchised Business that you or your employees conceive or develop during the term of this Agreement. You must grant to us and agree to obtain from your owners or employees a perpetual, non-exclusive and worldwide right to use these ideas, techniques and products concerning the development and operation of Franchised Business that you or your employees conceive or develop during the term of this Agreement—and any Area Development Agreement between you and us—in all pet-related product and service businesses that you operate. We will have no obligation to make any lump sum or on-going payments to you with respect to any idea, concept, method, technique or product. You must agree that you will not use nor will you allow any other person or entity to use any of these ideas, techniques or products without obtaining our prior written approval. Such ideas, techniques, services and products will be deemed to be our sole and exclusive property, part of the System, and works made-for-hire for us. To the extent any item does not qualify as a "work made-for-hire" for us, by this paragraph you assign ownership of that item, and all related rights to that item, to us and agree to sign whatever assignment or other documents we request to evidence our ownership or to help us obtain intellectual property rights in the item.

"Confidential Information" does not include information, knowledge or know-how which: (a) at or prior to the time of receipt was in the public domain; (b) at or prior to the time of receipt by you or the signing of this Agreement, whichever occurred first, was known to you and in actual commercial use by you or generally within the industry, in the manner and combination disclosed; or (c) is subsequently received by you from an independent third party not in breach of any duty of nondisclosure, secrecy, nonuse or similar duty, but only to the extent and in the form, manner and combination so disclosed.

You agree that failure to comply with the terms of this Article 6 will cause substantial and irreparable damage to us and/or other franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Article 6 will entitle us to immediate injunctive and all other equitable relief, without the necessity of showing actual damages or posting any bond, that a state or federal court nearest to our principal place of business (currently Pittsburgh, PA) or any other court with jurisdiction may deem just and proper. You acknowledge that monetary damages alone would be inadequate compensation for any breach of this Article 6. We may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you or your Owners may have against us, regardless of cause or origin, cannot be used as a defense against our enforcement of this Article 6.

6.3 Client Database

You agree that the list of the names, addresses and other information regarding your current clients, former clients, and those who have inquired about the Services (the "Client Database") shall be included in the Confidential Information, shall be our property, shall constitute a trade secret of ours, and shall be updated on a weekly basis. You must comply with all applicable privacy and data protection laws, including but not limited to maintaining appropriate security measures to protect customer data and obtaining any required consents for data collection and sharing. You agree that you may not disclose, sell, transfer, or use the Client Database, or any portion thereof, for any purpose other than operating the Franchised Business, and may not disclose it to any person other than us or your authorized employees who need access to perform their duties, either during the term of this Agreement or thereafter. You further agree that a breach of this Section shall be grounds for immediate termination of this Agreement pursuant to Section 14.1.12.

ARTICLE 7
EXCLUSIVE RELATIONSHIP

You and your Owners acknowledge that we have granted you the Franchise in consideration of and reliance upon your agreement to deal exclusively with us. You, your Owners, and any member of your or an Owner's immediate family, therefore agree that, during this Agreement's term and for a period of two years following the termination or expiration of this Agreement, will not:

(a) have any direct or indirect, controlling or non-controlling interest as an owner (whether of record, beneficial or otherwise), or lend money to, a Competitive Business (defined below), wherever located or operating during the term of this Agreement, and within fifty (50) miles of any TDS Business in the System for two (2) years following termination or expiration;

(b) perform services as a director, officer, manager, employee, consultant, representative or agent, or in any other capacity, for a Competitive Business, wherever located or operating during the term of this Agreement, and within fifty (50) miles of any TDS Business in the System for two (2) years following termination or expiration; or

(c) divert or attempt to divert any actual or potential business or client of the Franchised Business to a Competitive Business.

The term "Competitive Business" means any business that provides dog care services, or any business which grants franchises or licenses to others to operate such a business, other than a Franchised Business operated under a franchise agreement with us. You and your Owners also agree that they will not, during the term of this Agreement, operate or otherwise become affiliated with any website involving, referring to, or in any way related to a Competitive Business. Competitive Business shall not apply to passive ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation which is registered and publicly-traded under the Securities Exchange Act of 1934, provided you have no involvement in the management or operations of such corporation.

ARTICLE 8
BUSINESS OPERATION AND SYSTEM STANDARDS

8.1 Condition and Appearance of the Franchised Business

You agree that you will not use the Franchised Business or any part of the Site for any business purpose other than operating a Franchised Business in strict compliance with this Agreement, and that you will place or display at the Site (interior and exterior) only those signs, emblems, designs, artwork, lettering, logos and display and advertising materials that we have expressly approved in writing from time to time. You further agree to maintain the condition and appearance of the Franchised Business, its Operating Assets and the Site (including any parking area) in accordance with the System Standards and consistent with the image of a Franchised Business as an efficiently operated business offering high quality products and services and observing the highest standards of cleanliness and efficient, courteous service. We shall have the right to inspect the Franchised Business with or without advance notice to you as outlined in Article 11 of this Agreement. Therefore, you agree to take, without limitation, the following actions during this Agreement's term at your expense: (a) thorough cleaning, repainting and redecorating of the interior and exterior of the Site at intervals that we may prescribe; (b) interior and exterior repair of the Site as needed; and (c) repair or replacement, at our direction, of damaged, worn-out or obsolete Operating Assets at intervals that we may prescribe (or, if we do not prescribe an interval for replacing any Operating Asset, as that Operating Asset needs to be repaired or replaced).

Notwithstanding the generality of the foregoing paragraph, and in addition to periodic technological upgrades and general maintenance of the Franchised Business, we have the right to require you to refurbish, renovate and/or redecorate your Franchised Business to meet our then-current image for new Franchised Businesses entering the System. We do not anticipate making this request more frequently than every five years during the term of this Agreement. We also have the right to make this request upon renewal or transfer of this Agreement. You agree to incur any expenses related to such refurbishment, renovation and/or redecoration.

8.2 Products and Services the Franchised Business Offers

You agree that you (a) will offer and sell from the Franchised Business only the products and services that we periodically specify; (b) will not offer or sell at the Franchised Business, the Site or any other location any products or services we have not authorized; and (c) will discontinue selling and offering for sale any products or services that we at any time disapprove.

You acknowledge that every detail of the quality of client service, client relations, appearance and demeanor of you and your employees and/or independent contractors, equipment and materials use by you in the Franchised Business is important to us, the System, and to other franchisees. We will try to maintain high standards of quality and service by all Franchised Businesses. You must cooperate with us by maintaining our high standards in the operation of your Franchised Business and you must give prompt, courteous and efficient service to your clients. All work performed by the Franchised Business will be performed competently and in a workmanlike manner. The Franchised Business will in all dealings with its clients, suppliers and the public adhere to the highest standards of honesty, fair dealing and ethical conduct. Any complaints you receive from a client must be handled by you or your manager.

If in the event we deem an employee, independent contractor or volunteer at the Franchised Business a threat or danger to the welfare of an animal, customer or employee or whose conduct is a threat to the goodwill associated with the Marks, your Franchised Business or other franchisees, we reserve the right to demand that you terminate the employee and ban the individual from the premises effective immediately in accordance with the law.

8.3 Approved Products, Services, and Suppliers

We reserve the right, in our sole discretion, to periodically designate and approve standards, specifications, suppliers and/or distributors of the Operating Assets and the products and services that we periodically authorize for use or sale at or in the Franchised Business. During this Agreement's term you must purchase or lease all Operating Assets and other products and services for the Franchised Business only according to our standards and specifications and, if we require, only from suppliers or distributors that we designate or approve (which may include or be limited to us and/or our affiliates). You acknowledge and agree that we and/or our affiliates may derive revenue, rebates, commissions, or other financial benefits based on your purchases and leases (including, without limitation, from charging you for products and services we or our affiliates provide to you and from payments, rebates, commissions, or other consideration made to us by suppliers that we designate or approve for some or all of our franchisees), and you waive any claim or right to share in such revenue or benefits.

We strictly prohibit any form of solicitation, distribution or display of any materials in the Franchised Business that have not been requested by us, provided for in the Franchise Operations Manual or other written communication or expressly approved by us in writing. We reserve the right to withdraw any approval we provide at any time and for any reason, in our sole discretion, without liability to you, and you must immediately cease using any materials for which approval has been withdrawn.

Upon our request, or if you want to use any Operating Assets or products that we have not yet evaluated or want to purchase any item from a supplier or distributor that we have not yet approved (for items that we require you to purchase from designated or approved suppliers or distributors), you first must submit sufficient information, specifications and samples for us to determine whether the item complies with our standards and specifications or the supplier or distributor meets our criteria. You agree to reimburse us for all costs associated with any evaluation, testing, inspection, or approval process, including but not limited to laboratory fees, inspection costs, staff time, travel expenses, and administrative fees, whether or not approval is ultimately granted. We may condition our approval of a supplier or distributor on requirements relating to product quality, prices, consistency, reliability, financial capability, labor relations, client relations, frequency of delivery, concentration of purchases, standards of service (including prompt attention to complaints) or other criteria. We have the right to inspect the proposed supplier's or distributor's facilities and to require the proposed supplier or distributor to deliver product samples or items, at our option, either directly to us or to any independent, certified laboratory which we designate for testing. We reserve the right, at any time and in our sole discretion, to re-inspect the facilities and products of any approved supplier or distributor and to revoke, suspend, or condition our approval if the supplier or distributor does not continue to meet our criteria or for any other reason we deem appropriate. You shall immediately cease purchasing from any supplier whose approval has been revoked or suspended.

You acknowledge, understand and agree that your failure to purchase items from the approved suppliers and/or failure to purchase only the products and services we designate or approve, or any unauthorized deviation from our supplier requirements, shall be an event of default under this Agreement which will require, among other things, that you pay to us the non-compliance fee described in Section 3.9 above for each instance of non-compliance, and may result in termination of this Agreement without opportunity to cure if such non-compliance is repeated or deemed material by us.

You shall maintain minimum levels of inventory in the Franchised Business at all times as dictated in the Franchise Operations Manual or otherwise prescribed by us in our sole discretion. We may modify minimum inventory requirements at any time, and you must comply with any such modifications within

the timeframe we specify. The minimum inventory levels may depend on the location and size of your Franchised Business, and the demographics of your Territory.

8.4 Compliance with Laws and Good Practices

You must secure and maintain in force throughout this Agreement's term all required licenses, permits and certificates relating to the provision of the Services and Franchised Business operation, and operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations. The Franchised Business must in all dealings with its clients, suppliers, us and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct. You shall participate in any customer surveys and satisfaction audits which may require you to provide discount or complimentary products, provided that such discounted or complimentary sales shall not be included in the Gross Sales. Additionally, you shall participate in any complaint resolution and other programs as we may establish for the System in our sole discretion, which programs may include, without limitation, providing discounts, refunds, complimentary services, or other remedies to customers as we direct. You acknowledge that participation in such programs is mandatory and failure to participate shall constitute a material breach of this Agreement.

You shall refrain from any business or advertising practice which might be detrimental to our business or the goodwill associated with the Marks or other Franchised Businesses.

You must notify us in writing within three business days of: (a) the commencement of any action, suit or proceeding relating to the Franchised Business; (b) the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality relating to the Franchised Business (including, without limitation, the revocation or threatened revocation of any license, permit or certification applicable to the Franchised Business); (c) any notice of violation from a governing authority of any law, ordinance or regulation relating to the Franchised Business; and (d) receipt of any notice of complaint from the Better Business Bureau, any local, state or federal consumer affairs department or division, or any other government or independent third party involving a complaint from a client or potential client relating to the Franchised Business. You must immediately provide to us copies of any documentation you receive of events in (a) through (d) above. If we believe you are not adequately responding to or handling any event listed in (a) through (d), we reserve the right to require you to resolve the matter in a prompt and reasonable manner in accordance with good business practices, we may require you to participate in consultation, issue resolution and/or retraining to address such matters, and we may charge you for such ongoing guidance in accordance with Section 4.2 herein.

You and your Owners agree to comply, and to assist us to the fullest extent possible in our efforts to comply with Anti-Terrorism Laws (defined below). In connection with that compliance, you and your Owners certify, represent, and warrant that none of your property or interests is subject to being blocked under, and that you and your Owners otherwise are not in violation of, any of the Anti-Terrorism Laws. "Anti-Terrorism Laws" mean Executive Order 13224 issued by the President of the United States, the USA PATRIOT Act, and all other present and future federal, state, and local laws, ordinances, regulations, policies, lists, and other requirements of any governmental authority addressing or in any way relating to terrorist acts and acts of war. Any violation of the Anti-Terrorism Laws by you or your Owners, or any blocking of your or your Owners' assets under the Anti-Terrorism Laws, or any investigation by governmental authorities regarding potential violations of Anti-Terrorism Laws, shall constitute good cause for immediate termination of this Agreement without opportunity to cure, as provided in Section 14. You agree to indemnify and hold us harmless from any losses, damages, or expenses arising from any actual or alleged violation of Anti-Terrorism Laws by you or your Owners.

8.5 Insurance

You shall procure, at your sole expense, and maintain in full force and effect during the term of this Agreement, an insurance policy or policies protecting you, us, our respective officers, directors, partners and employees against any loss, liability, personal injury, death or property damage or expense whatsoever arising or occurring upon or in connection with the Franchised Business, as we may reasonably require for our own and your protection. You shall ensure that we and our affiliates are named as additional insureds in such policy or policies (except for employment liability insurance policies and workers' compensation policies), and such policies shall provide for primary and non-contributory coverage to the additional insureds.

Such policy or policies shall be underwritten by an insurance company licensed in the state in which you operate in accordance with standards and specifications set forth in the Franchise Operations Manual, shall include, at a minimum (except as different coverages and policy limits may reasonably be specified for all franchisees from time to time by us in the Franchise Operations Manual or otherwise in writing), the following: (1) comprehensive general liability coverage, including products liability coverage, and liability coverage of owned and non-owned automobiles, under one or more policies of insurance containing minimum liability coverage of $1,000,000 per occurrence for bodily injury and property damage, and multi-peril package, and umbrella coverage of an additional $1,000,000; (2) business interruption for a period adequate to re-establish normal business operations; (3) workers' compensation and employer's liability insurance as well as any other insurance that may be required by statute or rule in the state in which your Franchised Business is located; and (4) any other insurance that we may require in the future or that may be required according to the terms of your lease.

The amounts required herein may be modified from time to time by us to reflect inflation or future experience with claims. The insurance afforded by the policy or policies respecting liability shall not be limited in any way by reason of any insurance which may be maintained by us. Within 60 days of the signing of this Agreement, but in no event later than 30 days prior to commencement of operations of the Franchised Business, a Certificate of Insurance showing compliance with the foregoing requirements shall be furnished by you to us for approval. Such certificate shall state that said policy or policies shall not be canceled or altered without at least 30 days' prior written notice to us and shall reflect proof of payment of premiums. You shall be subject to the non-compliance fee described in Section 3.9 above for each certificate that has not been submitted to us. Maintenance of such insurance and the performance by you of the obligations under this Article 8 shall not relieve you of liability under the indemnity provision set forth in this Agreement. Minimum limits as required above may be modified from time to time by us, as conditions require, by written notice to you.

If you fail to procure and maintain such insurance coverage as required by this Agreement, we retain the right and authority (without any obligation to do so) to immediately procure such insurance coverage and to charge you for the same. These charges, along with a $500 administrative fee for our expenses and efforts in connection with such procurement, shall be payable by you immediately upon receipt of notice.

8.6 Compliance with System Standards

You acknowledge and agree that operating and maintaining the Franchised Business according to System Standards is essential to preserve the goodwill of the Marks and the goodwill of all Franchised Businesses. Therefore, you agree at all times to operate and maintain the Franchised Business according to each and every System Standard, as we periodically modify and supplement them. System Standards may regulate any aspect of the Franchised Business's operation and maintenance, including but not limited to any one or more of the following:

8.6.1 sales, marketing, advertising and promotional programs and materials and media used in these programs;

8.6.2 staffing levels for the Franchised Business and employee and/or independent contractor's qualifications, training, dress and appearance (although you have sole responsibility and authority concerning staff selection and promotion, hours worked, rates of pay and other benefits, work assigned and working conditions);

8.6.3 use and display of the Marks;

8.6.4 days and hours of operation, subject to applicable law and/or the terms of the Site's lease;

8.6.5 methods of payment that you may accept from clients;

8.6.6 participation in market research and testing and product and service development programs;

8.6.7 bookkeeping, accounting, data processing and record keeping systems and forms; formats, content and frequency of reports to us of sales, revenue, and financial performance and condition; and giving us copies of tax returns and other operating and financial information concerning the Franchise (we will use reasonable efforts to keep such records confidential);

8.6.8 types, amounts, terms and conditions of insurance coverage required for the Franchised Business, including criteria for your insurance carriers; and

8.6.9 any other aspects of operating and maintaining the Franchised Business that we determine to be useful to preserve or enhance the efficient operation, image or goodwill of the Marks and Franchised Businesses.

You agree that System Standards we prescribe in the Franchise Operations Manual, or otherwise communicate to you in writing or another form, are part of this Agreement as if fully set forth within its text. All references to this Agreement include all System Standards as periodically modified. Subject to your rights under Section 8.1 relating to alterations to the Franchised Business's appearance, layout and/or design and/or replacement of a material portion of your Operating Assets, you acknowledge that our periodic modification of the System Standards (including, without limitation, changes to the hardware and software required for the Computer System) may obligate you to invest additional capital in the Franchised Business and/or incur higher operating costs.

8.7 Pricing

With respect to the offer and sale of all Services, we may from time to time provide non-binding guidance regarding suggested selling prices for such Services, but you shall retain sole discretion to set your own prices. If you independently elect to price any Services at levels we may suggest, you acknowledge that we have made no guarantee or warranty regarding the impact of such pricing on your sales or profits. You understand that any pricing discussions are purely advisory and that you must exercise independent judgment in establishing your prices.

8.8 Management

If you are an entity, you shall complete and update throughout the term of this Agreement, as necessary, the statement of ownership, the current form of which is attached hereto as Attachment B. The Franchised Business shall be managed by you, or if you are an entity, by one of your shareholders, partners, or members who is a natural person, holding at least a ten percent (10%) interest in the franchisee entity, and who is designated in writing to us as the person to make all decisions for the franchisee entity and to be principally responsible for communicating with us about the Franchised Business ("Designated Owner"). Under certain circumstances we may allow you to appoint a designated manager ("General Manager") to run the day-to-day operations of your Franchised Business; the General Manager need not have an ownership interest in the franchisee entity. In addition, if you are an entity, all persons who own more than twenty percent (20%) of the beneficial ownership interests in the entity and each such person's respective spouse shall guaranty franchise owner's performance under this Agreement by signing the Owners Agreement attached hereto as Attachment D. The Designated Owner shall have the authority to speak for and bind franchise owner in all matters pertaining to this Agreement, and all matters relating to the Franchised Business.

You must at all times faithfully, honestly, and diligently perform your contractual obligations. System Standards may regulate the staffing levels and employee qualifications, training, dress, and appearance of the Franchised Business. Any Designated Owner or General Manager must complete the mandatory training to our satisfaction.

Either you, your Designated Owner if you are an entity, or any General Manager must be present to operate the business during business hours. If your Designated Owner or General Manager resigns, is terminated, or is otherwise no longer performing as a Designated Owner or General Manager, you must designate a replacement Designated Owner or General Manager (either, a "Replacement"), as applicable, and we must pre-approve the Replacement in writing. Before being employed as Designated Owner or General Manager, the Replacement must complete the mandatory training to our satisfaction. You must pay our then-current fee for the Replacement's training and you must pay for your Replacement's costs in attending training, including travel, lodging, meals and wages.

Any General Manager and, if you are an entity, any officer that does not own equity in the franchisee entity, must sign the "System Protection Agreement," the form of which is attached to the Franchise Disclosure Document in Exhibit H. All of your employees, independent contractors, agents or representatives that may have access to our confidential information must sign a confidentiality agreement (unless they already signed a System Protection Agreement), the current form of which is attached to the Franchise Disclosure Document in Exhibit H.

ARTICLE 9
ADVERTISING AND MARKETING

Recognizing the value of advertising and the importance of the standardization of advertising programs to the furtherance of the goodwill and public image of the System, the parties agree as follows:

9.1 Participation in Advertising

We may from time to time develop and create advertising and sales promotion programs designed to promote and enhance the collective success of all Franchised Businesses operating under the System. You shall participate in all such advertising and sales promotion programs in accordance with the terms and conditions established by us for each program. In all aspects of these programs, including, without

limitation, the type, quantity, timing, placement and choice of media, market areas and advertising agencies, the standards and specifications established by us shall be final and binding upon you.

9.2 Local Advertising

In addition to the Brand Fund Contribution set forth herein, you shall, throughout the term of this Agreement, conduct advertising for the Franchised Business in your Territory ("Local Advertising"). During the first year of operation, you shall spend not less than five percent (5%) of Gross Sales each quarter for Local Advertising, and after the first year and for the remaining term of this Agreement you shall spend not less than three percent (3%) of Gross Sales each quarter for Local Advertising (each a "Local Advertising Requirement"). You shall submit to us, within 30 days of our request, advertising expenditure reports accurately reflecting your Local Advertising expenditures, including verification copies of all advertising and any other information that we require. If you fail to spend at least the Local Advertisement Requirement in any given quarter, you will be required to pay to us the difference between what you actually spent and the Local Advertising Requirement. Once you have paid that deficiency to us, we will then contribute that amount to the Brand Development Fund.

You understand and acknowledge that you shall not engage in any promotional activities or sell any products or services, whether directly or indirectly, through or on the Internet or any other similar proprietary or common carrier electronic delivery System; through catalogs or other mail order devices sent or directed to customers or prospective customers located outside of your Territory; or by telecopy or other telephonic or electronic communications, including toll-free numbers, directed to or received from customers or prospective customers located outside of your Territory. While you may place advertisements in printed media and on television and radio that are targeted to customers and prospective customers located within your Territory, you will not be deemed to be in violation of the Agreement if those advertisements, because of the natural circulation of the printed media or reach of television and radio, are viewed by prospective customers outside of your Territory. You may not directly solicit customers outside of your Territory.

9.3 Brand Development Fund

We have established a system-wide brand fund for our use in promoting and building The Dog Stop brand (the "Brand Development Fund"). You must contribute two percent (2%) of Gross Sales each week to the Brand Development Fund (the "Brand Fund Contribution"). This Brand Fund Contribution will be due at the same time and in the same manner as Royalty Fees. The Brand Development Fund shall be used by us for such national and regional advertising programs as we may deem necessary or appropriate, in our sole discretion, as follows:

9.3.1 We shall direct all national and regional advertising programs with sole discretion over the creative concepts, materials, endorsements and media used therein, and the placement and allocation thereof. You understand and acknowledge that the Brand Development Fund is intended to maximize general public recognition and acceptance of the System and the Marks for the benefit of all Franchised Businesses operating under the System, and that we undertake no obligation in administering the Brand Development Fund to ensure that expenditures from the Brand Development Fund are proportionate or equivalent to your contributions made for your Franchised Business, or that any particular Franchised Business, franchisee or franchisees operating in a geographic area benefits directly or pro rata from the placement of any such advertising.

9.3.2 You agree that the Brand Development Fund may be used to meet any and all costs of maintaining, administering, directing and preparing national and/or regional advertising materials, programs and public relations activities (including, without limitation, the cost of preparing and conducting

television, radio, magazine, billboard, newspaper, direct mail and other media programs and activities, for conducting marketing surveys, test marketing, employing advertising agencies to assist therewith, and providing promotional brochures, coupons and other marketing materials to all franchisees of the System). The Brand Development Fund shall be maintained in a non-interest bearing account that is separate from our general funds, and shall not be used to defray any of our general operating expenses, except for such reasonable administrative costs and overhead as we may incur in activities reasonably related to the administration or direction of the Brand Development Fund and its advertising programs. We have the right to reimburse ourselves out of the Brand Development Fund for the total costs (including indirect costs) of developing, producing and distributing any advertising materials and collecting the Brand Fund Contribution (including attorneys', auditors' and accountants' fees, salaries and other expenses incurred in connection with collecting any Brand Fund Contribution).

9.3.3 An unaudited statement of the operations of the Brand Development Fund shall be prepared annually by our accountants and shall be made available to you on written request. The cost of the statement shall be paid by the Brand Development Fund. Except as expressly provided in this Section 9.3, we assume no direct or indirect liability or obligation to you with respect to the maintenance, direction or administration of the Brand Development Fund.

9.3.4 Certain Dog Stop businesses owned by us or our affiliates shall make contributions to the Brand Development Fund as are required to be contributed by franchisees generally within the System.

9.3.5 Any monies remaining in the Brand Development Fund at the end of any year will carry over to the next year. Although the Brand Development Fund is intended to be of perpetual duration, we reserve the right to terminate the Brand Development Fund at any time. The Brand Development Fund shall not be terminated, however, until all monies in the Brand Development Fund have been expended for advertising or promotional purposes or returned to contributing The Dog Stop franchised businesses or those operated by us, without interest, on the basis of their respective contributions.

9.3.6 If we elect to terminate the Brand Development Fund, we shall provide written notice to all franchisees. Following termination, we may, in our sole discretion, reinstate the Brand Development Fund at any time, provided we give written notice to all franchisees. If we so choose to reinstate the Brand Development Fund, said reinstated Brand Development Fund shall be operated as described herein.

9.4 Conduct of Advertising; Our Approval

All advertising and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Franchise Operations Manual or otherwise. You shall obtain our written approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us in writing. All advertising and promotion by you in any medium shall be conducted in a professional manner and shall conform to our standards and requirements as set forth in the Manuals or as otherwise provided by us. You shall obtain our approval of all advertising and promotional plans and materials prior to use if such plans and materials have not been prepared by us or previously approved by us during the 12 months prior to their proposed use. You shall submit such unapproved plans and materials to us not later before you intend to use such materials, and we will respond in writing within 30 days from the date we receive all requested information. If we do not provide our specific approval of the proposed materials within this 30 day period, the proposed materials are deemed to be not approved. Any plans and materials that you submit to us for our review will become our property and there will be no restriction on our use or

dissemination of such materials. You shall not advertise or use the Marks in any fashion on the Internet, social media, or via other means of advertising through telecommunication without our prior written consent.

We reserve the right to require you to include certain language on all advertising to be used locally by you, including, but not limited to, "Franchises Available" and/or "Each Franchise Location Independently Owned and Operated", and reference to our telephone number and/or Website. All of your advertising must also comply with any applicable laws or regulations.

9.5 Grand Opening Advertising

In addition to the ongoing advertising expenditures set forth herein, you shall be required to spend a ***minimum*** of $20,000 on a grand opening advertising campaign to advertise the opening of Franchised Business. You may elect to spend more than this amount if it aligns with your marketing strategy, subject to our prior written approval of such additional expenditure. The grand opening advertising campaign must be conducted during the 75 days before and 30 days after the opening of your Franchised Business. Your grand opening advertising campaign, including the beginning and ending dates, must be approved by us before you may begin the campaign. The campaign shall include flyers, newspaper advertising, brochures, and direct mail postcards. You shall also be required to partner with our designated vendor who will provide guidance, planning, and on-site support for your grand opening campaign. You must provide us with documentation evidencing all campaign expenditures within 30 days after the completion of your grand opening advertising campaign. You may not distribute or publish any advertising materials until you have received our approval of your grand opening advertising campaign.

9.6 Websites

We alone shall have the right to establish, maintain, modify, or discontinue all internet, worldwide web, social media, and electronic commerce activities pertaining to the System. We may establish one or more websites accessible through one or more uniform resource locators ("URLs") and, if we do, we may design and provide for the benefit of your Franchised Business a "click through" subpage at our website for the promotion of your Franchised Business. If we establish one or more websites or other modes of electronic commerce and if we provide a "click through" subpage at the website(s) for the promotion of your Franchised Business, you must routinely provide us with updated copy, photographs and news stories about your Franchised Business suitable for posting on your "click through" subpage. We reserve the right to specify the content, frequency and procedure you must follow for updating your "click through" subpage.

Any websites or other modes of electronic commerce that we establish or maintain may—in addition to advertising and promoting the products, programs or services available at Franchised Businesses—also be devoted in part to offering franchises for sale. We alone reserve the exclusive right to exploit the electronic commerce rights related to the Franchised Businesses.

In addition to these activities, we may also establish an intranet through which downloads of operations and marketing materials, exchanges of franchisee email, System discussion forums and System-wide communications (among other activities) can be done. You may not maintain your own website; otherwise maintain a presence or advertise on the internet or any other mode of electronic commerce in connection with your Franchised Business; establish a link to any website we establish at or from any other website or page; or at any time establish any other website, electronic commerce presence or URL which in whole or in part incorporates "The Dog Stop" name or any name confusingly similar to the Marks.

You are not permitted to promote your Franchised Business or use any of the Marks in any manner on any social media or networking platforms, including but not limited to Facebook, Pinterest, Instagram,

LinkedIn, X, TikTok, or any other current or future social media platforms or websites, without our prior written consent. Any authorized social media presence must strictly comply with our social media policies and guidelines as updated from time to time. We will control all social media initiatives. You must comply with our System standards regarding the use of social media in your operation of the Franchised Business, including reasonable prohibitions on you and your employees posting or blogging comments about the Franchised Business or the System, other than on a website established or authorized by us ("social media" includes, without limitation, personal blogs, social networking sites like Facebook, Pinterest and Instagram, professional networks like LinkedIn, live-blogging tools like X, virtual worlds, file, audio and video-sharing sites, crowd-funding, and other similar social networking or media sites or tools). We will provide access to branded social media pages/handles/assets, and you must update these regularly. We reserve the right to conduct collective/national campaigns via local social media on your behalf.

We alone will be, and at all times will remain, the sole and exclusive owner of all copyrights, intellectual property rights, and all other proprietary rights to all material which appears on any website we establish and maintain, including any and all material, content, data, images, text, or other information you may furnish to us for your "click through" subpage or otherwise. You hereby irrevocably assign to us all right, title, and interest in and to any such material you furnish, and you agree to execute any documents necessary to effectuate such assignment. You warrant that any material you furnish does not infringe upon any third-party rights.

9.7 Advisory Council

We reserve the right to establish an advisory council comprised of franchisees and our representatives. Franchisee participants will be chosen by us or may be elected by other franchisees in the System. If you are selected to participate on an advisory council, we will pay reasonable expenses you incur related to your participation, such as travel and boarding expenses to attend council meetings, subject to our prior approval and expense reimbursement policies. If established, the advisory council will act in an advisory capacity only and will not have decision making authority or create any fiduciary duty on our part. The advisory council would be governed by bylaws approved by us. We have the absolute right to establish, change, merge or dissolve any advisory council at any time and for any reason. We shall also have the right to remove council members in our sole and absolute discretion. No advisory council member shall have authority to bind us or make representations on our behalf.

9.8 Cooperative Advertising

We may, in our sole discretion, create a regional advertising cooperative ("Cooperative") in any area where two or more Franchised Businesses are located, and establish the rules and regulations therefor. Immediately upon our request, you must become a member of the Cooperative for the area in which your Franchised Business is located. In no event may the Franchised Business be required to be a member of more than one Cooperative. The Cooperative must be governed in the manner we prescribe. You shall make contributions to the Cooperative in such amounts at the times and in the manner as determined by majority vote of the Cooperative members, subject to our approval, which approval we may grant or withhold in our sole discretion. Any amounts that you contribute to a Cooperative will count toward your Local Advertising requirement, but if the amount you contribute to a Cooperative is less than the amount you must spend on Local Advertising you must spend the difference locally. You acknowledge that we may participate in and vote in the Cooperative for any company-owned or affiliate-owned locations, and our vote shall be counted in determining majority votes. The following provisions apply to each Cooperative:

9.8.1 the Cooperative must be organized and governed in a form and manner, and commence operation on a date that we approve in advance in writing;

9.8.2 the Cooperative must be organized for the exclusive purpose of administering marketing programs; developing, subject to our approval, standardized promotional materials for the members' use in Local Advertising within the Cooperative's area;

9.8.3 the Cooperative may adopt its own rules and procedures, but such rules or procedures must be approved by us and must not restrict or expand your rights or obligations under this Agreement;

9.8.4 except as otherwise provided in this Agreement, and subject to our approval, any lawful action of the Cooperative at a meeting attended by members possessing more than fifty percent (50%) of the total voting power in the Cooperative is binding upon you if approved by members possessing more than fifty percent (50%) of the total voting power possessed by members in attendance, with each franchised business having one vote (including businesses we own that exist within the Cooperative's area), but no franchisee (or commonly controlled group of franchisees) may have more than twenty-five percent (25%) of the vote in the Cooperative regardless of the number of franchised businesses owned;

9.8.5 without our prior written approval, which we may grant or withhold in our sole discretion, the Cooperative may not use, nor furnish to its members, any marketing or promotional plans or materials; all such plans and materials must be submitted to us for our approval in accordance with the procedure set forth in Section 9.4, and we shall have no liability for any delay in reviewing or responding to such submissions;

9.8.6 no later than the 15th day of each month, each member/franchisee must submit its contribution to the Cooperative, together with such other statements or reports as we or the Cooperative may require, with our prior written approval; and

9.8.7 if an impasse occurs because of a Cooperative members' inability or failure, within 45 days, to resolve any issue affecting the Cooperative's establishment or effective functioning, upon request of any Cooperative member or at our election, that issue must be submitted to us for consideration, and our resolution of such issue, which we may make in our sole and absolute discretion, is final, binding and non-appealable on all Cooperative members. You waive any right to challenge our resolution of Cooperative disputes in any forum.

ARTICLE 10
RECORDS, REPORTS AND FINANCIAL STATEMENTS

10.1 Maintenance of Records

10.1.1 You shall maintain throughout the term of this Agreement, and shall preserve for a period of five years after termination or expiration of this Agreement, computer record backups, and other related backups, in the form prescribed by us from time to time in the Franchise Operations Manual or otherwise in writing.

10.1.2 You shall maintain during the term of this Agreement, and shall preserve for at least five years from the dates of their preparation, full, complete, and accurate books, records, computer record backups and accounts in accordance with generally accepted accounting principles and in the form and manner prescribed by us from time to time in the Franchise Operations Manual or otherwise in writing.

10.2 Reporting Financial Information

We require the use of QuickBooks and TDS POS, or such other accounting and management software as we may designate from time to time, for the accounting and operations necessary to operate your Franchised Business. We may, at any time and in our sole discretion, require you to update your software, utilize subscription or cloud-based services, or migrate to different software platforms, and you must comply with such requirements at your own expense within the time period we specify. We have the right at all times to independently and remotely access the information and data on your computer system, and to collect, use, analyze, and disclose your information and data in any manner we choose, including but not limited to promoting the development of the System, the sale of franchises, benchmarking, system-wide reporting, and improving operations. The information we may access and download includes, without limitation, financial and sales information, reservation information, client database, employee information, and all other information concerning your operation of the Franchised Business. We have the right to receive all business-related information through your computer system necessary for the operation and administration of the franchise system, subject to applicable data privacy laws and regulations. You must ensure that we have uninterrupted electronic access to your computer system at all times, at your expense, and you shall be responsible for all costs associated with maintaining such access, including internet connectivity, software licenses, and technical support. You grant us a perpetual, irrevocable, royalty-free license to use any data collected from your system for any purpose related to the System.

10.3 Annual Reports and Periodic Financial Statements

10.3.1 Monthly Profit and Loss Statements. You shall, at your expense, prepare and deliver to us a profit and loss statement for your Franchised Business for each calendar month ("Monthly P&L"), in the form and format we prescribe from time to time. Each Monthly P&L must be delivered to us no later than the 20th day of the month immediately following the month to which it relates. For example, the Monthly P&L for January must be delivered to us no later than February 20th. Each Monthly P&L must be prepared in accordance with generally accepted accounting principles and using the accounting software we designate. Your failure to deliver any Monthly P&L by the applicable due date shall constitute non-compliance under this Agreement and shall be subject to the Non-Compliance Fee described in Section 3.8, in addition to any other rights and remedies available to us under this Agreement or at law.

10.3.2 Annual Profit and Loss Statement. You shall, at your expense, prepare and deliver to us a profit and loss statement for your Franchised Business for each full or partial fiscal year during the term of this Agreement ("Annual P&L"), in the form and format we prescribe from time to time. Each Annual P&L must be delivered to us no later than February 1st of the year immediately following the fiscal year to which it relates. For example, the Annual P&L for the fiscal year ending December 31, 2025 must be delivered to us no later than February 1, 2026. Each Annual P&L must be prepared in accordance with generally accepted accounting principles and using the accounting software we designate. Your failure to deliver the Annual P&L by February 1st shall constitute non-compliance under this Agreement and shall be subject to the Non-Compliance Fee described in Section 3.8, in addition to any other rights and remedies available to us under this Agreement or at law.

10.3.4 Annual CPA-Reviewed Financial Statements. In addition to the Annual P&L required under Section 10.3.2, you shall, at your expense, provide to us an annual profit and loss statement and balance sheet, together with a review report prepared by an independent certified public accountant satisfactory to us, within 90 days after the end of each fiscal year of the Franchised Business during the term hereof, showing the results of operations of the Franchised Business during said fiscal year.

10.4 Other Reports Required by Us

You shall also submit to us, for review or auditing, such other forms, reports, records, information, and data as we may reasonably designate, in the form and manner (including electronic telecommunications) and at the time and places reasonably required by us, upon request and as specified from time to time in the Franchise Operations Manual or otherwise in writing.

10.5 Our Right to Audit

From the date hereof until three years after the termination of this Agreement, we or our designated agents shall have the right, at all reasonable times, to examine and copy, at our expense, the books, records, and tax returns of the Franchised Business. We shall retain the right, at any time, to commission an independent audit of the books of the Franchised Business. If an inspection reveals that any payments have been understated in any report to us, you shall immediately upon our demand pay us the understated amount, along with the applicable interest rate as described in Article 3. If an inspection discloses an understatement of Gross Sales of two percent (2%) or more, you shall, in addition to paying the understated amount plus applicable late fees and interest, reimburse us for any and all costs and expenses connected with the inspection or audit (including, without limitation, travel, lodging, wage expenses and reasonable accounting and legal costs). This fee shall under no circumstances be less than $500. The foregoing remedies shall be in addition to any other remedies we may have.

ARTICLE 11
INSPECTIONS

To determine whether you and the Franchised Business are complying with this Agreement and all System Standards, we and our designated agents and representatives may at all times, with or without prior written notice to you:

(a) enter the Franchised Business and have unlimited and unrestricted access to inspect the Franchised Business;

(b) observe, photograph and videotape the Franchised Business's operation for consecutive or intermittent periods we deem necessary;

(c) interview the Franchised Business's personnel and clients;

(d) inspect and copy any books, records and documents relating to the Franchised Business's operation;

(e) upon any reason we deem necessary, you will arrange for us to have immediate and unrestricted access to the premises and all animals during non-business hours, including holidays, and for as long as we deem necessary; and

(f) remove any and all samples of any products and supplies or remove any and all products, supplies, advertisements, decorations, or any and all other unauthorized items.

You agree to fully cooperate with us and/or our agents. Any costs incurred by you as a result of an inspection will be your sole responsibility. If we exercise any of these rights, you will use your best efforts not to interfere unreasonably with the Franchised Business's operation. Your failure to cooperate with us and our agents will result in termination of this Agreement and any other agreements you have with us as outlined in Article 14 of this Agreement. You agree to present to your clients the evaluation forms that we

periodically prescribe and to participate and/or request your clients to participate in any surveys performed by or for us.

We shall notify if in our judgment as a result of an inspection, the Franchised Business's appearance, equipment, signs or decor does not meet the System Standards and/or the lease requirements for the premises, and to provide written notification of what actions you must take to correct the deficiency(ies). You shall, within 30 days after receipt of this notice, take all steps needed to correct the deficiency(ies) or be subject to the non-compliance fee described in Section 3.9 for each area that was not corrected within the cure period. Additionally, we reserve the right to correct the deficiency(ies) necessary to the Franchised Business at your expense to ensure compliance with our System Standard and/or the lease or any agreement involving either party. You agree you will reimburse for any and all costs of any and all modifications made in order to bring the Franchised Business compliant. In the event you fail three inspections of the Franchised Business in any 12 month period, we reserve the right to terminate this Agreement.

ARTICLE 12
TRANSFER

12.1 By Us

We reserve the right to assign this Agreement, along with all of our attendant rights and privileges, to any person, firm, corporation, or other entity. However, any such assignment resulting in the subsequent performance by the assignee of our functions is contingent upon: (i) the assignee being financially responsible and economically capable of performing our obligations at the time of such assignment; and (ii) the assignee expressly assuming and agreeing to perform such obligations.

You expressly affirm and agree that we may sell our assets, our rights to the Marks or to the System outright to a third party; may go public; may engage in a private placement of some or all of our securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leveraged buyout or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, you expressly and specifically waive any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of "The Dog Stop Franchising, LLC" as Franchisor. Nothing contained in this Agreement shall require us to remain in the dog daycare or kennel business or to offer the same products and services, whether or not bearing the Marks, in the event that we exercise our right to assign our rights in this Agreement.

12.2 By You

You understand and acknowledge that the rights and duties this Agreement creates are personal to you and your Owners and that we have granted you the Franchise in reliance upon the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of you and your Owners. Accordingly, neither (i) this Agreement (or any interest in this Agreement), nor (ii) any interest in the ownership of you, the Franchise, the Franchised Business (or any right to receive all or a portion of the Franchised Business's profits or losses), or all or substantially all of the Operating Assets, may be transferred without our prior written approval. A transfer of the Franchised Business's and the Operating Assets' ownership, possession or control may be made only with a transfer of this Agreement. Any transfer without our prior written approval is a breach of this Agreement and may result in immediate termination of this Agreement, in addition to any other remedies available to us under law or equity. In this Agreement, the term "transfer" includes your voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition and includes the following events:

12.2.1 transfer of an interest in this Agreement, the Operating Assets or the Franchised Business (or any right to receive all or a portion of the Franchised Business's profits or losses) in a divorce, insolvency or entity dissolution proceeding, or otherwise by operation of law; or

12.2.2 if you die, transfer of an interest in this Agreement, the Operating Assets or the Franchised Business (or any right to receive all or a portion of the Franchised Business's profits or losses) by will, declaration of or transfer in trust, or under the laws of intestate succession; or

12.2.3 pledge of this Agreement (to someone other than us) as security, foreclosure upon the Franchised Business, or your transfer, surrender or loss of the Franchised Business's possession, control or management; or

12.2.4 the transfer of shares, partnership or member interests, or other ownership interests of you; or

12.2.5 merger or consolidation or issuance of additional securities representing ownership interests; or

12.2.6 any sale of ownership interests carrying voting rights of you or any security convertible to voting ownership interests of you or any agreement granting the right to exercise or control the exercise of the voting rights of any holder of an ownership interest.

12.3 Conditions for Approval of Transfer

If you and your Owners are in full compliance with this Agreement, then, subject to the other provisions of this Section, we will not unreasonably withhold our approval of a transfer that meets all the requirements in this Section; provided, however, that if the transfer is of a minority ownership interest in you (and you retain a majority equity interest and voting control), Subsections 12.3.2, 12.3.5, 12.3.6, 12.3.7, 12.3.10 and 12.3.11 below shall not apply. Except as described in the previous sentence, all of the following conditions must be met before or concurrently with the effective date of the transfer:

12.3.1 the transferee and its owners must meet our then applicable standards for a The Dog Stop franchisee;

12.3.2 the transferee has sufficient business experience, aptitude and financial resources to operate the Franchised Business;

12.3.3 you have paid all required Royalty Fees, Brand Fund Contributions, Technology Fees and other amounts owed to us and our affiliates, have submitted all required reports and statements, and are not in violation of any provision of this Agreement or any other agreement with us or our affiliates;

12.3.4 the transferee does not operate, or have an ownership or other interest in or relationship with a Competitive Business (as defined in Article 7) or has fully divested all such ownership or other interest in such Competitive Business at least 14 days prior to transfer, and shall execute an affidavit undertaking to such effect;

12.3.5 the transferee satisfactorily completes our training program at transferee's sole cost and expense, including our then-current fee for providing the training program to transferee;

12.3.6 the transferee and any other persons designated by us sign our then-current form of franchise agreement and related documents, including Owners Agreement or other guaranty, the provisions of which may differ materially from any and all of those contained in this Agreement and the term of which shall be for the remaining term of this Agreement at the time of transfer;

12.3.7 Except in the case of a one-time transfer to a corporate entity formed for the convenience of ownership, you or the transferee will to pay us a transfer fee equal to $10,000. A nonrefundable deposit of $1,000 is due upon request for approval for the transfer, and the remaining balance is due prior to the execution of the transfer documents;

12.3.8 you and your transferring Owners sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates and our and their respective shareholders, officers, directors, employees, representatives, agents, successors and assigns;

12.3.9 we have determined that the purchase price and payment terms will not adversely affect the transferee's operation of the Franchised Business;

12.3.10 if we finance any part of the purchase price, you agree that all of the transferee's obligations under promissory notes, agreements or security interests reserved in the Franchised Business are subordinate to the transferee's obligation to pay Royalty Fees and other amounts due to us and otherwise to comply with this Agreement;

12.3.11 the landlord of the Franchised Business must consent in writing to the assignment of your lease to the transferee;

12.3.12 if the proposed transferee is acquiring a portion of the interest in the legal entity that is you, then the proposed transferee, and any owners of the proposed transferee, must execute our Owners Agreement or other form of guaranty;

12.3.13 you agree for two years beginning on the transfer's effective date, not to engage in any of the activities prescribed in Section 15.4 below;

12.3.14 you or the transferee agrees to refurbish, renovate and/or redecorate the Franchised Business according to our then-current standards;

12.3.15 you will not directly or indirectly at any time or in any manner (except with respect to other The Dog Stop franchised businesses you own and operate pursuant to franchise agreements with us) identify yourself or any business as a current or former The Dog Stop franchised business or as one of our franchisees, use any Mark, any colorable imitation of a Mark, or other indicia of a Franchised Business in any manner or for any purpose, or utilize for any purpose any trade name, trademark, service mark, or other commercial symbol that suggests or indicates a connection or association with us. We may review all information regarding the Franchised Business that you give the transferee, correct any information that we believe is inaccurate, and give the transferee copies of any reports that you have given us or we have made regarding the Franchised Business; and

12.3.16 you will reimburse us upon receipt of our invoice for any broker or other placement fees we incur as a result of the transfer.

12.4 Transfer to a Wholly Owned or Controlled Entity

If you are an individual or individuals and are in full compliance with this Agreement, then we shall not unreasonably withhold our approval of a transfer of this Agreement, the Franchise, and the Franchised Business, one time only, to a corporation or comparable legal entity: (i) which conducts no business other than the Franchised Business, and (ii) in which the individual(s) originally purchasing the Franchise maintain control and own and control one hundred percent (100%) of the equity and voting power of all issued and outstanding ownership interests in the same proportional interest as originally owned. Shareholder certificates or other documents representing ownership interests of such legal entity must be endorsed with a legend in form approved by us reciting that the transfer of interests in you is subject to the restrictions of this Agreement. Such an assignment shall not relieve you of your obligations hereunder, and your Owners shall execute the form of Owners Agreement attached hereto as Attachment D. You and our Owners shall remain jointly and severally liable to us for all obligations hereunder. A transfer pursuant to this Section 12.4 may occur one time only without payment of the transfer fee.

12.5 Transfer and Operation Upon Death, Absence or Disability

Upon your death or disability, your executor, administrator, conservator, guardian or other personal representative must appoint a manager for the Franchised Business who is acceptable to us within 60 days. Thereafter, they must transfer your interest in this Agreement, the Operating Assets, and the Franchised Business to a third party who meets our then-current franchisee qualification criteria. That transfer (including, without limitation, transfer by bequest or inheritance) must occur within a reasonable time, not to exceed 90 days from the date of death or disability, and is subject to all of the terms and conditions in this Section. A failure to appoint such a manager or transfer your interest in this Agreement, the Operating Assets and the Franchised Business within this time period is a breach of this Agreement. The term "disability" means a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent you from supervising the Franchised Business's management and operation for 30 or more consecutive days.

Upon your death or disability, or upon the Designated Owner's or the General Manager's absence, termination, death or disability, if a manager is not appointed by you under the previous paragraph, we shall have the right, at our sole discretion, to exercise the Step-In Rights and appoint an Interim Manager to operate the Franchised Business in accordance with Section 17.17 of this Franchise Agreement, for a period of up to 90 days, or until your interest shall have been transferred to an approved third party, whichever occurs first. You or your estate or personal representative, as applicable, shall be required to fully comply with Section 17.17 of the Agreement, including to pay us the management fee set forth therein.

12.6 Effect of Consent to Transfer

Our consent to any transfer is not a representation of the fairness of the terms of any contract between you and the transferee, a guarantee of the Franchised Business's or transferee's prospects of success, or a waiver of any claims we have against you. It does not constitute a waiver of our right to demand the transferee's full compliance with this Agreement's terms or conditions or our right to enforce any breaches thereof.

12.7 Our Right of First Refusal

If you at any time determine to sell or transfer (1) an interest in this Agreement, (2) all or substantially all of the Operating Assets, or (3) the Franchised Business (including the right to receive your portion of the Franchised Business's profits or losses) – except to or among your Owners – you agree to obtain from a responsible and fully disclosed buyer, and send to us, a true and complete copy of a bona fide, executed written offer relating exclusively to an interest in this Agreement, the Operating Assets and

the Franchised Business. The offer must include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. To be a valid, bona fide offer, the proposed purchase price must be in a dollar amount, and the proposed buyer must submit with its offer an earnest money deposit equal to five percent (5%) or more of the offering price.

We may, by delivering written notice to you within 30 days after we receive both an exact copy of the offer and all other information we request, elect to purchase the interest for the price and on the terms and conditions contained in the offer, provided that: (1) we may substitute cash for any form of payment proposed in the offer; (2) our credit will be deemed equal to the credit of any proposed buyer; (3) we will have not less than 60 days to prepare for closing after notifying you of our election to purchase, and such period may be extended at our sole discretion if necessary to complete due diligence or secure financing; and (4) we must receive, and you agree to make, all customary representations and warranties given by the seller of the assets of a business, including, without limitation, representations and warranties regarding ownership and condition of, and title to, assets and validity of contracts and the liabilities, contingent or otherwise, relating to the assets being purchased. If we exercise our right of first refusal, you hereby agree that, for a period of two years commencing from the closing date, you shall be bound by the non-competition covenant as stipulated in Section 15.4 of this Agreement.

If we do not exercise our right of first refusal, you may complete the sale to the proposed buyer on the original offer's terms, subject to our approval of the transfer as provided in Sections 12.2 and 12.3 above. If you do not complete the sale to the proposed buyer within 60 days after we notify you that we do not intend to exercise our right of first refusal, or if there is a material change in the terms of the sale (which you must notify us of in writing within five (5) business days of such change), we will have an additional right of first refusal during the 30 day period following either the expiration of the 60 day period or our receipt of notice of the material change(s) in the sale's terms, either on the terms originally offered or the modified terms, at our option. You acknowledge that any failure to provide timely notice of material changes constitutes a material breach of this Agreement.

12.8 Ownership Structure

If you are an entity, you represent, warrant, and covenant that your ownership structure is as set forth in Attachment B to this Agreement, and you shall not alter, modify, or otherwise change that ownership structure without obtaining our prior written consent.

ARTICLE 13
GRANT OF A RENEWAL FRANCHISE

13.1 Renewal

Subject to the provisions of this Section, you shall have an option (exercisable only by written notice delivered to us six to nine months, prior to the end of the initial term of this Agreement) to renew the franchise hereunder for up to one additional period of ten years, if the following conditions are met:

13.1.1 you have been, throughout the initial term of this Agreement, in substantial compliance, and at the expiration of such initial term are current in all payments and in full compliance and not in default of this Agreement, the lease and all other agreements between you and us or companies associated or affiliated with us;

13.1.2 you enter into our then-current Franchise Agreement and all other ancillary agreements, instruments and documents then customarily used by us in the granting of franchises (which then-current Franchise Agreement may materially differ from this Agreement in any respect,

including without limitation a higher rate of fees (except for the Royalty Fee, which shall not exceed the then-current rate being charged to new franchisees), different methods of calculating fees due, different payment methods, additional obligations, modified territory provisions, and different terms and conditions, which shall be substantially the same as those set out in the franchise agreements being executed at the time of renewal);

13.1.3 you are able to maintain possession of the Site for the Franchised Business (or at a relocated Site) pursuant to a lease reasonably acceptable to us;

13.1.4 you refurbish, upgrade, and/or renovate your Franchised Business, at your sole cost and expense, as we require in our sole discretion in order that your Franchised Business will meet our then-current standards and image for a The Dog Stop franchised business, and you provide us with evidence satisfactory to us that you have obtained all necessary financing and commitments to complete such refurbishment, upgrade, and/or renovation within the timeframe we specify;

13.1.5 the landlord of the Site consents to a renewal or extension of the lease;

13.1.6 at the time the renewal option is exercised and at the time such renewal commences, all monetary obligations to us and any affiliate of ours and any of your suppliers must be current and must have been current at all times during the preceding 12 months;

13.1.7 you execute a general release, in a form satisfactory to us and our counsel, running in favor of us, our affiliates and our respective officers, directors, shareholders, employees, agents, successors and assigns releasing any and all claims against us, our officers, directors, shareholders, employees, agents, successors and assigns, except as prohibited by applicable law; and

13.1.8 you pay to us a renewal fee equal to $10,000.

13.2 Refusal to Renew Franchise Agreement

We reserve the right to refuse the renewal of your franchise if your lease, sublease, or any other legal document granting you the right to occupy the premises of the Franchised Business is not extended to cover the period of the renewal term prior to its commencement, or if you fail to obtain a written commitment from your landlord to renew the lease or sublease for a period at least equal to the renewal term. We may also refuse to renew your franchise under other circumstances, including, but not limited to, your failure to substantially comply with the terms of this Agreement, your failure to pay amounts owed to us when due, or your failure to cure of any defaults incurred during the initial term of this Agreement, if applicable.

13.3 Renewal Under Law

Even though we decline the renewal of your franchise, it is possible that we can be required to renew it under a law, rule, regulation, statute, ordinance, or legal order that is applicable at the time. If that happens, to the extent it is allowed by the concerned law, rule, regulation, statute, ordinance or order, your renewal term will be subject to the conditions of the franchise agreement we are using for new franchisees at the time the renewal period begins. If we are not then offering new franchises, your renewal period will be subject to the terms in the franchise agreement that we indicate. If for any reason that is not allowed, the renewal term will be governed by the terms of this Agreement.

13.4 Your Election Not to Renew

For the purposes hereof, you shall be deemed to have irrevocably elected not to renew the franchise hereunder (and the option to do so shall thereupon terminate) if you fail to execute and return to us our then-standard franchise agreement and other ancillary documents required by us for a renewal franchise within thirty (30) days after we have delivered them to you.

ARTICLE 14
TERMINATION OF AGREEMENT

14.1 Our Termination Rights – No Opportunity to Cure

We reserve the right to terminate this Agreement, effective immediately upon delivery of written notice of termination to you, under the following circumstances:

14.1.1 you or any of your Owners have made or make a material misrepresentation or omission in acquiring the Franchise or operating the Franchised Business;

14.1.2 you fail to open the Franchised Business for business within the time frame required by Section 2.5, subject to any extension we may grant;

14.1.3 you do not satisfactorily complete initial training;

14.1.4 you abandon or fail actively to operate the Franchised Business for three or more consecutive business days without our prior approval, except for in the case of acts of God, war, terrorism and other situations which are beyond your control;

14.1.5 you or an Owner surrender or transfer control of the Franchised Business's operation without our prior written consent;

14.1.6 you or an Owner are or have been convicted by a trial court of, or plead or have pleaded no contest to, (i) a felony, (ii) a misdemeanor involving violence, or (iii) any crime involving moral turpitude, fraud, or dishonesty;

14.1.7 you fail to maintain the insurance we require from time to time and do not correct such failure within 30 days after our notice to you;

14.1.8 you interfere with our right to inspect the Franchised Business or observe its operation, as provided in Article 11 of this Agreement;

14.1.9 you or an Owner engage in any dishonest or unethical conduct which, in our opinion, adversely affects the Franchised Business's reputation, the reputation of other Franchised Businesses or the goodwill associated with the Marks;

14.1.10 you or an Owner make an unauthorized assignment or transfer of this Agreement, all or substantially all of the Operating Assets, the Franchised Business or the right to receive all or any part of the Franchised Business's profits or losses;

14.1.11 any material licenses, permits or certifications necessary for the Franchised Business's proper operation are revoked or not renewed;

14.1.12 you or an Owner make any unauthorized use or disclosure of any part of the Franchise Operations Manual or any other Confidential Information, or disclose all or any part of the Client Database;

14.1.13 you fail to pay when due any federal, state or local income, service, sales or other taxes due on the Franchised Business's operation, unless you are in good faith contesting your liability for these taxes;

14.1.14 you (a) fail an inspection based on our standard inspection then-current criteria on three or more separate occasions within any 12 consecutive month period; (b) fail on three or more separate occasions within any 12 consecutive month period to submit when due reports or other data, information or supporting records, to pay when due any amounts due to us (or our affiliates), or otherwise to comply with this Agreement, whether or not you correct any of these failures after we deliver written notice to you; or (c) fail on two or more separate occasions within any six consecutive month period to comply with the same obligation under this Agreement, whether or not you correct either of the failures after we deliver written notice to you;

14.1.15 you, or any of your Owners shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by you or any of your Owners or such a petition is filed against and not opposed by you or such Owner; if you or any of your Owners is adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your business or assets or any of your Owners or their business or assets is filed and consented to by you or such Owner; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, or the assets or property of any of your Owners, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you or any of your Owners; if a final judgment remains unsatisfied or of record for 30 days or longer (unless a *supersedeas* bond is filed); if you or any of your Owners is dissolved; if execution is levied against your or their business or property; if suit to foreclose any lien or mortgage against the Franchised Business premises or equipment is instituted against you and not dismissed within 30 days; or if the real or personal property of the Franchised Business shall be sold after levy thereupon by any sheriff, marshal, or constable;

14.1.16 you, your Owners or a member of your or your Owner's immediate family violates the restrictions of Article 7 (Exclusive Relationship) or any other non-compete agreement;

14.1.17 you cause or permit to exist a material default under the lease or sublease for the Site and fail to cure such default within the applicable cure period set forth in the lease or sublease;

14.1.18 you fail to pay us (or our affiliates) any amounts due and do not correct the failure within 15 business days after we deliver written notice of that failure to you;

14.1.19 your or your Owners' assets, property or interests are "blocked" under any law, ordinance or regulation relating to terrorist activities or if you or your Owners otherwise are in violation of any such law, ordinance or regulation, or any other law, ordinance or regulation applicable to The Dog Franchised Business; and/or

14.1.20 you fail to comply with any other provision of this Agreement or any System Standard and do not correct the failure within 30 days after we deliver written notice of the failure to you.

14.2 Our Termination Rights – Opportunity to Cure

We reserve the right to terminate this Agreement upon providing notice and your failure to cure within the specified time periods under the following circumstances:

14.2.1 fail or refuse to make payments of any amounts due us for Royalty Fees or any other amounts due to us or our affiliates, and do not correct such failure or refusal within 15 business days after written notice of such failure is delivered to you;

14.2.2 fail or refuse to comply with any other provision of this Agreement, or any mandatory specification, standard or operating procedure prescribed in the Franchise Operations Manual or otherwise in writing, and do not correct such failure within 30 days or provide proof acceptable to us that you have made all reasonable efforts to correct such failure and shall continue to make all reasonable efforts to cure until a cure is effected, if such failure cannot reasonably be corrected within 30 days after written notice of such failure to comply is delivered to you;

14.2.3 materially misuse or make an unauthorized use of any of the Marks or commit any other act which can reasonably be expected to materially impair the goodwill associated with any of the Marks and do not correct the misuses or unauthorized use within 30 days of receiving notice;

14.2.4 have any required license, permit or certification suspended and do not reinstate such license, permit or certification in good standing within 30 days of receiving notice;

14.2.5 receive at least two verified complaints from customers against your Franchised Business in any 12 month period alleging a violation of a critical operating standard, and fail to correct such failure within 30 days after notice to you; and

14.2.6 fail to maintain the insurance coverages we require and do not correct such failure within 30 days after written notice to you.

14.3 Reinstatement and Extension

To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non-renewal or the like, other than in accordance with applicable law, to the extent such are not in accordance with applicable law, we may reinstate or extend the term for the purpose of complying with applicable law by submitting a written notice to you, provided that such reinstatement or extension does not waive any of our rights under this Agreement.

14.4 Cross-Defaults, Non-Exclusive Remedies, etc.

Any default by you (or any person/company affiliated with you) under this Agreement may be regarded as a default under any other agreement between us (or any of our affiliates) and you (or any of your affiliates). Any default by you (or any person/company affiliated with you) under any other agreement, including, but not limited to, any lease and/or sublease, between us (or any of our affiliates) and you (or any person/company affiliated with you), and any default by you (or any person/company affiliated with you) under any obligation to us (or any of our affiliates) shall be regarded as a default under this Agreement. Any default by you (or any person/company affiliated with you) under any lease, sublease, loan agreement, security interest or otherwise, whether with us, any of our affiliates and/or any third party may be regarded as a default under this Agreement and/or any other agreement between us (or any of our affiliates) and you (or any of your affiliates).

In each of the foregoing cases, we (and any of our affiliates) will have all remedies allowed at law, including termination of your rights (and/or those of any person/company affiliated with you) and our (and/or our affiliates') obligations. No right or remedy which we may have (including termination) is exclusive of any other right or remedy provided under law or equity and we may pursue any rights and/or remedies available.

14.5 Our Right to Discontinue Services to You

If you are in breach of any obligation under this Agreement, and we deliver to you a notice of default pursuant to this Article 14, we have the right to suspend our performance of any of our obligations under this Agreement including, without limitation, the sale or supply of any services or products for which we are an approved supplier to you and/or suspension of your "click through" subpage on our website, until such time as you correct the breach, if such breach may be cured under the terms of this Agreement.

14.6 Amendment Pursuant to Applicable Law

Notwithstanding anything to the contrary contained in this Article, if any valid, applicable law or regulation of a competent governmental authority having jurisdiction over this franchise and the parties hereto shall limit our rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement is deemed amended to satisfy the minimum notice periods or restrictions upon such termination required by such laws and regulations; provided, however, that such constructive amendment shall not be deemed a concession by us that the grounds for termination set forth in this Agreement do not constitute "good cause" for termination within the meaning ascribed to that term by any applicable law or regulation. We shall not be precluded from contesting the validity, enforceability or application of such laws or regulations in any action, hearing or proceeding relating to this Agreement or the termination of this Agreement.

14.7 Force Majeure

Neither party shall be liable for any delay in the fulfilment of or failure to fulfil its obligations in whole or in part (other than the payment of money as may be owed by a party) under this Agreement where the delay or failure is solely due to Force Majeure, as described below. In the event of Force Majeure, the parties' obligations shall be extended or relieved only to the extent the parties are respectively necessarily prevented or delayed in such performance during the period of such Force Majeure. As used in this Agreement, the term "Force Majeure" shall mean any act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), terrorist event, riot, epidemic, fire or other catastrophe, act of any government and any other similar cause which is beyond the party's control and cannot be overcome by use of normal commercial measures. Force Majeure should be construed narrowly and does not include general economic, market or societal conditions, or any changes thereto, even those that are the direct or indirect result of the Force Majeure event. So, for example, in the event of a temporary government-imposed closure of your Franchised Business due to a Force Majeure event, you may only be relieved of your obligations as necessary to comply with the government mandate or order, but not due to the economic or market conditions that result from that action. The party whose performance is affected by an event of Force Majeure shall give prompt notice of such Force Majeure event to the other party, which in no case shall be more than 48 hours after the event, setting forth the nature thereof and an estimate as to its duration, and the affected party shall furnish the other party with periodic reports regarding the progress of the Force Majeure event. Each party must use its best efforts to mitigate the effect of the event of Force Majeure upon its performance of the Agreement and to fulfill its obligations under the Agreement. Upon completion of the event of Force Majeure, the party affected must as soon as reasonably practicable recommence the performance of its obligations under this Agreement. However, in the event the Force

Majeure continues for a period of twelve (12) months or more, then either party may, at its option, terminate this Agreement by 30 days' written notice to the party asserting such Force Majeure. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the Force Majeure event, nor does that event affect any obligation to pay money owed under the Agreement (including but not limited to your obligation to pay us Royalty Fees and Brand Fund Contributions when due) or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect Franchisee's obligations to comply with any restrictive covenants in this Franchise Agreement during or after the Force Majeure event.

ARTICLE 15
RIGHTS AND OBLIGATIONS UPON TERMINATION OR EXPIRATION OF THIS AGREEMENT

15.1 Payment of Amounts Owed

You agree to pay, within 15 days after this Agreement expires or is terminated, or on any later date that we determine, the amounts due to us or our affiliates which then are unpaid. You understand and acknowledge that we have the right, at our sole option upon notice to you, to change periodically the timing and terms for payment of Royalty Fees, Brand Fund Contributions, Technology Fees, and other amounts payable to us under this Agreement.

15.2 De-Identification

When this Agreement expires or is terminated for any reason:

15.2.1 you shall not directly or indirectly at any time thereafter or in any manner (except in connection with other The Dog Stop franchised businesses you own and operate): (a) identify yourself or any business as a current or former Franchised Business or as one of our franchisees; (b) use any Mark, any colorable imitation of a Mark, any trademark, service mark or commercial symbol that is confusingly similar to any Mark, or other indicia of a The Dog Stop franchised business in any manner or for any purpose; or (c) use for any purpose any trade name, trademark, service mark or other commercial symbol that indicates or suggests a connection or association with us;

15.2.2 you agree to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to your use of any Mark;

15.2.3 you agree to deliver to us within 30 days all signs; advertising, marketing and promotional materials; forms; and other materials containing any Mark or otherwise identifying or relating to a The Dog Stop franchised business that we request and allow us, without liability to you or third parties, to remove these items from the Franchised Business;

15.2.4 if we do not exercise an option to purchase the Franchised Business under Section 15.5 below, you agree promptly and at your own expense to make the alterations we specify in the Franchise Operations Manual (or otherwise) to distinguish the Franchised Business clearly from its former appearance and from other Franchised Businesses in order to prevent public confusion;

15.2.5 you agree to notify the telephone company and all telephone directory publishers of the termination or expiration of your right to use any telephone, telecopy or other numbers and telephone directory listings associated with any Mark, to authorize the transfer of these numbers and directory listings to us or at our direction, and/or to instruct the telephone company to forward all calls made to your numbers to numbers we specify. You acknowledge that all telephone numbers, facsimile

numbers, social media websites, Internet addresses, email addresses, domain names, and other digital identifiers (collectively "Identifiers") used in the operation of your Franchised Business or that incorporate any of the Marks constitute our assets, and upon termination or expiration of this Franchise Agreement, you will take such action within five days to cancel or assign to us or our designee as determined by us, all of your right, title and interest in and to such Identifiers and will notify the telephone company and all listing agencies of the termination or expiration of your right to use any Identifiers, and any regular, classified or other telephone directory listing associated with the Identifiers and to authorize a transfer of the same to, or at our direction. You agree to take all action required cancel all assumed name or equivalent registrations related to your use of the Marks. You acknowledge that, we have the sole rights to, and interest in, all Identifiers used by you to promote your Franchised Business and/or associated with the Marks. You hereby irrevocably appoint us, with full power of substitution, as your true and lawful attorney-in-fact, which appointment is coupled with an interest, to execute such directions and authorizations as may be necessary or prudent to accomplish the foregoing. You further appoint us to direct the telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party to transfer such Identifiers to us or our designee. The telephone company, postal service, registrar, Internet Service Provider, listing agency, website operator, or any other third party may accept such direction by us pursuant to this Agreement as conclusive evidence of our rights to the Identifiers and our authority to direct their transfer; and if you fail to do so, we may take whatever action and sign whatever documents we deem appropriate on your behalf to effect these events; and

15.2.6 you agree to give us, within 30 days after the expiration or termination of this Agreement, evidence satisfactory to us of your compliance with these obligations.

15.3 Confidential Information

You agree that, when this Agreement expires or is terminated, you will immediately cease using any of Confidential Information in any business or otherwise and return to us all Confidential Information, including all copies of the Franchise Operations Manual, the Client Database, all client records and any confidential materials that we have loaned you.

15.4 Covenant Not to Compete

Upon our termination of this Agreement according to its terms and conditions, upon transfer of this Agreement, or upon expiration of this Agreement without renewal, you agree that, for two years beginning on the effective date of termination, the effective date of transfer, the expiration date or the date on which all persons restricted by this Section 15.4 begin to comply with this Section 15.4, neither you nor any Owner may directly or indirectly solicit, divert, or attempt to solicit or divert any customer, client, or account of the Franchised Business or any The Dog Stop franchised business, including but not limited to any person or entity who was a customer within the twenty-four (24) months preceding termination, transfer, or expiration, or may have any direct or indirect interest (including, without limitation, through a spouse, family member, trust, or other entity) as a disclosed or beneficial owner, investor, partner, director, officer, employee, consultant, representative, advisor, lender, guarantor, or agent in any Competitive Business (as defined in Article 7 above) located within, or providing services to customers located within, 50 miles of the Franchised Business or any The Dog Stop franchised business in the System as of the effective date of termination, transfer, or expiration.

You and your Owners expressly acknowledge that you and they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, we in enforcing the covenants made in this Section will not deprive you or your Owners of your or their personal goodwill or ability to earn a living.

15.5 Our Right to Purchase

15.5.1 Exercise of Option. Upon our termination of this Agreement according to its terms and conditions or upon expiration of this Agreement without renewal, we have the option, exercisable by giving you written notice within 30 days after the date of termination or expiration, to purchase any assets of the Franchised Business that we designate. We have the unrestricted right to assign this option to purchase. We are entitled to all customary warranties and representations in our asset purchase, including, without limitation, representations and warranties as to ownership and condition of and title to assets, validity of contracts and agreements, and liabilities affecting the assets, contingent or otherwise.

15.5.2 Purchase Price. The purchase price for the assets we choose to acquire will be their fair market value, provided that these items will not include any value for the Franchise or any rights granted by this Agreement, goodwill attributable to the Marks, our brand image, and other intellectual property or participation in the network of Franchised Businesses. For purposes of determining the fair market value of all equipment (including the Computer System) used in operating the Franchised Business, the equipment's useful life shall be determined to be no more than three years.

15.5.3 We (or our assignee) will pay the purchase price at the closing, which will take place not later than 60 days after the purchase price is determined, although we (or our assignee) may decide after the purchase price is determined not to exercise our purchase option. We reserve the right to set off against the purchase price, and reduce the purchase price by, any and all amounts you owe us or our affiliates. At the closing, you agree to deliver instruments transferring to us (or our assignee): (a) good and merchantable title to the assets purchased, free and clear of all liens and encumbrances (other than liens and security interests acceptable to us), with all sales and transfer taxes paid by you; and (b) all of the Franchised Business's licenses and permits which may be assigned or transferred.

15.5.4 If you cannot deliver clear title to all of the purchased assets, or if there are other unresolved issues, we reserve the right to close the sale through an escrow. You further agree to execute general releases, in a form satisfactory to us, of any and all claims against us and our affiliates and our respective shareholders, officers, directors, employees, agents, representatives, successors and assigns. If we exercise our rights under this Section 15.5, you agree that, for two years beginning on the closing date, you will be bound by the non-competition covenant contained in Section 15.4 above.

15.6 Continuing Obligations

All of our and your obligations hereunder which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until these obligations are satisfied in full or by their nature expire.

ARTICLE 16
RELATIONSHIP OF THE PARTIES; INDEMNIFICATION

16.1 Independent Contractors

You and we understand and agree that this Agreement does not create a fiduciary relationship between us, that you and we are and will be independent contractors, and that nothing in this Agreement is intended to make either you or us a general or special agent, joint venturer, partner or employee of the other for any purpose. You agree to identify yourself conspicuously in all dealings with clients, suppliers, public officials, Franchised Business personnel and others as the Franchised Business's independent owner under

a Franchise we have granted. You further agree to place notices of independent ownership on the forms, business cards, stationery, advertising and other materials we require from time to time, including without limitation a conspicuously placed sign at the Franchised Business. You will use your legal name on all documents for use with employees and contractors including, but not limited to, employment applications, time cards, pay checks, tax forms, benefit documents, and employment and independent contractor agreements, and you shall not use the Marks on these documents except as expressly required by us in the Manual. You shall include on all such documents a conspicuous statement that you, and not we, are the employer. Further, within seven days of our request, you and each of your employees will sign an employment relationship acknowledgment form, stating that you alone are the employee's employer and that you alone operate the Franchised Business.

16.2 No Liability for Acts of Other Party

We and you agree not to make any express or implied agreements, warranties, guarantees or representations, or incur any debt, in the name or on behalf of the other or represent that our relationship is other than franchisor and franchisee. You shall not represent that we have any liability or responsibility for your business operations, employment practices, or obligations to third parties. We will not be obligated for any damages, claims, liabilities, or losses to any person or property directly or indirectly arising out of the Franchised Business's operation, your acts or omissions, or the business you conduct under this Agreement, and you shall hold us harmless from any such claims.

16.3 Taxes

We will have no liability for any sales, use, service, occupation, excise, gross receipts, income, property, corporate or other taxes, whether levied upon you or the Franchised Business, due to the business you conduct (except any taxes we are required by law to collect from you for purchases from us, if we are an approved supplier). You are responsible for paying all taxes related to your Franchised Business.

The term "taxes" means any present or future taxes, levies, imposts, duties or other charges of whatever nature, including any interest or penalties thereon, imposed by any government or political subdivision of such government on or relating to the operation of the Franchised Business, the payment of monies, taxes imposed on the Royalty Fees paid to us or the exercise of rights granted pursuant to this Agreement, whether imposed upon you or us.

You are not responsible for paying our taxes, or the taxes of any other franchised business operating within our franchise system, unless you are operating more than 1 unit, in which case you will be responsible for all taxes related to your additional units.

16.4 Indemnification

To the fullest extent permitted by law, you agree to indemnify, defend and hold harmless us, our affiliates, and our respective shareholders, directors, officers, employees, agents, representatives, successors and assigns (the "Indemnified Parties") from and against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, obligations and damages directly or indirectly arising out of the Franchised Business's operation, the business you conduct under this Agreement, your violation or breach of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard; libel, slander or any other form of defamation by you, or your breach of this Agreement. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, punitive or otherwise) and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, and other expenses of litigation, arbitration or alternative

dispute resolution, including travel and living expenses, regardless of whether litigation, arbitration or alternative dispute resolution is commenced.

Each Indemnified Party may defend and control the defense of any claim against it which is subject to this indemnification at your expense, and you shall not settle any claim or take any other remedial, corrective or other actions relating to any claim without our prior written consent. Additionally, an Indemnified Party may, at any time, settle any claim against it for which it is entitled to seek indemnity, and you shall reimburse the Indemnified Party for any amount that the Indemnified Party paid under the settlement terms. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from an insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you.

ARTICLE 17
MISCELLANEOUS PROVISIONS; DISPUTE RESOLUTION

17.1 Severability and Substitution of Valid Provisions

Except as expressly provided to the contrary herein, each section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable and if, for any reason, any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation in a final, unappealable ruling issued by any court, agency or tribunal with competent jurisdiction in a proceeding to which we are a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible, which shall continue to be given full force and effect and bind the parties hereto, although any portion held to be invalid shall be deemed not to be a part of this Agreement from the date the time for appeal expires, if you are a party thereto; otherwise upon your receipt of written notice of non-enforcement thereof from us. If any covenant herein which restricts competitive activity is deemed enforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, you and we agree that same shall be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought. If any applicable and binding law or rule of any jurisdiction requires a greater prior notice of the termination of or refusal to enter into a successor franchise agreement than is required hereunder, or the taking of some other action not required hereunder, or if under any applicable and binding law or rule of any jurisdiction, any provision of this Agreement or any specification, standard or operating procedure prescribed by us is invalid or unenforceable, the prior notice and/or other action required by such law or rule shall be substituted for the comparable provisions hereof, and we shall have the right, in our sole discretion, to modify such invalid or enforceable provision, specification, standard or operating procedure to the extent required to be valid and enforceable. Such modification(s) to this Agreement shall be effective only in such jurisdiction, unless we elect to give it greater applicability, and shall be enforced as originally made and entered into in all other jurisdictions. You agree to be bound by any such modification to this Agreement.

17.2 Waiver of Obligations

We and you may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other. Any waiver granted by us shall be without prejudice to any other rights we may have, will be subject to our continuing review and may be revoked, in our sole discretion, at any time and for any reason, effective upon delivery to you of ten days' prior written notice. We and you shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement by virtue of any custom or practice of the

parties at variance with the terms hereof; any failure, refusal or neglect of ours or yours to exercise any rights under this Agreement or to insist upon exact compliance by the other with its obligations hereunder; any waiver, forbearance, delay, failure or omission by us to exercise any right, power or option, whether of the same, similar or different nature, with respect to other Franchised Businesses; or our acceptance of any payments due from you after any breach of this Agreement.

Neither we nor you shall be liable for loss or damage or deemed to be in breach of this Agreement if our or your failure to perform our respective obligations results from: (1) transportation shortages, inadequate supply of equipment, merchandise, supplies, labor, material or energy, or the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency thereof; (2) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state, or municipal government or any department or agency thereof; (3) acts of God; (4) fires, strikes, embargoes, war or riot; or (5) any other similar event or cause, except where you are found to have deliberately or by gross negligence been the direct or indirect cause of the calamity. Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable, except that said causes shall not excuse payments of amounts owed at the time of such occurrence or payment of Royalty Fees, Brand Fund Contributions, Technology Fees, or other payments due hereunder.

17.3 Injunctive Relief

You explicitly affirm and recognize the unique value and secondary meaning attached to the System and the Marks. Accordingly, you agree that any non-compliance by you with Article 5, Article 6 or Article 15 of this Agreement, or any disputes or claims related to or based on the restrictive covenants, warranties, post-termination obligations, or unauthorized or improper use of the System or the Marks, will cause irreparable damage to us and other franchisees and area developers for which there is not adequate remedy at law. You therefore agree that if you engage in such conduct during or after the period of this Agreement, we will be entitled to both temporary and permanent injunctive relief and all other equitable remedies, without the need to post a bond or prove actual damages, and without first seeking mediation or arbitration, from any state or federal court within the jurisdiction in which we have our principal place of business (currently, Pittsburgh, PA), or in any other state or federal district court of competent jurisdiction, in addition to all other remedies which we may have at law. You consent to the exercise of personal jurisdiction over you by these courts, and to the propriety of venue in these courts with respect to the entry of these temporary and permanent injunctions.

17.4 Rights of Parties are Cumulative

Our and your rights hereunder are cumulative and no exercises or enforcement by us or you of any right or remedy hereunder shall preclude the exercise or enforcement by us or you of any other right or remedy hereunder or which we or you are entitled by law to enforce.

17.5 Costs and Legal Fees

The prevailing party in any enforcement action arising out of or relating to this Franchise Agreement shall be entitled to recover from the other party all damages, costs and expenses, including court costs, expert witness fees, and reasonable attorneys' fees (including fees incurred in any appeals), incurred by the prevailing party in successfully enforcing this Agreement.

17.6 Mediation and Arbitration

17.6.1 We and you acknowledge that during the term of this Agreement disputes may arise between the parties that may be resolvable through mediation. To facilitate such resolution, we and you agree that each party must submit the dispute between them for non-binding mediation before commencing an arbitration proceeding under Section 17.6.3. Such mediation will be conducted in the city of or closest to our principal place of business (currently Pittsburgh, PA). The mediation will be conducted by one mediator who is appointed under the American Arbitration Association's Commercial Mediation Rules and who shall conduct the mediation in accordance with such rules. We and you agree that statements made by us, you or any other party in any such mediation proceeding will not be admissible in any arbitration or other legal proceeding. Each party shall bear its own costs and expenses of conducting the mediation and share equally the costs of any third parties who are required to participate in the mediation.

17.6.2 If any dispute between the parties cannot be resolved through mediation within forty-five (45) days following the appointment of the mediator, the parties agree to submit such dispute to arbitration subject to the terms and conditions of Section 17.6.3.

17.6.3 Except for claims subject to injunctive relief under Section 17.3, all disputes, claims and controversies between the parties arising out of or in any way relating to this Agreement, any of the parties' respective rights and obligations arising out of this Agreement, or the making, performance or interpretation thereof (including arbitrability of any matter) which have not been settled through mediation will be submitted to final and binding arbitration to be conducted by the American Arbitration Association in the city of or closest to our principal place of business (currently Pittsburgh, PA) as the sole and exclusive remedy for any such controversy or dispute. The arbitrator(s) will have a minimum of five years of experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then either party may request AAA or successor organization, to appoint a qualified arbitrator by the striking method. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this Agreement. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability, or formation of this Agreement, including, but not limited to, any claim that all or any part of this Agreement is void or voidable.

17.7 Governing Law

All matters relating to arbitration shall be governed by the Federal Arbitration Act. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the Franchise and the relationship of the parties shall be governed by the laws of the Commonwealth of Pennsylvania, without regard for its conflicts of laws principles.

17.8 Jurisdiction

With respect to any other actions not subject to mediation or arbitration under Section 17.6 above, except for claims which we may bring in any state or federal court of competent jurisdiction under Section 17.3, you and we agree that any action arising under this Agreement or otherwise as a result of the relationship between you and us must be commenced in a state or federal court of competent jurisdiction

in the city of or closest to our principal place of business (currently Pittsburgh, PA). You irrevocably submit to the jurisdiction of such courts and waive any objection you may have to either the jurisdiction or venue of such court.

17.9 Waiver of Punitive Damages

The parties waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages, except punitive or exemplary damages allowed under federal statute. The parties agree that, in the event of a dispute between them, the party making a claim shall be limited to recovery of any actual damages it sustains.

17.10 Waiver of Jury Trial

Each party irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either party.

17.11 You May Not Withhold Payments

You agree that you will not, on grounds of the alleged nonperformance by us of any of our obligations hereunder, withhold payment of any Royalty Fees, Brand Fund Contributions, Technology Fees, amounts due to us for purchases by you or any other amounts due to us.

17.12 Binding Effect

This Agreement is binding upon the parties hereto and their respective executors, administrators, heirs, assigns and successors in interest. Subject to our right to modify the Franchise Operations Manual, this Agreement shall not be modified except by written agreement signed by you and us.

17.13 Limitations of Claims

Any and all claims, except claims for monies due us or claims relating to the Marks or confidential information, arising out of or relating to this Agreement or the relationship among the parties hereto shall be barred unless an action or legal or arbitration proceeding is commenced within one (1) year from the date you or we knew or should have known of the facts giving rise to such claims.

17.14 Entire Agreement; Construction

The preambles and Attachments are a part of this Agreement, which together with the Manual, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between us and you relating to the subject matter of this Agreement; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. The terms "Franchisee" or "Franchise Owner" as used herein is applicable to one or more persons, a corporate entity, as the case may be, and the singular usage includes the plural and the masculine and neuter usages include the other and the feminine. If two or more persons are at any time Franchisee or Franchise Owner hereunder, their obligations and liabilities to us shall be joint and several. References to "Franchisee," "Franchise Owner," and "transferee" which are applicable to an individual or individuals shall mean the principal owner(s) of the equity or operating control of franchise owner or the transferee, if franchise owner or the transferee is a corporation or partnership. References to "controlling interest" in Franchisee shall mean greater than fifty percent (50%) of the equity or voting control of Franchisee. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit or construe the contents of such sections or paragraphs.

Except where this Agreement expressly obligates us to approve or not to unreasonably withhold our approval of any action or request by you, we retain the absolute right to refuse any request by you or to withhold our approval of any action by you that requires our approval. Nothing in this Agreement is intended, nor shall be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto.

17.15 Withholding Consent

In no event will you make any claim, whether directly, by way of setoff, counter-claim, defense or otherwise, for money damages or otherwise, by reason of any withholding or delaying of any consent or approval by us. Your sole remedy for any such claim is to submit it to arbitration as described in this Agreement and for the arbitrator to order us to grant such consent.

17.16 Step-In Rights – Cause for Step-In

In order to prevent any interruption of the operations which would cause harm to the Franchised Business, thereby depreciating the value thereof, we have the right, but not the obligation, to step-in and designate an individual of its choosing (an "Interim Manager") for so long as we deem necessary and practical to temporarily manage the Franchised Business: (i) if you fail to comply with any provision of this Agreement and do not cure the failure within the time period specified in this Agreement or by us; (ii) if we determine in our sole judgment that the operation of the Franchised Business is in jeopardy; (iii) if we determine in our sole discretion that operational problems require that we operate the Franchised Business; (iv) if you abandon or fail to actively operate the Franchised Business; (v) Upon your death or disability, or upon the Designated Owner's or the General Manager's absence, termination, death or disability; or (vi) if we deem you, the Designated Owner or the General Manager incapable of operating the Franchised Business ("Step-in Rights").

17.17 Step-In Rights – Duties of Parties

If we exercise our Step-in Rights: (i) we shall keep in a separate account all monies generated by the operation of your Franchised Business, less the expenses of the Franchised Business, including reasonable compensation and expenses for our representatives (including an Interim Manager) as well as our other expenses incurred in exercising our rights; (ii) you agree to hold us and our representatives harmless for all actions occurring during the course of such temporary operation and acknowledge that the Interim Manager will have no liability to you, except to the extent directly caused by its gross negligence or willful misconduct; (iii) you agree to pay us a management fee of $250 per day; (iv) you agree to pay us all of our reasonable costs and expenses, including, but not limited to, attorneys' fees incurred as a consequence of our exercise of the Step-In Rights; and (v) you acknowledge that the Interim Manager will have a duty to utilize only reasonable efforts and will not be liable to you or your owners for any debts, losses, or obligations the Franchised Business incurs, or to any of your or the Franchised Business's creditors for any supplies, products, or other assets or services the Franchised Business purchases, while Interim Manager manages it. Nothing contained herein shall restrict us from exercising any other right which we may have under this Agreement, including, without limitation, termination.

17.18 Survival

You and we agree that the provisions of this Section 17 shall apply during the term of this Agreement and following the expiration, termination, or non-renewal of this Agreement.

ARTICLE 18
NOTICES AND PAYMENTS

All written notices, reports and payments permitted or required to be delivered by the provisions of this Agreement or the Franchise Operations Manual will be deemed so delivered:

(a) at the time delivered by hand with confirmation receipt;

(b) with respect to the Royalty Fee, Brand Fund Contribution and other amounts due, at the time we actually debit your account (if we use an automatic debit program for the Franchised Business);

(c) with respect to materials that we post on our intranet or similar electronic site for franchisees, at the time such materials are first accessible at the site; or

(d) one business day after being placed in the hands of a commercial courier service for next business day delivery and must be addressed to the party to be notified at its most current principal business address of which the notifying party has notice. Any required payment or report which we do not actually receive during regular business hours on the date due (or postmarked by postal authorities at least two days before then) will be deemed delinquent.

Except as otherwise provided in this Agreement, any notice, demand or communication provided for herein shall be in writing and shall be sent to the applicable parties at the following addresses, and shall be personally delivered, delivered by messenger or delivery services, mailed by certified mail, return receipt requested, or transmitted by facsimile or electronic mail transmission, and shall be deemed effective at the earlier of: (i) the time of actual receipt by the receiving party; or (ii) two (2) business days after transmission by facsimile or email transmission (provided the sender retains evidence of successful transmission); or (iii) one (1) business day after being placed in the hands of a commercial delivery service for overnight delivery; or (iv) three (3) business days after placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and properly addressed; or (v) with respect to notices to you, the date on which delivery is refused or the notice is returned as undeliverable. The Non-Compliance Fee described in this Agreement shall apply to this Article 18 if you fail to maintain current contact information, refuse delivery of notices, or fail to accept notices transmitted in any of the above means. You acknowledge that it is your obligation to ensure that all contact information provided to us remains current and accurate, and you must notify us in writing of any changes within five (5) business days of such change. Addresses for notification are:

Us:	The Dog Stop Franchising, LLC 1632 William Flinn Highway Glenshaw, PA 15116 Attention: CEO Email: jesse@thedogstop.com
You:	Your notice address is identified in Attachment A to the Franchise Agreement

Either party may change its address for notice purposes by giving the other party written notice, as herein provided, of such change, provided that any change of address by you shall not be effective until we acknowledge receipt of such notice in writing or until ten (10) business days after you send such notice in accordance with the notice provisions herein, whichever occurs first. We may change our address for notice purposes immediately upon sending notice to you in accordance with the notice provisions herein.

ARTICLE 19
SECURITY INTERESTS

19.1 Collateral

You hereby grant to us a continuing security interest ("Security Interest") in all of your present and after-acquired furniture, fixtures, equipment, inventory, signage, accounts receivable, general intangibles, and realty (including your interests under all real property and personal property leases) of the Franchised Business, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with or arising from the operation of the Franchised Business. All items in which a security interest is granted are referred to as the "Collateral".

19.2 Indebtedness Secured

The Security Interest is to secure payment of the following (the "Indebtedness"):

19.2.1 All amounts due under this Agreement or otherwise by you;

19.2.2 All sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness;

19.2.3 All expenses, including reasonable attorneys' fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement; and

19.2.4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not you execute any extension agreement or renewal instruments.

Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Franchised Business, including, but not limited to, a real property mortgage and equipment leases.

19.3 Additional Documents

You will, from time to time as required by us, promptly execute and deliver to us any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, continuations, amendments, extensions, or modifications thereof) in form satisfactory to us, and you hereby irrevocably appoint us as your attorney-in-fact to execute and file any such financing statements or other documents on your behalf if you fail to do so within five (5) business days of our request. You shall reimburse us for all costs and expenses, including filing fees and reasonable attorneys' fees, incurred in connection with perfecting, maintaining, or enforcing our security interest.

19.4 Possession of Collateral

Upon the occurrence of any default under this Agreement or any Event of Default as defined herein, whether or not this Agreement is terminated, we shall have the immediate right to possession and use of

the Collateral, and you agree to assemble the Collateral and make it available to us at a location we designate which is reasonably convenient to both parties. You acknowledge that our right to possession is in addition to, and not in lieu of, any other rights and remedies we may have under this Agreement or applicable law.

19.5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth in this Agreement, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice or demand (each of which you hereby expressly waive to the fullest extent permitted by law), become immediately due and payable, and we shall then have all the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Pennsylvania or any other applicable state's Uniform Commercial Code (or other applicable law), including, without limitation, our right to take possession of the Collateral and, to the extent permitted by law, without legal process to enter any premises where the Collateral may be found and to remove the Collateral therefrom. Any sale of the Collateral may be conducted by us in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above.

19.6 Special Filing as Financing Statement

This Agreement shall constitute a Security Agreement and may be filed as a Financing Statement under the Uniform Commercial Code. You acknowledge and agree that this Agreement, or a copy or reproduction thereof, may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement with the Secretary of State or other appropriate filing office in any jurisdiction where the Collateral is located or where filing is otherwise appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction. You agree to reimburse us for all filing fees and costs associated with filing, maintaining, and terminating any such financing statements.

(Signatures on next page)

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement effective on the date stated on the first page above.

ATTEST

THE DOG STOP FRANCHISING, LLC
a Pennsylvania limited liability company

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name:_____
Title:_____

ATTACHMENT A TO THE FRANCHISE AGREEMENT

FRANCHISE DATA SHEET

1. The Effective Date set forth in the introductory Paragraph of the Franchise Agreement is: _____.

2. The Franchise Owner set forth in the introductory Paragraph of the Franchise Agreement is: _____

3. Notice Address. The notice address for Franchise Owner set forth in Section 19.03 of the Franchise Agreement is:

   Attn: _____
   _____
   _____
   _____

4. Initial Franchise Fee. The Initial Franchise Fee shall be:

   ____ $60,000

   ____ $54,000*

   ____ Not applicable; this Franchise Agreement is being signed under an area development agreement between you and us and no Initial Franchise Fee is due.

   * The Initial Franchise Fee is subject to a $5,000 discount for the first Franchised Business of honorably discharged veterans and their spouses.

THE DOG STOP FRANCHISING, LLC:	FRANCHISEE:
By:_____	By:_____
Name:_____	Name:_____
Title:_____	Title:_____

ATTACHMENT B TO THE FRANCHISE AGREEMENT
STATEMENT OF OWNERSHIP

Franchisee: _____

Trade Name (if different from above): _____

Form of Ownership
(Check One)

____ Individual ____ Partnership ____ Corporation ____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation: _____

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners*:

Name	Address	Percentage of Stock

***If any members, stockholders, or partners are entities, please list the owners of such entities up through the individuals.**

Franchise Owner acknowledges that this Statement of Ownership applies to your Franchised Business authorized under the Franchise Agreement.

Use additional sheets if necessary. Any and all changes to the above information must be reported to us in writing.

(*Signature Page Follows*)

FRANCHISEE:

By:_____
Name:_____
Title:_____

ATTACHMENT C TO THE FRANCHISE AGREEMENT
SITE AND TERRITORY

1. The Site of the Franchised Business as provided in Section 1.2 of the Agreement is:

_____
_____
_____

2. The Territory as provided for in Section 1.3 of the Agreement shall be:

_____
_____
_____

THE DOG STOP FRANCHISING, LLC:

By:_____
Name:_____
Title:_____

FRANCHISEE:

By:_____
Name:_____
Title:_____

ATTACHMENT D TO THE FRANCHISE AGREEMENT
OWNERS AGREEMENT

As a condition to the execution by THE DOG STOP FRANCHISING, LLC ("**we**" or "**us**"), of a Franchise Agreement with _____ ("**Franchisee**"), each of the undersigned individuals ("**Owners**"), who constitute all of the owners of a direct or indirect beneficial interest in Franchisee, as well as their respective spouses, covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

1. Acknowledgments.

1.1 Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of _____ ("**Franchise Agreement**"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

1.2 Role of Owners. Owners are the beneficial owners or spouses of the beneficial owners of all of the direct and indirect equity interest, membership interest, or other equity controlling interest in Franchisee and acknowledge there are benefits received and to be received by each Owner, jointly and severally, and for themselves, their heirs, legal representatives and assigns. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's direct and indirect owners were not bound by the same requirements. Under the provisions of the Franchise Agreement, Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure and Protection of Confidential Information.

2.1 Confidentiality. Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, and other Confidential Information relating to the establishment and operation of a franchised business. The provisions of the Franchise Agreement governing Franchisee's non-disclosure obligations relating to our Confidential Information are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with each obligation as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement. Any and all information, knowledge, know-how, techniques, and other data, which we designate as confidential, will also be deemed Confidential Information for purposes of this Owners Agreement.

2.2 Immediate Family Members and Related Parties. Owners acknowledge that they could circumvent the purpose of Section 2.1 by disclosing Confidential Information to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild) or to any other person or entity with whom they have a business or personal relationship. Owners also acknowledge that it would be difficult for us to prove whether Owners disclosed the Confidential Information to family members. Therefore, each Owner agrees that he or she will be presumed to have violated the terms of Section 2.1 if any member of his or her immediate family uses or discloses the Confidential Information or engages in any activities that would constitute a violation of the covenants listed in Section 3, below, if performed by Owners. However, Owners may rebut this presumption by furnishing evidence conclusively showing that Owners did not disclose the Confidential Information to the family member.

3. Covenant Not To Compete and To Not Solicit.

3.1 Non-Competition and Non-Solicitation During and After the Term of the Franchise Agreement. Owners acknowledge and agree that as a participant in our system, they will receive valuable proprietary and confidential information and materials, trade secrets, and the unique methods, procedures and techniques which we have developed and which provide us with competitive advantages in the marketplace. The provisions of the Franchise Agreement governing Franchisee's restrictions on competition and solicitation both during the term of the Franchise Agreement and following the expiration or termination of the Franchise Agreement are hereby incorporated into this Owners Agreement by reference, and Owners agree to comply with and perform each such covenant as though fully set forth in this Owners Agreement as a direct and primary obligation of Owners. Further, we may seek the same remedies against Owners under this Owners Agreement as we may seek against Franchisee under the Franchise Agreement.

3.2 Construction of Covenants. The parties agree that each such covenant related to non-competition and non-solicitation will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant referenced in this Section 3 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 3.

3.3 Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of all or part of any covenant referenced in this Section 3 of this Owners Agreement, without Owners' consent (before or after any dispute arises), effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

4.1 Payment. Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the dates and in the manner required for payment in the relevant agreement.

4.2 Performance. Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the relevant agreement.

4.3 Indemnification. Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of such entities, against and from all losses, damages, costs, and expenses which we or they may sustain, incur, or become liable for by reason of: (a) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement, or to do and perform any other act, matter, or thing required by the Franchise Agreement; or (b) any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

4.4 No Exhaustion of Remedies. Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of

the Owners as guarantors under this Owners Agreement, and the enforcement of such obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

4.5 Waiver of Notice. Without affecting Owners' obligations under this Section 4, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

4.6 Effect of Owner's Death. Upon the death of an Owner, the estate of such Owner will be bound by the obligations in this Section 4, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers.

Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, Owners agree: a) not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless Owners first comply with the sections in the Franchise Agreement regarding transfers and assignment, and b) that any attempt to do so will be a material breach of this Owners Agreement and the Franchise Agreement.

6. Notices.

6.1 Method of Notice. Any notices given under this Owners Agreement shall be in writing and delivered in accordance with the provisions of the Franchise Agreement.

6.2 Notice Addresses. Our current address for all communications under this Owners Agreement is:

The Dog Stop Franchising, LLC
1632 William Flinn Highway
Glenshaw, PA 15116
Attention: CEO

The current address of each Owner for all communications under this Owners Agreement is designated on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address according to the method set forth in the Franchise Agreement.

7. Enforcement of This Owners Agreement.

7.1 Dispute Resolution. Any claim or dispute arising out of or relating to this Owners Agreement shall be subject to the dispute resolution provisions of the Franchise Agreement. This agreement to engage in such dispute resolution process shall survive the termination or expiration of this Owners Agreement.

7.2 Choice of Law; Jurisdiction and Venue. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations under this Owners Agreement, and

any other claim or controversy between the parties, will be governed by the choice of law and jurisdiction and venue provisions of the Franchise Agreement.

7.3 Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper. If injunctive relief is granted, Owners' only remedy will be the court's dissolution of the injunctive relief. If the injunctive relief was wrongfully issued, Owners expressly waive all claims for damages they incurred as a result of the wrongful issuance.

8. Miscellaneous.

8.1 No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3.3 (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this Owners Agreement will be binding on either party unless it is mutually agreed to by the parties and executed in writing. Time is of the essence.

8.2 Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties (i.e. to provide maximum protection for us and to effectuate the Owners' obligations under the Franchise Agreement), and the parties agree to be bound by the modified provisions.

8.3 No Third-Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

8.4 Construction. Any term defined in the Franchise Agreement which is not defined in this Owners Agreement will be ascribed the meaning given to it in the Franchise Agreement. The language of this Owners Agreement will be construed according to its fair meaning, and not strictly for or against either party. All words in this Owners Agreement refer to whatever number or gender the context requires. If more than one party or person is referred to as you, their obligations and liabilities must be joint and several. Headings are for reference purposes and do not control interpretation

8.5 Binding Effect. This Owners Agreement may be executed in counterparts, and each copy so executed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

8.6 Successors. References to "Franchisor" or "the undersigned," or "you" include the respective parties' heirs, successors, assigns or transferees.

8.7 Nonwaiver. Our failure to insist upon strict compliance with any provision of this Owners Agreement shall not be a waiver of our right to do so. Delay or omission by us respecting any breach or default shall not affect our rights respecting any subsequent breaches or defaults. All rights and remedies granted in this Owners Agreement shall be cumulative.

8.8 No Personal Liability. You agree that fulfillment of any and all of our obligations written in the Franchise Agreement or this Owners Agreement, or based on any oral communications which may be ruled to be binding in a court of law, shall be our sole responsibility and none of our owners, officers, agents, representatives, nor any individuals associated with us shall be personally liable to you for any reason.

8.9 Owners Agreement Controls. In the event of any discrepancy between this Owners Agreement and the Franchise Agreement regarding the specific obligations of Owners under this Owners Agreement, this Owners Agreement shall control. In all other matters, the Franchise Agreement shall control.

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

(Signatures on following page)

OWNERS:

_____	_____
(Insert Name of Owner)	(Insert Name of Spouse)
_____	_____
(Insert Name of Owner)	(Insert Name of Spouse)
_____	_____
(Insert Name of Owner)	(Insert Name of Spouse)
_____	_____
(Insert Name of Owner)	(Insert Name of Spouse)

The Dog Stop Franchising, LLC hereby accepts the agreements of the Owner(s) hereunder:

By: _____

Title: _____

EXHIBIT D
AREA DEVELOPMENT AGREEMENT

THE DOG STOP FRANCHISING, LLC

AREA DEVELOPMENT AGREEMENT

THE DOG STOP FRANCHISING, LLC

AREA DEVELOPER AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT ("**Agreement**") is made and entered into effective on the date set forth in Attachment "A" of this Agreement between The Dog Stop Franchising, LLC, a Pennsylvania limited liability company having its principal place of business at 1632 William Flinn Highway, Glenshaw, PA 15116 ("**we**", "**us**" or "**our**"), and the area developer identified in, and having the principal address set forth in, Attachment "A" of this Agreement (hereinafter "**you**," "**your**" or "**Area Developer**"). If more than one person or entity is listed as Area Developer, each such person or entity shall be jointly and severally liable for all rights, duties, restrictions and obligations under this Agreement.

W I T N E S S E T H:

WHEREAS, we and our affiliate have designed and developed a method of developing and operating a dog care facility offering dog daycare, boarding, grooming, enrichment, obedience, training, in-home services, dog walking, as well as retail items including premium dog food, dog treats and accessories. The businesses ("**TDS Business**") have distinctive business formats, methods, procedures, designs, layouts, standards and specifications, all of which we may improve, further develop and otherwise modify from time to time. Our system (the "**System**") includes, but is not limited to, uniform formats, designs, systems, methods, specifications, standards and procedures, all of which may be changed, updated, improved and further developed by us from time to time;

WHEREAS, we and our affiliates have developed and use, promote and license certain trademarks, service marks and other commercial symbols in operating TDS Businesses, including the mark "The Dog Stop®," which have gained and will continue to gain public acceptance and goodwill, and we may create, use and license other trademarks, service marks and commercial symbols for use in operating TDS Businesses (collectively, the "**Marks**");

WHEREAS, we and our affiliates continue to develop, use and control the use of such Marks in order to identify for the public the source of services and products marketed thereunder and under the System, and to represent the System's high standards of quality, appearance and service;

WHEREAS, you wish to obtain certain development rights to open and operate TDS Businesses operating under the Marks under the System within the Development Territory described in this Agreement; and

WHEREAS, in addition to this Agreement, we and you have entered into a franchise agreement on the same date ("**Initial Franchise Agreement**") for the right to establish and operate the first TDS Business to be developed by you under this Agreement ("**Initial Business**").

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party stated herein, hereby agree as follows:

SECTION 1
GRANT

1.1 We hereby grant to you, pursuant to the terms and conditions of this Agreement, certain development rights ("**Development Rights**") to establish and operate the number of TDS Businesses

identified in Attachment "A", and to use the System solely in connection therewith at specific locations to be designated in separate franchise agreements executed as provided in Section 3.1 hereof, and pursuant to the schedule established in Attachment "C" of this Agreement ("**Development Schedule**"). Each TDS Business developed hereunder shall be located in the area described in Attachment "B" of this Agreement ("**Development Territory**").

1.2 The Initial Franchise Agreement shall be executed and delivered, concurrently with the execution and delivery of this Agreement. Each subsequent TDS Business for which a Development Right is granted hereunder shall be established and operated pursuant to the form of franchise agreement then being used, which is to be entered into between you and us in accordance with Section 3 hereof. You acknowledge that the then-current form of franchise agreement may differ from the Initial Franchise Agreement, except that each shall have the same royalty rate as the Initial Franchise Agreement.

1.3 Except as otherwise provided in this Agreement, we shall not establish, nor franchise anyone other than you to establish, a TDS Business in the Development Territory during the term of this Agreement, provided you are not in default hereunder.

1.4 This Agreement is not a franchise agreement and does not grant to you any right to use the Marks or System unless a franchise agreement is in effect.

1.5 You shall have no right under this Agreement to franchise others under the Marks or System.

SECTION 2
DEVELOPMENT FEE

You may elect to develop between two to ten TDS Businesses to be located in the Development Territory. In consideration of the Development Rights granted herein, you shall pay to us a development fee ("**Development Fee**") in the amount set forth in Attachment "A" of this Agreement, depending on the total number of TDS Businesses you have agreed to develop. The Development Fee is payable in a lump sum upon execution of this Agreement and is deemed fully earned upon receipt and non-refundable under any circumstances, regardless of whether you open any of the TDS Businesses under this Agreement or whether this Agreement is terminated for any reason. No initial franchise fee will be due upon the execution of each franchise agreement to be developed under this Agreement (but all other fees will apply).

SECTION 3
SCHEDULE AND MANNER FOR EXERCISING DEVELOPMENT RIGHTS

3.1 You shall assume all responsibility and expense for locating potential sites for TDS Businesses. You must use a real estate brokerage firm that we designate to assist you in locating, determining the suitability of and negotiating for the site for your TDS Business, and you shall pay any fees or commissions which are or may be required to be paid to the brokerage firm. You shall obtain our written acceptance of any proposed site for the TDS Business in accordance with our procedures, which acceptance will not be unreasonably withheld. Unless we provide our specific written acceptance of your proposed site, the site is deemed not accepted. Our acceptance or rejection of a proposed site shall be in our sole discretion.

3.2 Recognizing that time is of the essence, you agree to exercise each of the Development Rights granted hereunder in the manner specified herein, and to satisfy the Development Schedule in a timely manner. Any failure to adhere to the Development Schedule will constitute a material event of default under this Agreement, for which we may exercise our rights under Section 9.1 of this Agreement,

including but not limited to termination of this Agreement and/or loss of territorial rights granted for the Development Territory. Under no circumstances, however, may you open a TDS Business unless and until there is a fully executed franchise agreement in place for such TDS Business and you have complied with all requirements under the franchise agreement for opening such TDS Business.

3.3 You shall exercise each Development Right granted herein only by executing a franchise agreement for each TDS Business at a site accepted by us in the Development Territory. The Initial Franchise Agreement for the first Development Right exercised hereunder has been executed contemporaneously with this Agreement. The franchise agreement for each additional Development Right exercised hereunder shall be the then-current franchise agreement. We will have thirty (30) days after we receive all needed information to accept or reject your proposed site for each TDS Business. For each accepted TDS Business site, you must execute the then-current franchise agreement and return it to us within ten (10) days after your receipt of said franchise agreement. In the event we do not receive the properly executed franchise agreement within said ten (10) days from delivery thereof to you, our acceptance of the site shall be void, you shall have no rights with respect to said site and you shall be in default under this Agreement.

3.4 You acknowledge that our acceptance of a particular site for a TDS Business by us shall not be deemed to be an assurance or guaranty that the TDS Business will operate successfully or at a profit from such site.

3.5 You shall be required to execute each franchise agreement and own a minimum of fifty-one percent (51%) equity interest in the franchisee for each TDS Business to be opened pursuant to said franchise agreement. In no event shall you relinquish control over each entity operating each TDS Business.

SECTION 4
DEVELOPMENT RIGHTS AND OBLIGATIONS

4.1 Subject to the provisions of this Agreement, we grant to you the Development Rights, as described in Section 1.1.

4.2 Provided you are in full compliance with all the terms and conditions of this Agreement, including without limitation your development obligations described in Section 3.2, and you are in full compliance with all of your obligations under all franchise agreements executed pursuant to this Agreement, then during the term of this Agreement neither we nor any of our affiliates will develop or operate or grant franchises for the development or operation of TDS Businesses within the Development Territory, except the franchises that are granted to you pursuant to this Agreement and except as otherwise expressly provided in this Agreement. You acknowledge that the Development Territory may already include existing TDS Businesses, and that you may not develop a TDS Business that infringes on the territorial rights of a then-existing TDS Businesses.

4.3 Upon the termination or expiration of this Agreement: (a) you shall have no further right to construct, equip, own, open or operate additional TDS Businesses which are not, at the time of such termination or expiration, the subject of a then-existing franchise agreement between you and us, which is then in full force and effect; and (b) we and our affiliates shall have the right to develop and operate, and to grant to others development rights and franchises to develop and operate, TDS Businesses within the Development Territory subject only to the territorial rights granted to you with respect to TDS Businesses operated by you pursuant to the franchise agreements.

4.4 Except as expressly limited by Section 3.2 above, we and our affiliates retain all rights with respect to TDS Businesses, the Marks and the sale of any goods and services, anywhere in the world, including, without limitation, the right:

4.4.1 to offer and sell and to grant others the right to offer and sell the products and services offered at TDS Businesses, within or outside the Development Territory, under trade and service marks other than the Marks and under any terms and conditions we deem appropriate;

4.4.2 to own, franchise, establish and license to others to establish or operate TDS Businesses at any location outside the Development Territory and on any terms and conditions we deem appropriate and regardless of proximity to your TDS Businesses;

4.4.3 the right to use the Marks and the System to sell any products or services, similar to those which you will sell, through any alternate channels of distribution within or outside of the Development Territory. This includes, but is not limited to, other channels of distribution such as catalog sales, fairs, expos, pet shows and the like, telemarketing or other direct marketing sales or over the Internet (together, the "**Alternative Distribution Channels**"). You may not use Alternative Distribution Channels to make sales outside or inside your Development Territory and you will not receive any compensation for our sales through Alternative Distribution Channels;

4.4.4 to engage in any transaction, including to purchase or be purchased by, to merge or combine with, to convert to the System or be converted into a new system with any business, whether franchised or corporately owned, including a business that competes directly with your TDS Businesses, wherever located; provided that in such situations, the newly acquired businesses may not operate under the Marks in the Development Territory;

4.4.5 the right to implement multi-area marketing programs, which may allow us or others to solicit or sell to customers anywhere. We also reserve the right to issue mandatory policies to coordinate such multi-area marketing programs; and

4.4.6 to engage in any other business activities not expressly prohibited by the Agreement, both within and outside your Development Territory.

We are not required to pay you if we exercise any of the rights specified above within the Development Territory. We do not pay compensation for soliciting or accepting orders inside the Development Territory.

SECTION 5
RENEWAL

There is no renewal period. Upon expiration of this Agreement you may enter into our then-current area development agreement, subject to our approval and availability.

SECTION 6
TERM

Unless sooner terminated in accordance with the terms of this Agreement, the term of this Agreement and all Development Rights granted hereunder shall expire on the earlier of: (a) the termination date listed on Section 2 of Attachment "C"; or (b) completion of the obligations of the Development Schedule.

SECTION 7
YOUR OBLIGATIONS

7.1 You acknowledge and agree that:

7.1.1 Except as otherwise provided herein, this Agreement includes only the right to select sites for the establishment of TDS Business and to submit the same to us for our acceptance in accordance with the terms of this Agreement. This Agreement does not include the grant of a license by us to you of any rights to use the Marks, the System, or to open or operate any TDS Businesses within the Development Territory. You shall obtain the license to use such additional rights at each TDS Business upon the execution of each franchise agreement by both you and us and only in accordance with the terms of each franchise agreement.

7.1.2 The Development Rights granted hereunder are personal to you and cannot be sold, assigned, transferred or encumbered, in whole or in part, except as stated in Section 11 hereof. The provisions of this Section 7.1.2 shall not restrict you from transferring an open and operating TDS Business in compliance with the assignment provisions contained in such TDS Business' franchise agreement.

7.1.3 You have sole responsibility for the performance of all obligations arising out of the operation of your TDS Businesses developed under this Agreement, including, but not limited to, the payment when due of any and all taxes levied or assessed by reason of such operation.

7.1.4 In all public records, in your relationship with other persons, and in any documents, you shall indicate clearly the independent ownership of your TDS Business and that the operations of said TDS Business are separate and distinct from the operation of your business as an area developer.

7.1.5 You shall, at all times, preserve in confidence any and all materials and information furnished or disclosed to you by us and you shall disclose such information or materials only to such of your employees or agents who must have access to it in connection with their employment and who have signed a confidentiality agreement in a form approved by us. You shall not at any time, without our prior written consent, copy, duplicate, record or otherwise reproduce such materials or information, in whole or in part, nor otherwise make the same available to any unauthorized person.

7.1.6 You shall comply with all requirements of federal, state and local laws, rules and regulations.

7.1.7 You shall at no time have the right to sub-franchise any of your Development Rights hereunder.

7.1.8 In no event shall any TDS Business be opened for business unless and until a franchise agreement for such TDS Business has been fully executed, all applicable fees (including, but not limited to, the initial franchise fee for such TDS Business) have been paid, and you have complied with all of the requirements under the franchise agreement for opening such TDS Business.

SECTION 8
OUR SERVICES

We shall, at our expense, provide the following services:

8.1 Review your site selection for conformity to our standards and criteria for selection and acquisition of sites upon our receipt of your written request for acceptance thereof.

8.2 Provide you with standard specifications and layouts for the interior and exterior design, improvements, equipment, furnishings, décor and signs identified with the TDS Businesses as we make available to all area developers and franchisees from time to time.

8.3 Review of your site plan and final build-out plans and specifications for conformity to the construction standards and design specifications of the System, upon our receipt of your written request for acceptance thereof.

8.4 Provide on-site evaluations as we deem necessary, and such other resources and assistance as may hereafter be developed and offered by us to our other area developers in our sole discretion.

SECTION 9
DEFAULT AND TERMINATION

9.1 The occurrence of any of the following events of default shall constitute good cause for us, at our option and without prejudice to any other rights or remedies provided for hereunder or by law or equity, to terminate this Agreement upon notice to you without opportunity to cure the default, except where prohibited by any applicable state or federal law, whereupon this Agreement immediately shall be terminated in accordance with the provisions of any such law:

9.1.1 If you shall, in any respect, fail to comply with the Development Schedule on two or more occasions.

9.1.2 If you shall purport to effect any assignment in violation of Section 11 of this Agreement.

9.1.3 If you make, or have made, any material misrepresentation to us in connection with obtaining this Agreement, any site approval hereunder, or any franchise agreement.

9.1.4 If you default in the performance of any obligation under any franchise agreement with us, provided such default results in the termination of the franchise agreement.

9.1.5 If you suffer a violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of any TDS Business developed under this Agreement, and permit the same to go uncorrected after notification thereof, unless there is a bona fide dispute as to the violation or legality of such law, ordinance, rule or regulation, and you promptly resort to courts or forums of appropriate jurisdiction to contest such violation or legality.

9.1.6 If you or an owner of yours owning a twenty-five percent (25%) or more interest in you is convicted in a court of competent jurisdiction of an indictable offense punishable by a term of imprisonment in excess of one (1) year, or any crime involving moral turpitude, fraud, or dishonesty regardless of the punishment.

9.1.7 If you, or any of your partners, if you are a partnership, or any of your officers, directors, shareholders, or members, if you are a corporation or limited liability company, shall become insolvent or make a general assignment for the benefit of creditors; if a petition in bankruptcy is filed by

you or such a petition is filed against and not opposed by you; if you are adjudicated a bankrupt or insolvent; if a bill in equity or other proceeding for the appointment of a receiver or other custodian for you or your assets is filed and consented to by you; if a receiver or other custodian (permanent or temporary) of your assets or property, or any part thereof, is appointed by any court of competent jurisdiction; if proceedings for a composition with creditors under any state or federal law should be instituted by or against you; if a final judgment remains unsatisfied or of record for thirty (30) days or longer (unless a *supersedeas* bond is filed); if you are dissolved; if execution is levied against you or your property; if suit to foreclose any lien or mortgage against the premises or equipment is instituted against you and not dismissed within thirty (30) days; or if your real or personal property shall be sold after levy thereupon by any sheriff, marshal, or constable.

9.1.8 If you, or any shareholder or principal, if you are corporate entity, or any of your affiliates cease to operate all of the TDS Businesses opened pursuant to the terms of this Agreement.

9.2 Upon occurrence of any of the following events, we may, without prejudice to any other rights or remedies contained in this Agreement or provided by law or equity, terminate this Agreement. Such termination shall be effective thirty (30) days after written notice (or such other notice as may be required by applicable state law) is given by us to you of any of such events, if such defaults are not cured within such period:

9.2.1 If you shall use the System or Marks, or any other names, marks, systems, insignia, symbols or rights which are our property except pursuant to, and in accordance with, a valid and effective franchise agreement.

9.2.2 If you, or persons controlling, controlled by or under common control with you, shall have any interest, direct or indirect, in the ownership or operation of any Competitive Business (as defined in Section 12 below).

9.2.3 If you shall fail to remit to us any payments pursuant to Section 2 when same are due.

9.2.4 If you shall begin work upon any TDS Business at any site unless all the conditions stated in Section 3 hereof have been met.

9.2.5 If you fail to obtain our prior written approval or consent, including but not limited to site approval or site plan approval, as expressly required by this Agreement.

9.2.6 If you open any TDS Business for business before a franchise agreement for such TDS Business has been fully executed and the payments due to us pursuant to Section 2 have been paid.

9.2.7 If you default in the performance of any other obligation under this Agreement.

SECTION 10
OBLIGATIONS FOLLOWING TERMINATION

10.1 Upon termination of this Agreement becoming effective for any reason, or upon expiration of the term hereof, you agree as follows:

10.1.1 To cease immediately any attempts to select sites on which to establish TDS Businesses.

10.1.2 To cease immediately to hold yourself out in any way as an area developer of ours or to do anything which would indicate a relationship between you and us.

10.2 No right or remedy herein conferred upon or reserved to us is exclusive of any other right or remedy provided or permitted by law or in equity.

SECTION 11
TRANSFER OF INTEREST

11.1 We shall have the absolute right to transfer or assign all or any part of our rights or obligations hereunder to any person or legal entity which assumes its obligation under this Agreement and we shall thereby be released from any and all further liability to you.

11.2 Area Developer may not assign this Agreement or any rights to the Development Territory. The provisions of this Section shall not restrict Area Developer from transferring an open and operating TDS Business in compliance with the assignment provisions contained in such TDS Business' franchise agreement.

11.3 Upon the death or disability of an Area Developer (or any owner holding 25% or more of an Area Developer entity), the Area Developer estate or representative must transfer the Area Developer interest in this Agreement to a person or entity meeting our then-current franchisee qualification criteria within twelve (12) months of the date of death or disability. The term disability means a mental or physical condition reasonably expected to prevent the Area Developer from supervising the Area Developer obligations under this Agreement for 30 or more consecutive days. Failure to transfer within this period is a breach of this Agreement.

SECTION 12
COVENANTS

12.1 You specifically acknowledge that, pursuant to this Agreement, you will receive valuable training and confidential information, including, without limitation, System standards, market research, advertising and promotional campaigns, approved suppliers, operating results of TDS Businesses, proprietary software, the terms of this Agreement, the TDS Business franchise operations manual, and graphic designs and other intellectual property. You covenant that during the term of this Agreement, except as otherwise approved in writing by us, you and persons controlling, controlled by or under common control with you shall not, either directly or indirectly, for yourself/himself, or through, on behalf of or in conjunction with any person, persons or legal entity:

12.1.1 Divert or attempt to divert any business or client of the TDS Business to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks and the System.

12.1.2 Own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any business other than a TDS Business (including any TDS Business operated by you prior to entry into this Agreement), which business is of a character and concept similar to the TDS Business, including a business which provides dog care services or any business which grants franchises or licenses to others to operate such a business (a "**Competitive Business**").

12.2 You covenant that, except as otherwise approved in writing by us, you shall not, for a continuous and uninterrupted period commencing upon the expiration or termination of this Agreement, and continuing for two (2) years thereafter (and, in case of any violation of this covenant, for two (2) years after the violation ceases), either directly or indirectly, for yourself, or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, advise, help, invest in, make loans to, be employed by, engage in or have any interest in any Competitive Business which is located within 50 miles of any TDS Business in the System.

12.3 Subsections 12.1.3 and 12.2 of this Section shall not apply to ownership by you of less than a five percent (5%) beneficial interest in the outstanding equity securities of any corporation which is registered and publicly-traded under the Securities Exchange Act of 1934.

12.4 The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If all or any portion of a covenant in this Section 12 is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which we are a party, you expressly agree to be bound by any lesser covenant subsumed within the terms of such covenant that imposes the maximum duty permitted by law, as if the resulting covenant were separately stated in and made a part of this Section 12.

12.5 You understand and acknowledge that we shall have the right, in our sole discretion, to reduce the scope of any covenant stated in Sections 12.1 and 12.2 or any portion thereof, without your consent, effective immediately upon receipt by you of written notice thereof, and you agree that you shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding the provisions of Section 16 hereof.

12.6 You expressly agree that the existence of any claim you may have against us, whether or not arising from this Agreement, shall not constitute a defense to our enforcement of the covenants in this Section 12.

12.7 You acknowledge that any failure to comply with the requirements of this Section 12 would cause us irreparable injury for which no adequate remedy at law may be available, and you hereby accordingly consent to our seeking injunctive and other equitable relief, without the need of bond, and without first requesting mediation or arbitration against you, from any state or federal court within the jurisdiction in which we have our principal place of business (currently Pittsburgh, PA), or in any other state or federal district court of competent jurisdiction. We may further avail ourselves of any other legal or equitable rights and remedies which we may have under this Agreement or otherwise. You consent to the exercise of personal jurisdiction over you by these courts, and to the propriety of venue in these courts with respect to the entry of these temporary and permanent injunctions.

12.8 At our request, you shall require and obtain the execution of covenants similar to those described in this Section 12 (including covenants applicable upon the termination of a person's relationship with you) from any or all of the following persons:

12.8.1 All managers of yours who have received training from us;

12.8.2 All officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of you and of any entity directly or indirectly controlling you, if you are a corporation or limited liability company; and

12.8.3 The general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of five percent (5%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership.

Each covenant required by this Section 12.8 shall be in a form satisfactory to us, including, without limitation, specific identification of us as a third party beneficiary of such covenants with the independent right to enforce them. Your failure to obtain execution of a covenant required by this Section 12.8 shall constitute a default under Section 9 hereof.

12.9 During the term of this Agreement, an officer or agent of ours shall have the right to inspect any TDS Business in which you have an interest at reasonable times and during normal business hours to the extent reasonably necessary to determine whether the conditions of this Section 12 are being satisfied. If, by reason of such inspections or otherwise, we have reason to believe that you are not in full compliance with the terms of this Section, we shall give notice of such default to you, specifying the nature of such default. If you deny that you are in default hereunder, as specified by us, you shall have the burden of establishing that such default does not exist and shall give notice to us of your position within ten (10) days of receipt of the notice from us. Unless you so deny such default, you shall immediately take all steps to cure said default in a manner satisfactory to us.

SECTION 13
NOTICES

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified or registered mail, return receipt requested, overnight delivery service or facsimile to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:	The Dog Stop Franchising, LLC 1632 William Flinn Highway Glenshaw, PA 15116 ATTENTION: Jesse Coslov -CEO Facsimile: (412) 774-3370
Notices to you:	Notice Address set forth in Attachment "A" of this Agreement

Any notice by certified or registered mail shall be deemed to have been given at the date and time of mailing.

SECTION 14
INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1 It is understood and agreed by the parties hereto that this Agreement does not create a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venturer, partner, employee or servant of the other for any purpose whatsoever. Each party to this Agreement is an independent contractor, and neither shall be responsible for the debts or liabilities incurred by the other.

14.2 You shall hold yourself out to the public to be an independent contractor operating pursuant to this Agreement. You agree to take such actions as shall be necessary to that end.

14.3 You understand and agree that nothing in this Agreement authorizes you to make any contract, agreement, warranty or representation on our behalf, or to incur any debt or other obligation in our name, and that we assume no liability for, nor shall be deemed liable by reason of, any act or omission of yours or any claim or judgment arising therefrom. You shall indemnify, defend and hold harmless us and our affiliates, and our respective shareholders, directors, officers, employees, agents, representatives, successors and assigns (the "**Indemnified Parties**") from and against, and to reimburse any one or more of the Indemnified Parties for, any and all claims, obligations and damages directly or indirectly arising out of the business you conduct under this Agreement, your violation or breach of any contract, federal, state, or local law, regulation, ruling, standard, or directive or of any industry standard; libel, slander or any other form of defamation by you, or your breach of this Agreement. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, punitive or otherwise) and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys' and expert witness fees, costs of investigation and proof of facts, court costs, and other expenses of litigation, arbitration or alternative dispute resolution, including travel and living expenses, regardless of whether litigation, arbitration or alternative dispute resolution is commenced.

Each Indemnified Party may defend and control the defense of any claim against it which is subject to this indemnification at your expense, and you may not settle any claim or take any other remedial, corrective or other actions relating to any claim without our consent. Additionally, an Indemnified Party may, at any time, settle any claim against it for which it is entitled to seek indemnity, and you shall reimburse the Indemnified Party for any amount that the Indemnified Party paid under the settlement terms. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from an insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you.

SECTION 15
APPROVALS

15.1 Whenever this Agreement requires our prior approval or consent, you shall make a timely written request to us for such approval or consent, and, except as otherwise provided herein, any approval or consent granted shall be in writing.

15.2 We make no warranties or guaranties upon which you may rely, and assume no liability or obligation to you or any third party to which we would not otherwise be subject, by providing any waiver, approval, advise, consent or services to you in connection with this Agreement, or by reason of any neglect, delay or denial of any request therefor.

SECTION 16
NON-WAIVER

No failure of ours to exercise any power reserved to us under this Agreement or to insist upon compliance by you with any obligation or condition in this Agreement, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of our rights to demand exact compliance with the terms of this Agreement. Our waiver of any particular default shall not affect or impair our right with respect to any subsequent default of the same or of a different nature; nor shall any delay, forbearance or omission of ours to exercise any power or right arising out of any breach or default by you of any of the

terms, provisions or covenants of this Agreement affect or impair our rights, nor shall such constitute a waiver by us of any rights hereunder or rights to declare any subsequent breach or default.

SECTION 17
SEVERABILITY AND CONSTRUCTION

17.1 Each covenant and provision of this Agreement shall be construed as independent of any other covenant or provision of this Agreement. The provisions of this Agreement shall be deemed severable.

17.2 If all or any portion of a covenant or provision of this Agreement is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a decision to which we are a party, you expressly agree to be bound by any lesser covenant or provision imposing the maximum duty permitted by law which is subsumed within the terms of such covenant or provision, as if that lesser covenant or provision were separately stated in and made a part of this Agreement.

17.3 Nothing in this Agreement shall confer upon any person or legal entity other than us or you, and such of our respective successors and assigns as may be contemplated by Section 11 hereof, any rights or remedies under or by reason of this Agreement.

17.4 All captions in this Agreement are intended solely for the convenience of the parties and none shall be deemed to affect the meaning or construction of any provision hereof.

17.5 All references herein to gender and number shall be construed to include such other gender and number as the context may require, and all acknowledgments, promises, covenants, agreements and obligations herein made or undertaken by you shall be deemed jointly and severally undertaken by all those executing this Agreement on your behalf.

17.6 This Agreement may be executed in triplicate, or such other number as is required, and each copy of the executed Agreement shall be deemed an original.

SECTION 18
ENTIRE AGREEMENT; APPLICABLE LAW

This Agreement, the documents referred to herein and the Attachments attached hereto constitute the entire, full and complete agreement between us and you concerning the subject matter hereof and supersede any and all prior agreements; provided, however, that nothing in this or any related agreement is intended to disclaim the representations made by us in the Disclosure Document that was furnished to you by us. No amendment, change or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing. This Agreement shall be interpreted and construed under the laws of the Commonwealth of Pennsylvania, without regard to the application of Pennsylvania conflict of law rules, and the parties hereto consent to irrevocably submit to the jurisdiction of all courts located within the County of Allegheny, Pennsylvania.

SECTION 19
DISPUTE RESOLUTION

19.1 We and you acknowledge that during the term of this Agreement disputes may arise between the parties that may be resolvable through mediation. To facilitate such resolution, we and you agree that each party shall submit the dispute between them for non-binding mediation before commencing an arbitration proceeding under Section 19.3. Such mediation will be conducted in the city of or closest to

our principal place of business (currently Pittsburgh, PA). The mediation will be conducted by one (1) mediator who is appointed under the American Arbitration Association's Commercial Mediation Rules and who shall conduct the mediation in accordance with such rules. We and you agree that statements made by us, you or any other party in any such mediation proceeding will not be admissible in any arbitration or other legal proceeding. Each party shall bear its own costs and expenses of conducting the mediation and share equally the costs of any third parties who are required to participate in the mediation.

19.2 If any dispute between the parties cannot be resolved through mediation within forty-five (45) days following the appointment of the mediator, the parties agree to submit such dispute to arbitration subject to the terms and conditions of Section 19.3.

19.3 Except for certain claims subject to injunctive relief under Sections 12 or 19.4, all disputes, claims and controversies between the parties arising under or in connection with this Agreement or the making, performance or interpretation thereof (including claims of fraud in the inducement and other claims of fraud and the arbitrability of any matter) which have not been settled through negotiation or mediation will be submitted to final and binding arbitration in the city of or closest to our principal place of business (currently Pittsburgh, PA) as the sole and exclusive remedy for any such controversy or dispute. The arbitrator(s) will have a minimum of five (5) years of experience in franchising or distribution law and will have the right to award specific performance of this Agreement. If the parties cannot agree upon a mutually agreeable arbitrator, then the arbitration shall be conducted as per the selection method set forth in the Pennsylvania Statutes. The proceedings will be conducted under the commercial arbitration rules of the American Arbitration Association, to the extent such rules are not inconsistent with the provisions of this arbitration provision or the Pennsylvania Statutes. The decision of the arbitrator(s) will be final and binding on all parties. This Section will survive termination or non-renewal of this Agreement under any circumstances. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction thereof. During the pendency of any arbitration proceeding, you and we shall fully perform our respective obligations under this Agreement. Except for claims excluded from mediation and arbitration herein, the arbitrator, and not any federal, state, or local court or agency, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, enforceability or formation of this Agreement including, but not limited to any claim that all or any part of this Agreement is void or voidable.

19.4 With respect to any claims, controversies or disputes which are not finally resolved through arbitration, or as otherwise provided above, you and your owners hereby irrevocably submit themselves to the jurisdiction of the state and federal courts with jurisdiction in the city where our principal place of business is located (currently Pittsburgh, PA). You and your owners hereby consent to and waive all objections to personal jurisdiction and venue for the purpose of carrying out this provision. You and your owners hereby agree that service of process may be made upon you and any of them in any proceeding relating to or arising out of this Agreement or the relationship created by this Agreement by any means allowed by applicable Pennsylvania or federal law. You and your owners agree that mandatory venue for any proceeding relating to or arising out of this Agreement shall be in the city of or closest to our principal place of business (currently Pittsburgh, PA); provided, however, with respect to any action (1) for monies owed, (2) for injunctive or other extraordinary relief or (3) involving possession or disposition of, or other relief relating to, real property, we may bring such action in any state or federal district court which has jurisdiction. With respect to all claims, controversies, disputes or actions, related to this Agreement or the relationship created thereby, this Agreement and any such related claims, controversies, disputes or actions shall be governed, enforced and interpreted under Pennsylvania law.

19.5 You, your owners and we acknowledge that the parties' agreement regarding applicable state law and forum set forth in Section 19.4 above provide each of the parties with the mutual benefit of uniform interpretation of this Agreement and any dispute arising out of this Agreement or the parties'

relationship created by this Agreement. Each of you, your owners and we further acknowledge the receipt and sufficiency of mutual consideration for such benefit and that each party's agreement regarding applicable state law and choice of forum have been negotiated in good faith and are part of the benefit of the bargain reflected by this Agreement.

19.6 You, your owners and we acknowledge that the execution of this Agreement and acceptance of the terms by the parties occurred in Allegheny County, Pennsylvania.

19.7 You, your owners and we hereby waive, to the fullest extent permitted by law, any right to or claim or any punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) against either party, their officers, directors, shareholders, partners, agents, representatives, independent contractors, servants and employees, in their corporate and individual capacities, arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agree that in the event of a dispute, either party shall be limited to the recovery of any actual damages sustained by it. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions of waiver by agreement of punitive, exemplary, incidental, indirect, special, consequential or other damages (including, without limitation, loss of profits) shall continue in full force and effect.

19.8 If we are required to enforce this Agreement in a judicial or arbitration proceeding, you shall reimburse us for our costs and expenses, including, without limitation, reasonable accountants', attorneys', attorney assistants', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses and travel and living expenses, whether incurred prior to, in preparation for or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by you to comply with this Agreement, you shall reimburse us for any of the above-listed costs and expenses incurred by us.

SECTION 20
TIMELY PERFORMANCE

You hereby acknowledge that your timely development of the TDS Businesses in the Development Territory in accordance with the Development Schedule is of material importance to us and you. You agree, as a condition of the continuance of the rights granted hereunder, to develop and open TDS Businesses within the Development Territory in accordance with the Development Schedule, to operate such TDS Businesses pursuant to the terms of the franchise agreements applicable thereto, and to maintain all such TDS Businesses in operation continuously. We agree to diligently act upon any request of or approval from you and any material delay in your ability to meet the Development Schedule which is directly caused by our failure to act diligently upon a request for approval shall not constitute a default hereunder. In the event that you are unable to comply with the Development Schedule due to act of God, strike, lock-out or other industrial disturbance, war (declared or undeclared), terrorist event, riot, epidemic, fire or other catastrophe, act of any government and any other similar cause which is beyond your control and cannot be overcome by use of normal commercial measures ("**Force Majeure**"), then upon notice to us, the Development Schedule and this Agreement shall be extended for a corresponding period, not to exceed 90 days. An event of Force Majeure does not relieve a party from liability for an obligation which arose before the occurrence of the event, nor does that event affect any obligation to pay money owed under this Agreement or any franchise agreement or to indemnify us, whether such obligation arose before or after the Force Majeure event. An event of Force Majeure shall not affect your obligations to comply with any restrictive covenants in this Agreement during or after the Force Majeure event.

SECTION 21
ACKNOWLEDGMENTS

21.1 YOU ACKNOWLEDGE THAT YOU RECEIVED THE DISCLOSURE DOCUMENT REQUIRED BY THE TRADE REGULATION RULE OF THE FEDERAL TRADE COMMISSION AT LEAST FOURTEEN (14) CALENDAR DAYS PRIOR TO THE DATE ON WHICH THIS AGREEMENT WAS EXECUTED OR ANY PAYMENT WAS MADE TO US OR OUR AFFILIATES.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, effective on the effective date specified in Attachment "A" of this Agreement.

THE DOG STOP FRANCHISING, LLC

By: _____

Name: _____

Title: _____

AREA DEVELOPER

_____

By: _____

Name: _____

Title: _____

THE DOG STOP FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

ATTACHMENT "A"

DATA SHEET

1. Effective Date. The effective date of the Area Development Agreement, set forth in the introductory Paragraph of the Area Development Agreement is: _____, 20___.

2. Area Developer. The Area Developer set forth in the introductory Paragraph of the Area Development Agreement is: _____

3. Area Developer's Principal Address: The Area Developer's principal address set forth in the introductory Paragraph of the Area Development Agreement is :

Attn: _____
_____
_____
_____

4. Notice Address. The notice address for Area Developer, as set forth in Section 13 of the Area Development Agreement is:

Attn: _____
_____
_____
_____

5. Number of TDS Businesses to be developed: _____

6. Development Fee. The Development Fee, as set forth in Section 2 of the Area Development Agreement, is as follows: _____

AREA DEVELOPER	**THE DOG STOP FRANCHISING, LLC**
_____	
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

THE DOG STOP FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

ATTACHMENT "B"

DEVELOPMENT TERRITORY

The Development Territory set forth in Section 1.1 of this Agreement shall be the geographic area described below and/or as depicted on the following map:

AREA DEVELOPER	**THE DOG STOP FRANCHISING, LLC**
_____	
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

THE DOG STOP FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

ATTACHMENT "C"

DEVELOPMENT SCHEDULE

1. The total number of TDS Businesses to be developed under this Agreement (including the Initial Business): _____.

2. The termination date of this Agreement shall be the earlier of the date the Development Schedule is complete or _____.

3. Development Schedule:

TDS Franchise	Development Period Ending Date	Franchise Agreement Execution Deadline
1		Date of execution of Area Development Agreement
2		
3		
4		
5		

AREA DEVELOPER

_____

By: _____

Name: _____

Title: _____

THE DOG STOP FRANCHISING, LLC

By: _____

Name: _____

Title: _____

THE DOG STOP FRANCHISING, LLC
AREA DEVELOPMENT AGREEMENT

ATTACHMENT "D"

STATEMENT OF OWNERSHIP

Area Developer:_____

Form of Ownership
(Check One)

____ Individual ____ Partnership ____ Corporation ____ Limited Liability Company

If a Partnership, provide name and address of each partner showing percentage owned, whether active in management, and indicate the state in which the partnership was formed.

If a Corporation, give the state and date of incorporation, the names and addresses of each officer and director, and list the names and addresses of every shareholder showing what percentage of stock is owned by each.

If a Limited Liability Company, give the state and date of formation, the name of the manager(s), and list the names and addresses of every member and the percentage of membership interest held by each member.

State and Date of Formation: _____

Management (managers, officers, board of directors, etc.):

Name	Title

Members, Stockholders, Partners*:

Name	Address	Percentage Owned

***If any members, stockholders or partners are entities, please list the owners of such entities up through the individuals**.

Use additional sheets if necessary. Any and all changes to the above information must be reported to The Dog Stop Franchising, LLC in writing.

AREA DEVELOPER

_____

By: _____

Name: _____

Title: _____

EXHIBIT E

LIST OF CURRENT AND FORMER FRANCHISEES

Current Franchisees as of December 31, 2025:

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
Edwards	LaDawn		6243 University Dr. NW	Huntsville	AL	35806	(256) 585-2623	huntsville@thedogstop.com
Weiss	Gail	LITSWD, Inc.	3557 Mary Taylor Road	Trussville	AL	35235	(205) 655-7297	trussville@thedogstop.net
Daley / Perkins	Lynn & Roosevelt		14061 Newport Ave.	Tustin	CA	92780	(949) 226-7297	tustin@thedogstop.com
Hatfield	Greg & Erin	Team Hatfield, Inc.	1130 North Newport Road	Colorado Springs	CO	80916	(719) 259-3125	coloradosprings-airport@thedogstop.com
Henry	Jim	Barks and Waggers LLC	108 Sleep Hollow Rd.	Middletown	DE	19709	(302) 376-9006	middletown@thedogstop.net
Bruster	Reginald		1175 Gulf Breeze Pkwy	Gulf Breeze	FL	32561		
Fouts	Michael & Kathryn		1080 Federal Hwy.	Stuart	FL	34994	(772) 333-3647	stuart@thedogstop.com
Johnson / Wade	Dow & Lesli		24099 US Hwy 19 N	Clearwater	FL	33763	(727) 316-5934	clearwater@thedogstop.com
Steiner	Justin	West Harvard Canine Care, LLC	1370 Oviedo Mall Blvd.	Oviedo	FL	32765	(689) 666-3089	oviedo@thedogstop.com
Plaisted / Turgeon	Fred & David	Southcoast Pet Services LLC	1965 Glynn Ave	Brunswick	GA	31520	(912) 289-1023	brunswick@thedogstop.com
Viera	Tom & Lisa	Viera Holding Company	5095 Post Road	Cumming	GA	30040	(470) 695-4512	cummingmidway@thedogstop.com
Guthrie	Jami & Alisa	Aquarius Pet, LLC	495 Lake Cook Rd.	Deerfield	IL	60015	(224) 235-4646	deerfield@thedogstop.com
Guthrie / Guigli	Jami & Daniela	Aquarius Pet 2, LLC	Townline Commons 1551 S. Lake Street	Mundelein	IL	60060	(847) 393-7403	mundelein@thedogstop.com
Page	Andrew	TDS Lakeview LLC	2627 N Western Avenue	Chicago	IL	60647	(872) 272-6685	Bucktown@thedogstop.com
Hendricks	Blake & Samantha		3168 Richmond Rd	Lexington	KY	40509	(859) 334-1587	lexingtonsouth@thedogstop.com
Boone	Trey	Dog Services of Louisiana LLC	103 Turn Row	Lafayette	LA	70508	(337) 628-2275	pinhook@thedogstop.net
Eldridge / Pack	Kristin & Darion	Fluffy Fish Corp.	1871 Staring Lane	Baton Rouge	LA	70810	(225) 376-6469	southbatonrouge@thedogstop.com
Krake	Abby	Dog Stop of Kenner, LLC	1000 West Esplanade	Kenner	LA	70065	(504) 867-7297	kenner@thedogstop.com
Krake	Abby	Dog Stop of Metairie, LLC	3201 Transcontinental	Metairie	LA	70006	(504) 457-7297	metairie@thedogstop.com
Nunez	Shawn	Southern Elite K-9	3507 Ryan Street	Lake Charles	LA	70605	(337) 656-7297	lakecharles@thedogstop.com

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
		Services, LLC						
Weinberg / Lax	David & Robert	R. Doggies, Inc.	977 Valley Rd (In The Valley Mall)	Gillette	NJ	07933	(908) 838-0991	longhill@thedogstop.com
Friedman / Moyle	Jonathan & Lani	Davenport Investors, Inc.	124 Palmer Ave	Mamaroneck	NY	10543	(914) 222-9400	mamaroneck@thedogstop.com
Rainey	Melissa	Newman Dog, LLC	399 W. State Street	Columbus	OH	43215	(614) 725-9124	franklinton@thedogstop.com
Schutter	Mary Beth		5164 Kennedy Ave.	Cincinnati	OH	45213	(513) 817-0994	cincinatti-central@thedogstop.com
Smith	Cindy		15200 SW Century Dr. #100	Sherwood	OR	97140	(503) 862-6060	sherwood@thedogstop.com
Kohn	David	2 Kids and Their Dogs, Inc.	4211 E. Park Circle	Harrisburg	PA	17111	(267) 419-7671	
Lawrence	Laura & Robert	DSUSC, LLC	1377 McLaughlin Run Rd.	Pittsburgh	PA	15241	(412) 319-7508	usc@thedogstop.com
McGreehan	JC	LEIGH CURTIS LLC	4375 Old William Penn Highway	Monroeville	PA	15146	(412) 373-3355	monroeville@thedogstop.net
Shannon / Stewart	Brian & Dean	Shannon and Stewart, LLC	207 Mansfield	Carnegie	PA	15106	(412) 548-5333	carnegie@thedogstop.com
Phillips	Breck	Golden 3 Hospitality LLC	609 9th Street S.	Nashville	TN	37206	(615) 669-0814	thegulch@barkpublic.com
St. Clair	Jamie	Knox Dogs LLC	Western Plaza 4589 Kingston Pike	Knoxville	TN	37919	(865) 226-9363	knoxville@thedogstop.com
Dishman	David & Leigh Ann	Taco Hounds, LLC	1937 W Parker Road	Plano	TX	75023	(972) 954-3068	centralplano@thedogstop.com
Dunkel / Herrera	Analaura & Adrianna	Pawsitive Purrsuits, LLC	23165 Morton Ranch Road	Katy	TX	77449	(346) 298-0969	Katy@thedogstop.com
Kuennen / Hill	Brian & Julie / Dennis & Becky		5000 Main St. Suite 25	The Colony	TX	75056	(945) 245-4364	thecolony@thedogstop.com
Patel	Zubin & Jessica	Patel Pups LLC	6941 Spring Stuebner Road, Suite 600	Spring	TX	77379	(281) 869-7697	spring@thedogstop.com
Rathert / Scheibelhut	Ryan & Karla	DSI, LLC	8135 Gateway Dr	Argyle	TX	76226	(940) 240-5555	argyle@thedogstop.com
McIntyre	Kelley	WOOF-N-PLAY ALL DAY BOARDING AND DAYCARE INC	9132 W Broad St.	Richmond	VA	23294	(804) 716-9735	westbroad@thedogstop.com

Last Name	First Name	Entity Name	Address	City	State	Zip Code	Phone	Email
Mehta	Hiral	Tyson and Friends, LLC	6001 Centreville Crest Lane	Centreville	VA	20121	(703) 719-8670	centreville@thedogstop.com
Kuchibhotla	Vinay	Kiddy K9 Klub Corporation	205 Washington Ave. N.	Kent	WA	98032	(425) 364-4603	kent@thedogstop.com
Sathappan / Mathu	Kalis & Manuu	WA Best Pets, LLC	18001 Bothell Everett Highway	Bothell	WA	98012	(425) 908-7898	bothell@thedogstop.com

Franchisees with Unopened Outlets as of December 31, 2025:

Last Name	First Name	Entity Name	Territory	City	State	Zip Code	Phone	Email
Henrikson	Mark & Sandra		Vacaville	Vacaville	CA		(707) 628-0347	mhenrikson@thedogstop.com
Herrell	Jeff	Herrell Dog Stop, Inc.	TBD #1, CO	TBD #1, CO	CO		(810) 772-9095	jherrell@thedogstop.com
Provost	Chris & Venessa		N Colorado	N Colorado	CO			cprovost@thedogstop.com
Blackwell	Michael		TBD #1 Jacksonville, FL	Jacksonville	FL		(214) 837-4867	mblackwell@thedogstop.com
Blackwell	Michael		TBD #2 Jacksonville, FL	Jacksonville	FL		(214) 837-4867	mblackwellmba@gmail.com
Fernandez	Jose Luis		Atlanta (ATL #2)	Atlanta (ATL #2)	GA		(770) 539-5216	jfernandez@thedogstop.com
Maddox	Luther & Kelley		Southern Atlanta	Southern Atlanta	GA		(404) 433-5991	bmaddox@thedogstop.com
Adams	Kyle		TBD Chicago, IL	Chicago	IL		(815) 341-4204	kadams@thedogstop.com
Ferrier / Smith	Margra & Steven & Delorean	F&S Ventures, LLC	Lexington	Lexington	KY		(859) 361-6710	mferrier@thedogstop.com
Rudover / Drobot	Eric & Mike	ERMD Enterprises, Inc.	Macomb TBD	Macomb	MI		(734) 664-3427	erudover@thedogstop.com
Boster	Micah		Westchester County	Westchester County	NY		(202) 658-8355	mboster@thedogstop.com
Friedman / Moyle	Jonathan & Lani	Davenport Investors, Inc.	TBD #2 Mamaroneck, NY	TBD #2 Mamaroneck, NY	NY			jfriedman@thedogstop.com
Gallo	Michael & Kristen	GPGG NY, Inc.	TBD Long Island	Long Island	NY		(631) 332-8380	mgallo@thedogstop.com
Mooney	Phillip & Ellen		Rockville Centre	Rockville Centre	NY		(516) 458-3780	pmooney@thedogstop.com
Prouty	Jordan	JP Holding Company, LLC	Metro Portland	Metro Portland	OR		(512) 221-6527	jprouty@thedogstop.com
Hojda	Karen & Lev	Izzy TDS LLC	Philadelphia #1	Philadelphia #1	PA		(610) 202-8479	khojda@thedogstop.com

Last Name	First Name	Entity Name	Territory	City	State	Zip Code	Phone	Email
Kohn	David	2 Kids and Their Dogs, Inc.	TBD Central PA #2	TBD Central PA #2	PA			ddkohn@thedogstop.com
Cloud	Anna		Charleston	Charleston	SC		(704) 305-1160	acloud@thedogstop.com
Kuennen / Hill	Brian & Julie / Dennis & Becky	Happy Tails of Texas, LLC	Little Elm	Little Elm	TX	75068	(530) 305-9375	bkuennen@thedogstop.com
Myers / Wiggins	Dika & John / Tammy & JW		Austin #1	Austin #1	TX		(512) 484-6972 512-536-0562 John	dmyers@thedogstop.com
Stamper	Johnise & Scott	K9 Ventures, LLC	San Antonio	San Antonio	TX			jstamper@thedogstop.com
Buttery	Chris	K9 Care, LLC	Norfolk	Norfolk	VA			cbuttery@thedogstop.com
Matsushima	Harriet	K9 Quarters, Inc.	Arlington, VA	Arlington, VA	VA		(703) 447-2052	hmatsushima@thedogstop.com

Former Franchisees:

The name and last known address of every franchisee who had a The Dog Stop Franchise transferred, terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under our Franchise Agreement during the period January 1, 2025 to December 31, 2025, or who has not communicated with us within ten weeks of the Issuance Date of this Franchise Disclosure Document are listed below. If you buy this Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

Last Name	First Name	Address	Phone	Reason
Moore / Bailey	Connor & Anne	1355 Roswell Road, Marietta, GA 30062		Terminated
Gup	Jodi	1175 Gulf Breeze Pkwy, Gulf Breeze, FL 32561		Transferred

EXHIBIT F

STATE ADDENDA
AND AGREEMENT RIDERS

STATE ADDENDA AND AGREEMENT RIDERS

ADDENDUM TO FRANCHISE AGREEMENT, SUPPLEMENTAL AGREEMENTS, AND FRANCHISE DISCLOSURE DOCUMENT FOR CERTAIN STATES FOR THE DOG STOP FRANCHISING, LLC

The following modifications are made to The Dog Stop Franchising, LLC ("**Franchisor**," "**us**," "**we**," or "**our**") Franchise Disclosure Document ("**FDD**") given to franchisee ("**Franchisee**," "**you**," or "**your**") and may supersede certain portions of the Franchise Agreement between you and us dated _____, 20___ ("**Franchise Agreement**"). When the term "**Franchisor's Choice of Law State**" is used, it means Pennsylvania. When the term "Supplemental Agreements" is used, it means Area Development Agreement.

Certain states have laws governing the franchise relationship and franchise documents. Certain states require modifications to the FDD, Franchise Agreement and other documents related to the sale of a franchise. This State-Specific Addendum ("**State Addendum**") will modify these agreements to comply with the state's laws. The terms of this State Addendum will only apply if you meet the requirements of the applicable state independently of your signing of this State Addendum. The terms of this State Addendum will override any inconsistent provision of the FDD, Franchise Agreement or any Supplemental Documents. This State Addendum only applies to the following states: California, Hawaii, Illinois, Iowa, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Ohio, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

If your state requires these modifications, you will sign this State Addendum along with the Franchise Agreement and any Supplemental Agreements.

CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

Pursuant to California Corporations Code Section

The California Franchise Investment Law requires a copy of all proposed agreements relating to the sale of the Franchise be delivered together with the FDD at least 14 DAYS PRIOR TO EXECUTION OF AGREEMENT.

Franchisees must sign a personal guaranty, making you and your spouse individually liable for your financial obligations under the agreement if you are married. The guaranty will place your and your spouse's marital and personal assets at risk, perhaps including your house, if your franchise fails.

California Corporations Code Section 31125 requires us to give to you a FDD approved by the Department of Financial Protection and Innovation before we ask you to consider a material modification of your Franchise Agreement.

The Franchise Agreement, and if applicable, the Supplemental Agreements, require binding arbitration with the costs being awarded to the prevailing party. The arbitration will occur in Pennsylvania. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil

Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement or Supplemental Agreements restricting venue to a forum outside the State of California. The Franchise Agreement, and if applicable, the Supplemental Agreements, contain a mediation provision. If so, the parties shall each bear their own costs of mediation and shall share equally the filing fee and the mediator's fees.

The Franchise Agreement and Supplemental Agreements require the application of the law of Pennsylvania. This provision may not be enforceable under California law.

Neither Franchisor nor any other person listed in Item 2 of the FDD is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Supplemental Agreements contain a provision that is inconsistent with the California Franchise Relations Act, the California Franchise Relations Act Law will control.

The Franchise Agreement and Supplemental Agreements 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 Franchise Agreement contains, and if applicable, the Supplemental Agreements contain, a covenant not to compete which extends beyond the termination of the Franchise. This provision may not be enforceable under California law.

Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable. Any such provisions contained in the Franchise Agreement or Supplemental Agreements may not be enforceable.

You must sign a general release of claims if you renew or transfer your Franchise. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The Antitrust Law Section of the Office of the California Attorney General views certain maximum and minimum price agreements as per se violations of the Cartwright Act.

Item 6 of the FDD is amended to state the highest interest rate allowed by law in California is 10% annually.

Our website, www.thedogstop.com, has not been reviewed or approved by the California Department of Financial Protection and Innovation. Any complaints concerning the content of this website may be directed to the California Department of Financial Protection and Innovation at www.dfpi.ca.gov.

Any provision of a franchise agreement, franchise disclosure document, acknowledgment, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.

(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.

(c) Reliance by a franchisee on the franchise disclosure document, including any exhibits thereto.

(d) Violations of any provisions of this division.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII

The following is added to the Cover Page:

THIS FRANCHISE WILL BE/HAS BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED IN THIS FRANCHISE DISCLOSURE DOCUMENT IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO YOU OR SUBFRANCHISOR AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY YOU OR SUBFRANCHISOR OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY YOU, WHICHEVER OCCURS FIRST, A COPY OF THE FRANCHISE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS FRANCHISE DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH US AND YOU.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

The status of the Franchisor's franchise registrations in the states which require registration is as follows:

1. States in which this proposed registration is effective are listed on the third page of the FDD on the page entitled, "State Effective Dates."

2. States which have refused, by order or otherwise, to register these Franchises are:

   None

3. States which have revoked or suspended the right to offer the Franchises are:

   None

4. States in which the proposed registration of these Franchises has been withdrawn are:

   None

ILLINOIS

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any
document executed in connection with the franchise.

The Illinois Attorney General's Office has imposed a bond requirement due to Franchisor's financial condition. This bond is on file with the Attorney General's Office.

FRANCHISOR	FRANCHISEE:
THE DOG STOP FRANCHISING, LLC	Entity name (if any)
By: _____	By: _____

Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

INDIANA

Item 8 of the FDD is amended to add the following:

> Under Indiana Code Section 23-2-2.7-1(4), we will not accept any rebates from any person with whom you do business or associate in relation to transactions between you and the other person, other than for compensation for services rendered by us, unless the rebate is properly accounted for and submitted to you.

Item 17 of the FDD is amended to add the following:

> Indiana Code 23-2-2.7-1(7) makes it unlawful for us to unilaterally terminate your Franchise Agreement unless there is a material violation of the Franchise Agreement and termination is not in bad faith.
>
> Indiana Code 23-2-2.7-1(5) prohibits us to require you to agree to a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Act.

The "Summary" column in Item 17.r. of the FDD is deleted and the following is inserted in its place:

> No competing business for two (2) years within the Territory.

The "Summary" column in Item 17.t. of the FDD is deleted and the following is inserted in its place:

> Notwithstanding anything to the contrary in this provision, you do not waive any right under the Indiana Statutes with regard to prior representations made by us.

The "Summary" column in Item 17.v. of the FDD is deleted and the following is inserted in its place:

> Litigation regarding Franchise Agreement in Indiana; other litigation in Franchisor's Choice of Law State. This language has been included in this Franchise Disclosure Document as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement, including all venue provisions, is fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

The "Summary" column in Item 17.w. of the FDD is deleted and the following is inserted in its place:

> Indiana law applies to disputes covered by Indiana franchise laws; otherwise Franchisor's Choice of Law State law applies.

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the FDD, the Franchise Agreement, or Franchisor's Choice of Law State law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the Franchise without good cause or in bad faith, good cause being defined under law as including any material breach of the Franchise Agreement, will supersede the provisions of the Franchise Agreement relating to termination for cause, to the extent those provisions may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement that would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The covenant not to compete that applies after the expiration or termination of the Franchise Agreement for any reason is hereby modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Franchise Agreement:

> No Limitation on Litigation. Despite the foregoing provisions of this Agreement, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

IOWA

Any provision in the Franchise Agreement or Compliance Questionnaire which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Iowa Business Opportunity Promotions Law (Iowa Code Ch. 551A) is void to the extent that such provision violates such law.

The following language will be added to the Franchise Agreement:

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within ten (10) business days following receipt

by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.

If you cancel, you must make available to the seller at your residence or business address, in substantially as good condition as when received, any goods delivered to you under this contract or sale; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do not agree to return the goods to the seller or if the seller does not pick them up within twenty (20) days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to The Dog Stop Franchising, LLC, 1632 William Flinn Highway, Pittsburgh, Pennsylvania 15222, or send a fax to The Dog Stop Franchising, LLC at 1-855-635-3935 not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: _____

By: _____

Print Name: _____

Its: _____

Date: _____

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENTS AND AREA DEVELOPMENT AGREEMENTS

RISK FACTORS:

Item 17 of the FDD, the Franchise Agreement and the Area Development Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD and sections of the Franchise Agreement and Area Development Agreement are amended to state: "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise."

The Franchise Agreement, Area Development Agreement and Franchise Disclosure Questionnaire are amended to state: "All representations requiring prospective franchisees to assent to a release, estoppel, or waiver of liability are not intended to, nor shall they act as, a release, estoppel, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement and the outlet is opened. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

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.).

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR	FRANCHISEE:
THE DOG STOP FRANCHISING, LLC	Entity name (if any)
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

MICHIGAN

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Any questions regarding this notice should be directed to:

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

MINNESOTA

Despite anything to the contrary in the Franchise Agreement, the following provisions will supersede and apply to all Franchises offered and sold in the State of Minnesota:

1. Any provision in the Franchise Agreement which would require you to assent to a release, assignment, novation or waiver that would relieve any person from liability imposed by Minnesota Statutes, Sections 80C.01 to 80C.22 will be void to the extent that such contractual provision violates such law.

2. Minnesota Statute Section 80C.21 and Minnesota Rule 2860.4400J prohibit the franchisor from requiring litigation to be conducted outside of Minnesota. In addition, nothing in the FDD or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of Minnesota.

3. Minn. Rule Part 2860.4400J prohibits a franchisee from waiving his rights to a jury trial or waiving his rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction, or consenting to liquidated damages, termination penalties or judgment notes. Any provision in the Franchise Agreement which would require you to waive your rights to any procedure, forum or remedies provided for by the laws of the State of Minnesota is deleted from any agreement relating to Franchises offered and sold in the State of Minnesota; provided, however, that this paragraph will not affect the obligation in the Franchise Agreement relating to arbitration.

4. With respect to Franchises governed by Minnesota law, we will comply with Minnesota Statute Section 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement; and that consent to the transfer of the Franchise will not be unreasonably withheld.

5. Item 13 of the FDD is hereby amended to state that we will protect your rights under the Franchise Agreement to use the Marks, or indemnify you from any loss, costs, or expenses arising out of any third-party claim, suit or demand regarding your use of the Marks, if your use of the Marks is in compliance with the provisions of the Franchise Agreement and our System standards.

6. Minnesota Rule 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release. As a result, the FDD and the Franchise Agreement, which require you to sign a general release prior to renewing or transferring your Franchise, are hereby deleted from the Franchise Agreement, to the extent required by Minnesota law.

7. The following language will appear as a new paragraph of the Franchise Agreement:

> No Abrogation. Pursuant to Minnesota Statutes, Section 80C.21, nothing in the dispute resolution section of this Agreement will in any way abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80.C.

8. Minnesota Statute Section 80C.17 states that no action for a violation of Minnesota Statutes, Sections 80C.01 to 80C.22 may be commenced more than three (3) years after the cause of action accrues. To the extent that the Franchise Agreement conflicts with Minnesota law, Minnesota law will prevail.

9. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

10. If you are a franchisee located in Minnesota, we are required to impound all initial franchise fees and other initial payments you make under the Franchise Agreement in a bank located in Minnesota. These funds will remain in escrow until we have completed our pre-opening obligations and your franchised business has opened for operation. The escrow agent will release the funds to us only upon written authorization from the Minnesota Department of Commerce or as otherwise permitted by Minnesota law.

NEW YORK

NEW YORK STATE ADDENDUM TO FDD

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is to be added at the end of Item 3:

Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for a franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; this proviso intends that the non- waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by a franchisee": "You may terminate the agreement on any grounds available by law."

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum," and Item 17(w), titled "Choice of law":
The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring that you sign a general release, estoppel or waiver as a condition of renewal and/or assignment may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the FDD, the Franchise Agreement, and the Supplemental Agreements relating to choice of law may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to liquidated damages and/or termination penalties may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of trial by jury may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Any sections of the FDD, the Franchise Agreement, and the Supplemental Agreements requiring you to consent to a waiver of exemplary and punitive damages may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Item 17(r) of the FDD, Article 15.4 of the Franchise Agreement and Section 13 of the Area Development Agreement disclose the existence of certain covenants restricting competition to which Franchisee must agree. The Commissioner has held that covenants restricting competition contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statue, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The FDD and the Franchise Agreement are amended accordingly to the extent required by law.

OHIO

The following language will be added to the front page of the Franchise Agreement:

You, the purchaser, may cancel this transaction at any time prior to midnight of the fifth business day after the date you sign this agreement. See the attached notice of cancellation for an explanation of this right.

Initials_____ Date_____

NOTICE OF CANCELLATION

_____ (enter date of transaction)

You may cancel this transaction, without penalty or obligation, within five (5) business days from the above date. If you cancel, any payments made by you under the agreement, and any negotiable instrument executed by you will be returned within ten (10) business days following the seller's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to the seller at your business address all goods delivered to you under this agreement; or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk. If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to the seller, or if you agree to return them to the seller and fail to do so, then you remain liable for the performance of all obligations under this agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to The Dog Stop Franchising, LLC, 1632 William Flinn Highway, Glenshaw, PA 15116, or send a fax to The Dog Stop Franchising, LLC at 1-855-635-3935 not later than midnight of the fifth business day after the Effective Date.

I hereby cancel this transaction.

Franchisee:

Date: _____

By: _____
Print Name: _____
Its: _____

RHODE ISLAND

§ 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act." The FDD, the Franchise Agreement, and the Supplemental Agreements are amended accordingly to the extent required by law.

The above language has been included in this FDD as a condition to registration. The Franchisor and the Franchisee do not agree with the above language and believe that each of the provisions of the Franchise Agreement and the Supplemental Agreements, including all choice of law provisions, are fully enforceable. The Franchisor and the Franchisee intend to fully enforce all of the provisions of the Franchise Agreement, the Supplemental Agreements, and all other documents signed by them, including but not limited to, all venue, choice-of-law, arbitration provisions and other dispute avoidance and resolution provisions and to rely on federal pre-emption under the Federal Arbitration Act.

SOUTH DAKOTA

Intentionally left blank.

VIRGINIA

Item 17(h). The following is added to Item 17(h):

> "Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the Franchise Agreement or Supplemental Agreements involve the use of undue influence by the Franchisor to induce a franchisee to surrender any rights given to franchisee under the Franchise, that provision may not be enforceable."

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the FDD for The Dog Stop Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

> Additional Disclosure. The following statements are added to Item 8 and Item 17.h.
>
> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the

franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AREA DEVELOPMENT AGREEMENT, AND RELATED AGREEMENTS

Franchisor has posted a Surety Bond in the state of Washington in the sum of One Hundred Thousand Dollars ($100,000), pursuant to Chapter 19.100 RCW of the Washington State Franchise Investment Protection Act. The Washington Attorney General's Office imposed the bond requirement due to Franchisor's financial condition.

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 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.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder 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, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

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 of the franchise.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

(Signatures on following page)

APPLICABLE ADDENDA

If any one of the preceding Addenda for specific states ("**Addenda**") is checked as an "Applicable Addenda" below, then that Addenda shall be incorporated into the Franchise Disclosure Document, Franchise Agreement and any other specified agreement(s) entered into by us and the undersigned Franchisee. To the extent any terms of an Applicable Addenda conflict with the terms of the Franchise Disclosure Document, Franchise Agreement and other specified agreement(s), the terms of the Applicable Addenda shall supersede the terms of the Franchise Agreement.

☐	California	☐	Michigan	☐	Rhode Island
☐	Hawaii	☐	Minnesota	☐	South Dakota
☐	Illinois	☐	New York	☐	Virginia
☐	Iowa	☐	North Dakota	☐	Washington
☐	Indiana	☐	Ohio	☐	Wisconsin
☐	Maryland				

Dated: _____, 20____

FRANCHISOR:

THE DOG STOP FRANCHISING, LLC

By: _____

Title: _____

FRANCHISEE:

_____

_____

By: _____

Title: _____

EXHIBIT G

FRANCHISE OPERATIONS MANUAL
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EXHIBIT H

CONTRACTS FOR USE WITH THE DOG STOP FRANCHISE

The following contracts contained in Exhibit H are contracts that Franchisee is required to utilize or execute after signing the Franchise Agreement in the operation of the TDS Business. The following are the forms of contracts that The Dog Stop Franchising, LLC uses as of the Issuance Date of this Franchise Disclosure Document. If they are marked "Sample," they are subject to change at any time.

EXHIBIT H-1

THE DOG STOP FRANCHISE

SAMPLE GENERAL RELEASE AGREEMENT

WAIVER AND RELEASE OF CLAIMS

This Waiver and Release of Claims ("Release") is made as of _____, 20___ by _____, a(n) _____ ("Franchisee"), and each individual holding a direct or indirect ownership interest in Franchisee (collectively with Franchisee, "Releasor") in favor of The Dog Stop Franchising, LLC, a Pennsylvania limited liability company ("Franchisor," and together with Releasor, the "Parties").

WHEREAS, Franchisor and Franchisee have entered into a Franchise Agreement ("Agreement") pursuant to which Franchisee was granted the right to own and operate a TDS business;

WHEREAS, [Franchisee has notified Franchisor of its desire to transfer the Agreement and all rights and obligations related thereto, or an ownership interest in Franchisee, to a transferee/enter into a successor franchise agreement/amend the Agreement] or **[the Agreement is being terminated/or indicate other reason for the requirement of this waiver and release]**, and Franchisor has consented to such **[transfer/successor franchise agreement/amendment/termination/other reason]**; and

WHEREAS, as a condition to Franchisor's consent to **[transfer the Agreement/enter into a successor franchise agreement/amend the Agreement/terminate the Agreement/other reason]**, Releasor has agreed to execute this Release upon the terms and conditions stated below.

NOW, THEREFORE, in consideration of Franchisor's consent, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, and intending to be legally bound, Releasor hereby agrees as follows:

1. Representations and Warranties. Releasor represents and warrants that it is duly authorized to enter into this Release and to perform the terms and obligations herein contained, and has not assigned, transferred, or conveyed, either voluntarily or by operation of law, any of its rights or claims against Franchisor or any of the rights, claims, or obligations being terminated and released hereunder. Each individual executing this Release on behalf of Franchisee represents and warrants that he/she is duly authorized to enter into and execute this Release on behalf of Franchisee. Releasor further represents and warrants that all individuals that currently hold a direct or indirect ownership interest in Franchisee are signatories to this Release.

2. Release. Releasor and its subsidiaries, affiliates, parents, divisions, successors and assigns, and all persons or firms claiming by, through, under, or on behalf of any or all of them, hereby release, acquit, and forever discharge Franchisor, any and all of its affiliates, parents, subsidiaries, or related companies, divisions, and partnerships, and its and their past and present officers, directors, agents, partners, shareholders, employees, representatives, successors and assigns, and attorneys, and the spouses of such individuals (collectively, the "Released Parties"), from any and all claims, liabilities, damages, expenses, actions, or causes of action which Releasor may now have or has ever had, whether known or unknown, past or present, absolute or contingent, suspected or unsuspected, of any nature whatsoever, including without limiting the generality of the foregoing, all claims, liabilities, damages, expenses, actions, or causes of action directly or indirectly

arising out of or relating to the execution and performance of the Agreement and the offer and sale of the franchise related thereto, except to the extent such liabilities are payable by the applicable indemnified party in connection with a third party claim.

3. Nondisparagement. Releasor expressly covenants and agrees not to make any false representation of facts, or to defame, disparage, discredit, or deprecate any of the Released Parties or otherwise communicate with any person or entity in a manner intending to damage any of the Released Parties, their business, or their reputation.

4. Confidentiality. Releasor agrees to hold in strictest confidence and not disclose, publish, or use the existence of, or any details relating to, this Agreement to any third party without Franchisor's express written consent, except as required by law.

5. Miscellaneous.

a. Releasor agrees that it has read and fully understands this Release and that the opportunity has been afforded to Releasor to discuss the terms and contents of said Release with legal counsel and/or that such a discussion with legal counsel has occurred.

b. This Release shall be construed and governed by the laws of the State of Pennsylvania.

c. Each individual and entity that comprises Releasor shall be jointly and severally liable for the obligations of Releasor.

d. In the event that it shall be necessary for any Party to institute legal action to enforce or for the breach of any of the terms and conditions or provisions of this Release, the prevailing Party in such action shall be entitled to recover all of its reasonable costs and attorneys' fees.

e. All of the provisions of this Release shall be binding upon and inure to the benefit of the Parties and their current and future respective directors, officers, partners, attorneys, agents, employees, shareholders, and the spouses of such individuals, successors, affiliates, and assigns. No other party shall be a third-party beneficiary to this Release.

f. This Release constitutes the entire agreement and, as such, supersedes all prior oral and written agreements or understandings between and among the Parties regarding the subject matter hereof. This Release may not be modified except in a writing signed by all of the Parties. This Release may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute but one and the same document.

g. If one or more of the provisions of this Release shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect or impair any other provision of this Release, but this Release shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.

h. Releasor agrees to do such further acts and things and to execute and deliver such additional agreements and instruments as any Released Party may reasonably require to consummate, evidence, or confirm the Release contained herein in the matter contemplated hereby.

i. This General Release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

IN WITNESS WHEREOF, Releasor has executed this Release as of the date first written above.

FRANCHISEE:

_____, a

_____

By:

Printed Name:

Title:

FRANCHISEE'S OWNERS:

Date _____

_____
Signature

_____
Typed or Printed Name

_____
Signature

_____
Typed or Printed Name

EXHIBIT H-2

THE DOG STOP FRANCHISE

SAMPLE SYSTEM PROTECTION AGREEMENT

This System Protection Agreement ("Agreement") is entered into by the undersigned ("you" or "your") in favor of The Dog Stop Franchising, LLC, a Pennsylvania limited liability company, and its successors and assigns ("us," "we" or "our"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Competitive Business" means any business that: (i) sells or offers to sell products the same as or similar to the type of products sold by you in and/or from the Franchisee Territory (including, but not limited to, the products we authorize); or (ii) provides or offers to provide services the same as or similar to the type of services sold by you in and/or from the Franchisee Territory (including, but not limited to, the services we authorize), but excludes a TDS Business operating pursuant to a franchise agreement with us.

"Copyrights" means all works and materials for which we or our affiliate have secured common law or registered copyright protection and that we allow franchisees to use, sell, or display in connection with the marketing and/or operation of a TDS Business or the solicitation or offer of a The Dog Stop franchise, whether now in existence or created in the future.

"Franchisee" means The Dog Stop franchisee for which you are a manager or officer.

"Franchisee Territory" means the territory granted to you pursuant to a franchise agreement with us.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a TDS Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our Franchise Operations Manual for the operation of a TDS Business, which may be periodically modified by us.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a TDS Business, including "THE DOG STOP," and any other trademarks, service marks, or trade names that we designate for use by a TDS Business. The term "Marks" also includes any distinctive trade dress used to identify a TDS Business, whether now in existence or hereafter created.

"Prohibited Activities" means any or all of the following: (i) owning, operating, or having any other interest (as an owner, partner, director, officer, employee, manager, consultant, shareholder, creditor, representative, agent, or in any similar capacity) in a Competitive Business (other than owning an interest of five percent (5%) or less in a publicly-traded company that is a Competitive Business); (ii) diverting or attempting to divert any business from us (or one of our affiliates or franchisees); and/or (iii) inducing or attempting to induce: (a) any of our employees or managers (or those of our affiliates or franchisees) to leave their position; or (b) any customer of ours (or of one of our affiliates or franchisees) to transfer their business to you or to any other person that is not then a franchisee of ours.

"Restricted Period" means the two-year period after you cease to be a manager, officer, employee, contractor, or other representative of Franchisee's TDS Business; provided, however, that if a court of competent jurisdiction determines that this period of time is too long to be enforceable, then the "Restricted Period" means the nine month period after you cease to be a manager, officer, employee, contractor, or other representative of Franchisee's TDS Business.

"Restricted Territory" means the geographic area within: (i) a 50-mile radius from Franchisee's TDS Business (and including the premises of the approved location of Franchisee); and (ii) a 50-mile radius from all other TDS Businesses that are operating or under construction as of the beginning of the Restricted Period; provided, however, that if a court of competent jurisdiction determines that the foregoing Restricted Territory is too broad to be enforceable, then the "Restricted Territory" means the geographic area within a 25-mile radius from Franchisee's TDS Business (and including the premises of the approved location of Franchisee).

"System" means our system for the establishment, development, operation, and management of a TDS Business, including Know-how, proprietary programs and products, Manual, and operating system.

2. Background. You are a manager or officer of Franchisee. As a result of this relationship, you may gain knowledge of our System. You understand that protecting the Intellectual Property and our System are vital to our success and that of our franchisees and that you could seriously jeopardize our entire System if you were to unfairly compete with us. In order to avoid such damage, you agree to comply with the terms of this Agreement.

3. Know-How and Intellectual Property. You agree: (i) you will not use the Know-how in any business or capacity other than the TDS Business operated by Franchisee; (ii) you will maintain the confidentiality of the Know-how at all times; (iii) you will not make unauthorized copies of documents containing any Know-how; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Know-how; and (v) you will stop using the Know-how immediately if you are no longer a manager or officer of Franchisee's TDS Business. You further agree that you will not use all or part of the Intellectual Property or all or part of the System for any purpose other than the performance of your duties for Franchisee and within the scope of your employment or other engagement with Franchisee. These restrictions on Know-how, Intellectual Property and the System shall not apply to any information which is information publicly known or becomes lawfully known in the public domain other than through a breach of this Agreement or is required or compelled by law to be disclosed, provided that you will give reasonable notice to us to allow us to seek protective or other court orders.

4. Unfair Competition During Relationship. You agree not to unfairly compete with us at any time while you are a manager or officer of Franchisee's TDS Business by engaging in any Prohibited Activities.

5. Unfair Competition After Relationship. You agree not to unfairly compete with us during the Restricted Period by engaging in any Prohibited Activities; provided, however, that the Prohibited Activity relating to having an interest in a Competitive Business will only apply with respect to a Competitive Business that is located within or provides competitive goods or services to customers who are located within the Restricted Territory. If you engage in any Prohibited Activities during the Restricted Period, then you agree that your Restricted Period will be extended by the period of time during which you were engaging in the Prohibited Activity.

6. Immediate Family Members. You acknowledge that you could circumvent the purpose of this Agreement by disclosing Know-how to an immediate family member (i.e., spouse, parent, sibling, child, grandparent or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Know-how to family members. Therefore, you agree that you will be presumed to have violated the terms of this Agreement if any

member of your immediate family: (i) engages in any Prohibited Activities during any period of time during which you are prohibited from engaging in the Prohibited Activities; or (ii) uses or discloses the Know-how. However, you may rebut this presumption only by furnishing clear and convincing evidence, including sworn affidavits from all relevant parties, conclusively showing that you did not directly or indirectly disclose the Know-how to the family member.

7. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

8. Breach. You agree that failure to comply with the terms of this Agreement will cause substantial and irreparable damage to us and/or other The Dog Stop franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of the terms of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours in the event of the entry of such injunction will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action that you may have against us, our owners or our affiliates, or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

9. Miscellaneous.

a. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorneys' fees and costs in doing so.

b. This Agreement will be governed by, construed, and enforced under the laws of Pennsylvania, and the courts in that state shall have jurisdiction over any legal proceedings arising out of this Agreement.

c. Each section of this Agreement, including each subsection and portion thereof, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms reasonable in scope, duration, and geographic area.

d. You and we both believe that the covenants in this Agreement are reasonable in terms of scope, duration, and geographic area. However, we may at any time unilaterally modify the terms of this Agreement upon written notice to you by limiting the scope of the Prohibited Activities, narrowing the definition of a Competitive Business, shortening the duration of the Restricted Period, reducing the geographic scope of the Restricted Territory, and/or reducing the scope of any other covenant imposed upon you under this Agreement to ensure that the terms and covenants in this Agreement are enforceable under applicable law.

EXECUTED on the date stated below.

Date_____ _____

Signature

_____
Typed or Printed Name

EXHIBIT H-3

THE DOG STOP FRANCHISE

SAMPLE CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement ("Agreement") is entered into by the undersigned ("you") in favor of The Dog Stop Franchising, LLC, a limited liability company, and its successors and assigns ("us"), upon the terms and conditions set forth in this Agreement.

1. Definitions. For purposes of this Agreement, the following terms have the meanings given to them below:

"Copyrights" means all works and materials for which we or our affiliate(s) have secured common law or registered copyright protection and that we allow The Dog Stop franchisees to use, sell, or display in connection with the marketing and/or operation of a TDS Business, whether now in existence or created in the future.

"Franchisee" means The Dog Stop franchisee for which you are an employee, independent contractor, agent, representative, or supplier.

"Intellectual Property" means, collectively or individually, our Marks, Copyrights, Know-how, Manual, and System.

"Know-how" means all of our trade secrets and other proprietary information relating to the development, construction, marketing, and/or operation of a TDS Business, including, but not limited to, methods, techniques, specifications, proprietary practices and procedures, policies, marketing strategies, and information comprising the System and the Manual.

"Manual" means our Franchise Operations Manual for the operation of a TDS Business.

"Marks" means the logotypes, service marks, and trademarks now or hereafter involved in the operation of a TDS Business, including "THE DOG STOP" and any other trademarks, service marks, or trade names that we designate for use by a TDS Business. The term "Marks" also includes any distinctive trade dress used to identify a TDS Business, whether now in existence or hereafter created.

"System" means our system for the establishment, development, operation, and management of a TDS Business, including Know-how, proprietary programs and products, Franchise Operations Manuals, and operating system.

"TDS Business" means a business that operates a pet care facility offering dog daycare, training, grooming, enrichment, boarding and in-home services and other related products and services using our Intellectual Property.

2. Background. You are an employee, independent contractor, agent, representative, or supplier of Franchisee. Because of this relationship, you may gain knowledge of our Intellectual Property. You understand that protecting the Intellectual Property is vital to our success and that of our franchisees, and that you could seriously jeopardize our entire Franchise System if you were to use such Intellectual Property in any way other than as described in this Agreement. In order to avoid such damage, you agree to comply with this Agreement.

3. Know-How and Intellectual Property: Nondisclosure and Ownership. You agree: (i) you will not use the Intellectual Property in any business or capacity other than for the benefit of the TDS Business operated by

Franchisee or in any way detrimental to us or to the Franchisee; (ii) you will maintain the confidentiality of the Intellectual Property at all times; (iii) you will not make unauthorized copies of documents containing any Intellectual Property; (iv) you will take such reasonable steps as we may ask of you from time to time to prevent unauthorized use or disclosure of the Intellectual Property; and (v) you will stop using the Intellectual Property immediately if you are no longer an employee, independent contractor, agent, representative, or supplier of Franchisee. You further agree that you will not use the Intellectual Property for any purpose other than the performing your duties for Franchisee and within the scope of your employment or other engagement with Franchisee.

The Intellectual Property is and shall continue to be the sole property of The Dog Stop Franchising, LLC. You hereby assign and agree to assign to us any rights you may have or may acquire in such Intellectual Property. Upon the termination of your employment or engagement with Franchisee, or at any time upon our or Franchisee's request, you will deliver to us or to Franchisee all documents and data of any nature pertaining to the Intellectual Property, and you will not take with you any documents or data or copies containing or pertaining to any Intellectual Property.

4. Immediate Family Members. You acknowledge you could circumvent the purpose of this Agreement by disclosing Intellectual Property to an immediate family member (i.e., spouse, parent, sibling, child, or grandchild). You also acknowledge that it would be difficult for us to prove whether you disclosed the Intellectual Property to family members. Therefore, you agree you will be presumed to have violated the terms of this Agreement if any member of your immediate family uses or discloses the Intellectual Property. However, you may rebut this presumption by furnishing evidence conclusively showing you did not disclose the Intellectual Property to the family member.

5. Covenants Reasonable. You acknowledge and agree that: (i) the terms of this Agreement are reasonable both in time and in scope of geographic area; and (ii) you have sufficient resources and business experience and opportunities to earn an adequate living while complying with the terms of this Agreement. **YOU HEREBY WAIVE ANY RIGHT TO CHALLENGE THE TERMS OF THIS AGREEMENT AS BEING OVERLY BROAD, UNREASONABLE, OR OTHERWISE UNENFORCEABLE.**

6. Breach. You agree that failure to comply with this Agreement will cause substantial and irreparable damage to us and/or other The Dog Stop franchisees for which there is no adequate remedy at law. Therefore, you agree that any violation of this Agreement will entitle us to injunctive relief. You agree that we may apply for such injunctive relief, without bond, but upon due notice, in addition to such further and other relief as may be available at equity or law, and the sole remedy of yours, in the event of the entry of such injunction, will be the dissolution of such injunction, if warranted, upon hearing duly held (all claims for damages by reason of the wrongful issuance of any such injunction being expressly waived hereby). If a court requires the filing of a bond notwithstanding the preceding sentence, the parties agree that the amount of the bond shall not exceed $1,000. None of the remedies available to us under this Agreement are exclusive of any other, but may be combined with others under this Agreement, or at law or in equity, including injunctive relief, specific performance, and recovery of monetary damages. Any claim, defense, or cause of action you may have against us or against Franchisee, regardless of cause or origin, cannot be used as a defense against our enforcement of this Agreement.

7. Miscellaneous.

a. Although this Agreement is entered into in favor of The Dog Stop Franchising, LLC, you understand and acknowledge that your employer/employee, independent contractor, agent, representative, or supplier relationship is with Franchisee and not with us, and for all purposes in connection with such relationship, you will look to Franchisee and not to us.

b. If we pursue legal remedies against you because you have breached this Agreement and prevail against you, you agree to pay our reasonable attorney fees, collection costs, court costs, expert witness fees, and all other expenses related to enforcement of this Agreement, plus interest at the maximum rate permitted by law on all unpaid amounts.

c. This Agreement will be governed by, construed, and enforced under the laws of Pennsylvania, without regard to conflicts of law principles. The parties agree that any legal proceedings arising out of this Agreement shall be brought exclusively in the state or federal courts located in Allegheny County, Pennsylvania. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive any defense of inconvenient forum. THE PARTIES HEREBY WAIVE THEIR RIGHT TO A JURY TRIAL IN ANY ACTION ARISING OUT OF OR RELATED TO THIS AGREEMENT.

d. Each section of this Agreement, including each subsection and portion, is severable. If any section, subsection, or portion of this Agreement is unenforceable, it shall not affect the enforceability of any other section, subsection, or portion; and each party to this Agreement agrees that the court may impose such limitations on the terms of this Agreement as it deems in its discretion necessary to make such terms enforceable.

EXECUTED on the date stated below.

Date_____ _____

Signature

_____

Typed or Printed Name

EXHIBIT H-4

AUTOMATED CLEARING HOUSE PAYMENT AUTHORIZATION FORM

FRANCHISEE INFORMATION:

Franchisee Name	Business No.
Franchisee Mailing Address (street)	Franchisee Phone No.
Franchisee Mailing Address (city, state, zip)	
Contact Name, Address and Phone number (if different from above)	
Franchisee Fax No.	Franchisee Email Address

BANK ACCOUNT INFORMATION:

Bank Name		
Bank Mailing Address (street, city, state, zip)		
Bank Account No.	☐ Checking ☐Savings (check one)	Bank Routing No. (9 digits)
Bank Mailing Address (city, state, zip)		Bank Phone No.

AUTHORIZATION:

Franchisee hereby authorizes The Dog Stop Franchising, LLC ("Franchisor") to initiate debit entries to Franchisee's account with the Bank listed above, and Franchisee authorizes the Bank to accept and to debit the amount of such entries to Franchisee's account. Each debit shall be made from time to time in an amount sufficient to cover any fees payable to Franchisor pursuant to any agreement between Franchisor and Franchisee as well as to cover any purchases of goods or services from Franchisor or any affiliate of Franchisor. Franchisee agrees to be bound by the National Automated Clearing House Association (NACHA) rules in the administration of these debit entries. Debit entries will be initiated only as authorized above. This authorization is to remain in full force and effect until Franchisor has received written notification from Franchisee of its termination in such time and in such manner as to afford Franchisor and the Bank a reasonable opportunity to act on it. Franchisee shall notify

Franchisor of any changes to any of the information contained in this authorization form at least 30 days before such change becomes effective.

Signature: _____ Date: _____
Name: _____
Its: _____
Federal Tax ID Number: _____

NOTE: FRANCHISEE MUST ATTACH A VOIDED CHECK RELATING TO THE BANK ACCOUNT

EXHIBIT H-5

THE DOG STOP FRANCHISE

SAMPLE APPROVAL OF REQUESTED ASSIGNMENT

This Approval of Requested Assignment ("**Agreement**") is entered into this _____ day of _____, 20_____, between The Dog Stop Franchising, LLC ("**Franchisor**"), a [State] [corporation/limited liability company], _____ ("**Former Franchisee**"), the undersigned owners of Former Franchisee ("**Owners**") and _____, a [State] [corporation/limited liability company] ("**New Franchisee**").

RECITALS

WHEREAS, Franchisor and Former Franchisee entered into that certain franchise agreement dated _____, 20_____ ("**Former Franchise Agreement**"), in which Franchisor granted Former Franchisee the right to operate a The Dog Stop franchise located at _____ ("**Franchised Business**"); and

WHEREAS, Former Franchisee desires to assign ("**Requested Assignment**") the Franchised Business to New Franchisee, New Franchisee desires to accept the Requested Assignment of the Franchised Business from Former Franchisee, and Franchisor desires to approve the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon the terms and conditions contained in this Agreement, including that New Franchisee sign Franchisor's current form of franchise agreement together with all exhibits and attachments thereto ("**New Franchise Agreement**"), contemporaneously herewith.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements herein contained, the parties hereto hereby covenant, promise, and agree as follows:

1. Payment of Fees. In consideration for the Requested Assignment, Former Franchisee acknowledges and agrees to pay Franchisor the Transfer Fee, as required under the Franchise Agreement ("**Franchisor's Assignment Fee**").

2. Assignment and Assumption. Former Franchisee hereby consents to assign all of its rights and delegate its duties with regard to the Former Franchise Agreement and all exhibits and attachments thereto from Former

Franchisee to New Franchisee, subject to the terms and conditions of this Agreement, and conditioned upon New Franchisee's signing the New Franchise Agreement pursuant to Section 5 of this Agreement.

3. Consent to Requested Assignment of Franchised Business. Franchisor hereby consents to the Requested Assignment of the Franchised Business from Former Franchisee to New Franchisee upon receipt of the Franchisor's Assignment Fee from Former Franchisee and the mutual execution of this Agreement by all parties. Franchisor waives its right of first refusal set forth in the Former Franchise Agreement and waives any obligation for Former Franchisee to enter into a subordination agreement pursuant to the Former Franchise Agreement.

4. Termination of Rights to the Franchised Business. The parties acknowledge and agree that effective upon the date of this Agreement, the Former Franchise Agreement shall terminate and all of Former Franchisee's rights to operate the Franchised Business are terminated and that from the date of this Agreement only New Franchisee shall have the sole right to operate the Franchised Business under the New Franchise Agreement. Former Franchisee and the undersigned Owners agree to comply with all of the covenants in the Former Franchise Agreement that expressly or by implication survive the termination, expiration, or transfer of the Former Franchise Agreement. Unless otherwise precluded by state law, Former Franchisee shall execute Franchisor's current form of General Release Agreement.

5. New Franchise Agreement. New Franchisee shall execute the New Franchise Agreement for the Franchised Business (as amended by the form of Addendum prescribed by Franchisor, if applicable), and any other required contracts for the operation of a The Dog Stop franchise as stated in Franchisor's Franchise Disclosure Document.

6. Former Franchisee's Contact Information. Former Franchisee agrees to keep Franchisor informed of its current address and telephone number at all times during the three-year period following the execution of this Agreement.

7. Acknowledgement by New Franchisee. New Franchisee acknowledges and agrees that the purchase of the rights to the Franchised Business ("**Transaction**") occurred solely between Former Franchisee and New Franchisee. New Franchisee also acknowledges and agrees that Franchisor played no role in the Transaction and that Franchisor's involvement was limited to the approval of Requested Assignment and any required actions regarding New Franchisee's signing of the New Franchise Agreement for the Franchised Business. New Franchisee agrees that any claims, disputes, or issues relating New Franchisee's acquisition of the Franchised Business from Franchisee are between New Franchisee and Former Franchisee, and shall not involve Franchisor.

8. Representation. Former Franchisee warrants and represents that it has not heretofore assigned, conveyed, or disposed of any interest in the Former Franchise Agreement or Franchised Business. New Franchisee hereby represents that it received Franchisor's Franchise Disclosure Document and did not sign the New Franchise Agreement or pay any money to Franchisor or its affiliate for a period of at least 14 calendar days after receipt of the Franchise Disclosure Document.

9. Notices. Any notices given under this Agreement shall be in writing, and if delivered by hand, or transmitted by U.S. certified mail, return receipt requested, postage prepaid, or via telegram or telefax, shall be deemed to have been given on the date so delivered or transmitted, if sent to the recipient at its address or telefax number appearing on the records of the sending party.

10. Further Actions. Former Franchisee and New Franchisee each agree to take such further actions as may be required to effectuate the terms and conditions of this Agreement, including any and all actions that may be required or contemplated by the Former Franchise Agreement.

11. Affiliates. When used in this Agreement, the term "**Affiliates**" has the meaning as given in Rule 144 under the Securities Act of 1933.

12. Miscellaneous. This Agreement may not be changed or modified except in a writing signed by all of the parties hereto. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, and all of which together shall constitute one and the same document. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

13. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal, with the intent that this be a sealed instrument, as of the day and year first above written.

FRANCHISOR:

THE DOG STOP FRANCHISING, LLC

By: _____

Printed Name: _____

Title: _____

FORMER FRANCHISEE:

_____

By: _____

Printed Name: _____

Title: _____

NEW FRANCHISEE:

_____

By: _____

Printed Name: _____

Title: _____

EXHIBIT H-6

THE DOG STOP FRANCHISE

LEASE ADDENDUM

This Addendum to Lease ("**Addendum**"), dated _____, 20___, is entered into by and between _____ ("**Landlord**"), _____ ("**Tenant**") and The Dog Stop Franchising, LLC ("**Franchisor**"), collectively referred to herein as the "**Parties**."

A. Landlord and Tenant have entered into a certain Lease Agreement dated _____, 20___, and pertaining to the premises located at _____ ("**Lease**").

B. Landlord acknowledges that Tenant intends to operate a franchised business from the leased premises ("**Premises**") pursuant to a Franchise Agreement ("**Franchise Agreement**") with Franchisor under Franchisor's trademarks and other names designated by Franchisor (herein referred to as "**Franchised Business**" or "**Franchise Business**").

C. The parties now desire to supplement the terms of the Lease in accordance with the terms and conditions contained herein.

NOW, THEREFORE, it is hereby mutually covenanted and agreed among the Parties as follows:

1. Use of the Premises. During the term of the Franchise Agreement, the Premises shall be used only for the operation of the Franchised Business.

2. Franchise System. Landlord hereby consents to Tenant's use of such proprietary marks, signs, interior and exterior décor items, color schemes and related components of the Franchised Business required by Franchisor. Tenant's use of such items shall at all times be in compliance with all applicable laws, ordinances, rules and regulations of governmental authorities having jurisdiction over the Premises.

3. Assignment. Tenant shall have the right, without further consent from Landlord, to sublease or assign all of Tenant's right, title, and interest in the Lease to an assignee of the Tenant or the Franchised Business ("**Franchise Assignee**") at any time during the term of the Lease, including any extensions or renewals thereof. In addition, if Tenant fails to timely cure any default under either the Lease or the Franchise Agreement, Franchisor or a Franchise Assignee that Franchisor designates, will, at its option, have the right, but not the obligation, to take an assignment of Tenant's interest under the Collateral Assignment of Lease or other form of assignment and assumption document reasonably acceptable to Landlord, provide such Franchise Assignee cures a default of the Lease no later than ten days following the end of Tenant's cure period. No assignment shall be effective until: (i) a Franchise Assignee gives Landlord written notice of its acceptance of the assignment and assumption of the Lease; and (ii) Tenant or the Franchise Assignee has cured all material defaults of the Lease for which it has received notice from Landlord. Nothing contained herein or in any other document shall create any obligation or liability of Franchisor, any Franchise Assignee, or guarantor thereof under the Lease unless and until the Lease is assigned to, and accepted in writing by a Franchise Assignee. In the event of any assignment or purported assignment under this Addendum, Tenant shall remain liable under the terms of the

Lease and the assignee or subtenant shall retain all of the Tenant's rights granted in the Lease including without limitation: (x) any grant of a protected territory or use exclusivity; and (y) the renewal or extension of the Lease term. With respect to any assignment proposed or consummated under this Addendum, Landlord hereby waives any rights it may have to: (A) recapture the Premises; (B) terminate the Lease; or (C) modify any terms or conditions of the Lease. If Franchisor accepts an assignment and assumes the Lease under this section, Franchisor shall have the right to further sublet or reassign the Lease to another Franchise Assignee without Landlord's consent in which event Franchisor shall be released from any obligation or liability under the Lease. As used in this Addendum, "**Franchise Assignee**" means: (i) Franchisor or Franchisor's parent, subsidiary, or affiliate; or (ii) any franchisee of Franchisor or of Franchisor's parent, subsidiary, or affiliate.

4. Default and Notice.

a. If Tenant defaults on or breaches the Lease and Landlord delivers a notice of default to Tenant, Landlord shall contemporaneously send a copy of such default notice to Franchisor. Franchisor shall have the right, but not the obligation, to cure the default during Tenant's cure period plus an additional ten day period. Franchisor will notify Landlord whether it intends to cure the default prior to the end of Tenant's cure period.

b. All notices to Franchisor shall be sent by registered or certified mail, postage prepaid, to the following address:

The Dog Stop Franchising, LLC
1632 William Flinn Highway
Glenshaw, PA 15116

Franchisor may change its address for receiving notices by giving Landlord written notice of the new address. Landlord agrees that it will notify both Tenant and Franchisor of any change in Landlord's mailing address to which notices should be sent.

c. Tenant and Landlord agree not to terminate, or materially amend the Lease during the term of the Franchise Agreement or any renewal thereof without Franchisor's prior written consent. Any attempted termination, or material amendment shall be null and void and have no effect as to Franchisor's interests thereunder; and a clause to the effect shall be included in the Lease.

5. Termination or Expiration.

a. If Franchisor does not elect to take an assignment of the Tenant's interest, Landlord will allow Franchisor to enter the Premises, without being guilty of trespass and without incurring any liability to Landlord, to remove all signs, awnings, and all other items identifying the Premises as a Franchised Business and to make other modifications (such as repainting) as are reasonably necessary to protect the Franchisor's trademarks and franchise system and to distinguish the Premises from a Franchised Business provided that Franchisor repairs any damage caused to the Premises by exercise of its rights hereunder.

b. If any Franchise Assignee purchases any assets of Tenant, Landlord shall permit such Franchise Assignee to remove all the assets being purchased, and Landlord waives any lien rights that Landlord may have on such assets.

6. Consideration; No Liability.

a. Landlord acknowledges that the Franchise Agreement requires Tenant to receive Franchisor's approval of the Lease prior to Tenant executing the Lease and that this Addendum is a material requirement for Franchisor to approve the Lease. Landlord acknowledges Tenant would not lease the Premises without this Addendum. Landlord also hereby consents to the Collateral Assignment of Lease from Tenant to Franchisor as evidenced by Attachment 1.

b. Landlord further acknowledges that Tenant is not an agent or employee of Franchisor, and Tenant has no authority or power to act for, or to create any liability on behalf of, or to in any way bind Franchisor or any Franchise Assignee, and that Landlord has entered into this with full understanding that it creates no duties, obligations, or liabilities of or against any Franchise Assignee.

7. Amendments. No amendment or variation of this Addendum shall be valid unless made in writing and signed by the Parties hereto.

8. Reaffirmation of Lease. Except as amended or modified herein, all of the terms, conditions, and covenants of the Lease shall remain in full force and effect and are incorporated herein by reference and made a part of this Agreement as though copies herein in full.

IN TESTIMONY WHEREOF, witness the signatures of the Parties hereto as of the day, month, and year first written above.

LANDLORD:	**TENANT:**
_____	_____
By: _____	By: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____

FRANCHISOR:

_____

By: _____

Printed Name: _____

Title: _____

EXHIBIT H-6 Attachment 1

ATTACHMENT 1 TO LEASE ADDENDUM

COLLATERAL ASSIGNMENT OF LEASE

FOR VALUE RECEIVED, as of the ___ day of _____, 20___ ("**Effective Date**"), the undersigned, _____ ("**Assignor**") hereby assigns, transfers and sets over unto The Dog Stop Franchising, LLC ("**Assignee**") all of Assignor's right, title, and interest as tenant, in, to and under that certain lease, a copy of which is attached hereto as **Exhibit A** ("**Lease**") with respect to the premises located at _____. This Collateral Assignment of Lease ("**Assignment**") is for collateral purposes only and except as specified herein, Assignee shall have no liability or obligation of any kind whatsoever arising from or in connection with this Assignment unless Assignee expressly assume the obligations of Assignor thereunder.

Assignor represents and warrants to Assignee that it has full power and authority to so assign the Lease and its interest therein, and that Assignor has not previously, and is not obligated to, assign or transfer any of its interest in the Lease or the premises demised thereby.

Upon a default by Assignor under the Lease or under that certain franchise agreement for a franchise between Assignee and Assignor ("**Franchise Agreement**"), or in the event of a default by Assignor under any document or instrument securing the Franchise Agreement, Assignee shall have the right and is hereby empowered, in Assignee's sole discretion, to: (i) cure Assignor's default of the Lease; (ii) take possession of the premises demised by the Lease; (iii) expel Assignor from the premises, either temporarily or permanently; (iv) terminate Assignee's rights, title, and interest in the Lease; and/or (v) assume the Lease. If Assignee expends sums to cure a default of the Lease, Assignor shall promptly reimburse Assignee for the cost incurred by Assignee in connection with such performance, together with interest thereon at the rate of two percent (2%) per month, or the highest rate allowed by law.

Assignor agrees it will not suffer or permit any surrender, termination, amendment, or modification of the Lease without the prior written consent of Assignee. Through the term of the Franchise Agreement and any renewals thereto, Assignor agrees that it shall elect and exercise all options to extend the term of or renew the Lease not less than 30 days before the last day that said option must be exercised, unless Assignee otherwise agrees in writing. Upon failure of Assignee to otherwise agree in writing, and upon failure of Assignor to so elect to extend or renew the Lease as stated herein, Assignor hereby irrevocably appoints Assignee as its true and lawful attorney-in-fact, which appointment is coupled with an interest to exercise the extension or renewal options in the name, place, and stead of Assignor for the sole purpose of effecting the extension or renewal.

(Signatures on following page)

IN WITNESS WHEREOF, Assignor and Assignee have signed this Collateral Assignment of Lease as of the Effective Date first above written.

ASSIGNOR:

_____

By: _____

Its: _____

ASSIGNEE:

By: _____

Its: _____

EXHIBIT H-7

RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT

This RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT ("Agreement") is by and between _____, a _____ ("Grantor"), and The Dog Stop Franchising, LLC, a Pennsylvania limited liability company ("Grantee"), and is effective as of the date the last party signs below.

RECITALS

A. Grantor owns real property located at _____ and legally described on Exhibit A to this Agreement (the "Property").

B. Grantor or its affiliate(s) operates or intends to operate a The Dog Stop franchise (a "Stop") on the Property pursuant a "Franchise Agreement" between Grantee (as Franchisor) and Grantor (as Franchisee).

C. The Franchise Agreement requires that Grantee approve Grantor's purchase of any real property for operation of the Stop, and this Agreement is a material condition to Grantee's approval.

Agreement

NOW, THEREFORE, in consideration of the foregoing recitals and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree that any agreement to sell, assign, transfer or otherwise dispose of all or a portion of the Property (as defined above) shall be subject to Grantee's rights under this Agreement:

1. Right of First Refusal.

a. Grantee shall have a right of first refusal to purchase the Property (or any portion identified in the Purchase Offer) upon Grantor's receipt of a written "Purchase Offer" for all or a portion of the Property from a bona fide, arm's length third-party purchaser. Grantor shall submit an exact copy of any such Purchase Offer to Grantee, fully disclosing the purchaser and purchase price, within five (5) days of receipt. Grantee shall have thirty (30) days from its receipt of the Purchase Offer to elect in writing to purchase the Property (or any portion identified in the Purchase Offer) at the same price as in the Purchase Offer (the "Exercise Period").

b. If Grantee does not timely elect to purchase the Property, Grantor may transfer the Offered Interest to the proposed purchaser, if and only if such transfer is on the same terms and conditions as the Purchase Offer and such transfer is completed within ninety (90) days of the end of the Exercise Period. If the terms of the transfer change in any way, Grantee shall have a right of first refusal to purchase the Offered Interest on the revised terms, in which case Section 1(a) shall apply. If the transfer is not completed within ninety (90) days, Grantee will again have the right of first refusal provided in Section 1(a).

c. Grantee may elect to pay the cash equivalent of any non-cash payments contemplated by the Purchase Offer.

2. Option. Grantor hereby grants Grantee the irrevocable right, privilege and option to purchase the Property upon termination, cancellation, expiration or non-renewal of the Franchise Agreement for any reason (a "Triggering Event"). Grantee shall have sixty (60) days following a Triggering Event to exercise this option by providing Grantor written notice of its intent to exercise the option. The Property shall be conveyed by Special Warranty Deed free and clear of all liens, security interests or other monetary encumbrances.

a. The purchase price will be the "Fair Market Value," which is the amount a willing buyer would pay and a willing seller would accept for a comparable transaction, both having reasonable knowledge or the relevant facts and being free from duress or coercion. The parties will consider, among other things, the nature, location, condition and quality of the Property and any improvements, and any concessions commonly being offered for comparable transactions. If the parties are unable to agree on the Fair Market Value within thirty (30) days of Grantee's written notice of intent to exercise the option, each party shall have ten (10) days to elect an independent MAI appraiser with at least five (5) years of commercial real estate experience relevant to the area where the Property is located. Each appraiser shall have thirty (30) days to submit its appraisal to each party simultaneously. If the lower appraisal is ninety percent (90%) or more of the higher appraisal, the Fair Market Value shall be the average of the two appraisals. If the lower appraisal is eighty-nine percent (89%) or less than the higher appraisal, the two independent MAI appraisers shall together appoint a third MAI appraiser with at least 5 years of commercial real estate experience relevant to the area where the Property is located, who shall have thirty (30) days to submit its appraisal to each party simultaneously. The Fair Market Value shall be the average of the closest two appraisals. Each party shall bear the costs of its selected appraiser, and if a third appraiser is needed, the parties shall split the cost of the third appraiser evenly. Each party shall bear its own attorneys' fees and fees of other advisors or consultants.

b. This Agreement shall remain in full force and effect for the Term of the Franchise Agreement (as defined therein), including any extensions or renewals.

3. Title to Property. Grantor represents and warrants that it has good and marketable fee simple title to the Property, that Grantor is duly authorized and empowered to execute and perform this Agreement, and that execution of this Agreement will not result in any breach of or default under any contract or agreement to which Grantor is a party.

4. Dispute Resolution. All disputes arising out of or in connection with this Agreement, including any disputes regarding the interpretation, validity, or enforceability of any provision of this Agreement, shall be resolved exclusively pursuant to the dispute resolution procedures outlined in the Franchise Agreement, which is incorporated herein by reference.

5. Miscellaneous.

a. All notices under this Agreement shall be given in accordance with the Franchise Agreement.

b. This Agreement can only be modified or amended by written agreement signed by both parties.

c. This Agreement shall be governed by and interpreted, construed and enforced in accordance with the laws of the State of Pennsylvania, without regard to its conflict of law principles.

d. Grantee may record this Agreement in the real property records of the county where the Property is located. Grantee may also communicate with third parties who have interests in the Property, such as lenders and other secured parties, without liability to or complaint from Grantor.

e. This Agreement may be executed in counterparts, each of which when executed shall be deemed an original, and all of which when taken together shall constitute one full and complete document. Any signature hereon may be transmitted by facsimile, email, or electronic signature, and such signature shall be valid and accepted for all purposes.

f. Grantee may assign its rights and obligations under this Agreement to a corporate affiliate, parent, subsidiary, joint venturer, or any entity in which Grantee maintains a controlling interest at any time without prior approval of Grantor. The provisions of this Agreement, including all benefits and burdens, run with the land. Each benefit and burden will inure to and be binding upon the parties and their respective heirs, executors, administrators, representatives, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date the last party signs below.

GRANTOR: **GRANTEE:**

_____, **a _____**	**THE DOG STOP FRANCHISING, LLC** **a Pennsylvania limited liability company**
Signed: _____	Signed: _____
Printed Name: _____	Printed Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

[NOTE: This form is not for use in an SBA-financed transaction.] [Signature Page to Right of First Refusal and Option Agreement]

EXHIBIT A
TO RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT
Insert legal description of property

EXHIBIT H-8

LEASEBACK AGREEMENT

This LEASEBACK AGREEMENT ("Lease") is by and among _____, a _____ ("Franchisee" or "Landlord"); The Dog Stop Franchising, LLC, a Pennsylvania limited liability company ("Franchisor"); and _____, a _____ ("Tenant"), and is effective on the date the last party signs below (the "Effective Date").

Recitals

A. Franchisee and Franchisor are parties to that certain "Franchise Agreement" dated _____ whereby Franchisor granted Franchisee a license to develop and operate a The Dog Stop Franchised Business (the "Franchise Agreement").

B. Landlord owns real property located at _____ (the "Premises") and intends to or does operate a The Dog Stop franchised business from the Premises pursuant to the Franchise Agreement.

C. The Franchise Agreement requires Franchisee to enter into this Agreement to provide certain rights to Franchisor, in exchange for Franchisor's approval of the Premises for the Stop Site (as defined in the Franchise Agreement).

D. The parties now wish to enter this Lease to establish certain rights and obligations concerning the Premises as further set forth herein.

Agreement

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

1. Definitions.

a. "Premises" – In addition to the definition above, approximately _____ square feet of space together this the parking lot and all other improvements located on the property and any and all appurtenant rights relating thereto, subject to all easements, covenants, restrictions, and other encumbrances of record.

b. "Default Rate" – An annual rate of interest equal to seven percent (7%).

2. Lease of Premises. Upon termination, expiration, or non-renewal of the Franchise Agreement, or upon Franchisor's exercise of its Right of First Refusal to purchase the Stop pursuant to Section 12.7 of the Franchise Agreement (each a "Triggering Event"), Tenant or its designee (collectively "Tenant") shall have the option to lease the Premises from Landlord on the terms provided in this Lease. Tenant shall have thirty (30) days from any Triggering event (not including the day of the Triggering Event) to provide Landlord with written notice of its intent to exercise its option. Notwithstanding anything to the contrary in this Lease, neither Tenant nor Franchisor has any liability or obligation under this Lease unless and until Tenant exercises its option to lease the Premises in writing, and Landlord delivers possession of the Premises to Tenant. Tenant's right to take possession shall not be conditioned, and Tenant

shall have no obligation to cure any default or perform or discharge any duty or liability of the prior tenant.

3. Term and Renewal Options. The Lease shall commence upon Landlord's delivery of possession of the Premises to Tenant (the "Commencement Date"), and shall continue for ten (10) years, unless earlier terminated pursuant to the terms of this Lease (the "Term"). Tenant shall have two additional five (5) year options to renew under the same terms, conditions, and covenants set forth in this Lease, and can exercise such options by providing written notice to Landlord no later than one hundred twenty (120) days prior to expiration of the Term.

4. Security Deposit. Upon mutual execution of this Lease, Tenant shall pay Landlord a security deposit equal to the first month's Base Rent (the "Security Deposit"). If, at any time during the Term, Tenant defaults under this Lease and fails to cure within any applicable cure period, Landlord may apply the Security Deposit or so much of it as is necessary to recover the past due amounts, if any, or to recoup damages incurred by Landlord by reason of Tenant's default. In such an event, upon written demand from Landlord, Tenant shall remit an amount to Landlord sufficient to restore the Security Deposit to its original amount. Landlord may commingle the Security Deposit with its other funds. The Security Deposit, less any deductions for unpaid rent or damages beyond normal wear and tear as documented by Landlord, will be refunded to Tenant within thirty (30) days of the end of the Term. If Landlord sells its interest in the Premises, Landlord shall deliver the Security Deposit to the purchaser and thereafter, Landlord shall be discharged from further liability for the Security Deposit.

5. Base Rent.

a. Tenant shall pay rent to Landlord in monthly installments, in advance, on the first day of each and every calendar month during the Term of this Lease ("Base Rent"). Base Rent shall be the then-current Market Rate (defined below) at the time Franchisor elects to assume the Lease pursuant to Section 21. For purposes of this Section 5, "Market Rate" shall be the amount a willing tenant would pay and a willing landlord would accept in the open market, at arm's length, for spaces comparable in zoning, size, quality, and build, as indicated by current rents paid for comparable spaces in the area. In order to determine "Market Rate," each party shall hire an independent, arm's length, third-party commercial real estate broker to propose a Market Rate. In the event the parties cannot agree on an appraised value from the brokers' appraisals, the two appraisers shall jointly select a third appraiser to perform his own independent appraisal and review of the prior appraisals and supporting data. The parties shall be bound to accept the independent appraisal in the following manner 1) if the value determined by the independent appraisal is equal to or exceeds the highest value of the two prior appraisals, the parties shall accept the highest value of the two original appraisals, 2) if the value determined by the independent appraisal is equal to or lower than the lowest value of the original two appraisals, the parties shall accept the lowest value of the two original appraisals, and 3) if the value of the independent appraisal is between the values of the two original appraisals, the parties shall accept the value of the independent appraisal. The cost of the independent appraiser shall be paid in equal shares by each party. Each party shall also bear the costs of its respective broker. Notwithstanding anything to the contrary, if the Market Rate is determined via the method outlined above, and such Market Rate is more than Franchisor is able or willing to pay, then Franchisor may elect not to assume the Lease and shall have thirty (30) days from the date of its election to de-identify the premises pursuant to Section 23.

b. If the Commencement Date occurs on any day other than the first day of the month, Base Rent for the first month shall be prorated for the remaining days in the calendar month.

c. Base Rent shall be paid in U.S. Dollars ("USD") at the address of Landlord set forth below, or at such other place as Landlord may designate in writing from time to time.

6. Tenant's Share of Operating Costs. In addition to Base Rent, Tenant shall pay its proportional share of the Operating Costs (defined below) in monthly installments, simultaneously with Base Rent.

a. "Operating Costs" include the annual actual costs associated with: (a) services provided directly by Landlord in connection with the operation or maintenance of the Premises (which must be billed at reasonable market rates); (b) to the extent not separately metered or billed, all charges for water and utilities furnished to the Premises as set forth in Section 8 below; (c) all market-based insurance premiums for commercial property, casualty, general liability, boiler, flood, earthquake, and all other types of insurance provided by Landlord related to the Premises; (d) all government taxes, assessments, fees, and charges (other than Landlord's income taxes), whether general, special, ordinary or extraordinary, due or assessed from time to time during the Term and any extensions thereof in connection with the ownership, leasing, or operation of the Premises (including any reasonable expenses incurred by Landlord in contesting such taxes or assessments, or the assessed value of the Premises; and (e) dues, fees, or other costs and expenses of any nature due and payable to any association that governs or controls any aspect of the ownership and operation of the Premises and to which Landlord belongs in his capacity as owner of the Premises.

b. Operating Costs do not include: (a) capital improvements; (b) costs incurred in the original construction of the Premises; (c) depreciation, interest, and principal payments on mortgages, liens, or other debts; (d) any amounts attributable to maintenance, repair, or replacement of the Premises that Tenant is not otherwise required to make in accordance with Section 15(b), (e) costs for which Landlord is reimbursed by insurance proceeds; (f) wages and benefits of any employees, agents, or contractors of Landlord; (g) the cost of structural repairs or repairs to the parking lot; (h) fines, penalties, and interest incurred as a result of Landlord's negligence, inability, or unwillingness to make payments when due; (i) any expense resulting from a violation of law by Landlord or its agents, contractors, employees or invitees; or (j) Landlord's general overheard and administrative expenses.

c. Prior to the beginning of each calendar year, Landlord shall estimate the Operating Costs for the coming calendar year, and shall deliver written notice to Tenant of its proportional share for the coming calendar year. Tenant shall pay one twelfth of the annual estimated Operating Costs each month.

d. Within ninety (90) days after the end of each calendar year, Landlord shall calculate the actual Operating Costs for the prior year and shall provide the same to Tenant together with copies of all paid receipts and invoices substantiating the same. If the amount of Operating Costs paid by Tenant was less than the actual Operating Costs paid by Landlord, Tenant shall pay the deficiency within thirty (30) days of receipt of an invoice. If the amount of Operating Costs paid by Tenant was more than the actual Operating Costs paid by Landlord, the excess shall be credited against the next month's Operating Costs. If Tenant has paid the excess in the final Lease year, Landlord shall refund the excess to Tenant within thirty (30) days of the end of the Term.

e. Tenant may dispute the calculation of Operating Costs for the prior year within ninety (90) days of receipt of Landlord's final calculation. Tenant has the right to inspect all documents, itemized receipts, statements, and accounting records used to support Landlord's calculations, and to demand an audit by a firm of independent certified public accountants. Tenant shall bear the cost of the audit unless the audit discloses an error overstating Operating Costs by two percent (2%) or more, in which case Landlord shall bear the cost of the audit. Landlord shall promptly refund any overpayment, and Tenant shall promptly remit any underpayment based on the results of the audit.

7. Late Payments. In the event monies due under this Lease are not paid within ten (10) days of their due date, a late charge equal to five percent (5%) of the delinquent installment may be imposed and shall be due within

seven (7) days of written assessment.

8. Utilities. On or before the Commencement Date, Landlord shall furnish or cause to be furnished or installed at the Premises the following services: (i) a heating and air conditioning system (HVAC), (ii) domestic running water, (iii) electricity (if not separately metered for the Premises), (iv) septic or sewer, (v) trash removal, and (vi) if applicable, snow removal. Costs for such utility expenses shall be calculated as part of Tenant's Share of the Operating Costs. Tenant shall directly contract and pay for all utilities not otherwise provided by Landlord serving the Premises, including, but not limited to gas, steam, fuel oil, electricity (if separately metered), water usage (if separately metered), and telephone and communications systems.

9. Use. Tenant is expressly permitted to keeps dogs on the Premises, and to use the Premises for dog daycare and boarding, grooming, training, the administration of medication incidental to dog daycare and boarding, and the retail sale of pet products.

10. Quiet Enjoyment. Landlord covenants and agrees that Tenant shall not be disturbed in its possession of the Premises by Landlord or any other person lawfully claiming through or under Landlord.

11. Noise and Nuisance. Any noise, odor, disturbance, or nuisance from barking dogs shall not constitute a default or grounds for termination under the Lease. So long as Tenant is in compliance with any applicable noise and nuisance laws and ordinances regulating dog kennels, Landlord shall not impose any fine, default, termination, eviction or other sanction against Tenant for any noise, disturbance, or nuisance related to barking dogs, it being acknowledged that barking is inevitable in a dog-related business.

12. Access to Premises. Landlord shall provide Tenant with 24 hours' notice if it wishes to enter the Premises for any reason, and if Landlord does need to enter, Landlord shall not endanger the safety or health of the animals on the Premises. Except in the case of emergency, Landlord and its agents shall not enter the Premises without the presence of Tenant or Tenant's agent. If Landlord's entry into the Premises interferes with Tenant's business so as to render Tenant unable to operate without significant hindrance, Base Rent shall be abated until Tenant is able to resume operations unhindered.

13. Acceptance and Landlord's Work. Except for all latent defects, defects in the original construction, and any Landlord's Work to be performed, Tenant accepts the Premises on an "AS-IS" basis. Landlord agrees to complete the items listed in Exhibit A to this Lease prior to the Commencement Date ("Landlord's Work"). Landlord shall perform and complete all Landlord's Work, if any, in a good and workmanlike manner with new, first-quality materials in compliance with all applicable laws and requirements of Franchisor. For purposes of this Section, Landlord's Work is deemed complete when Landlord has completed the work necessary to secure a certificate of occupancy, has provided Tenant with evidence of lien waivers completed by all of Landlord's contractors, and the Premises are ready for occupancy.

14. Alterations. Tenant may remodel, equip, paint, and decorate the Premises and display such proprietary marks and signs on the interior and exterior of the Premises as Tenant is required to do pursuant to The Dog Stop system requirements ("Tenant Work"). Tenant shall perform and complete all Tenant's Work in a good and workmanlike manner with new, first-quality materials in compliance with all applicable laws. Upon request by Landlord, Tenant shall provide certificates issued by applicable insurance companies evidencing that workmen's compensation, public liability, and property damage insurance are in full force and effect and maintained by all contractors engaged by Tenant to perform such work. All personal property, trade fixtures, movable fixtures, machinery, equipment, cabinet work, furniture, and

partitions owned or installed by Tenant shall remain Tenant's property and may be removed by Tenant at any time, provided Tenant repairs any damage to the Premises caused by removal. Landlord shall not take a security interest in any of Tenant's personal property, trade fixtures or Franchisor's Intellectual Property.

15. Maintenance and Repairs.

a. Landlord shall be responsible for all Landlord's Work and for maintenance, repair, and replacement of the following: roof, foundation, exterior plumbing and electric, boilers, sprinkler systems, structural walls, sky lights, parking lot, landscaping, drainage, garage doors, subfloor, piles, sewer or septic systems, and, except as provided in Section 15(b) below, the HVAC system and units. Landlord shall ensure that the Premises comply with all laws, orders, or regulations, including but not limited to the Americans with Disabilities Act, which (a) relate to the design or construction of the Premises; (b) relate to the structural portions of the Premises; or (c) may require structural alterations, changes, repairs or additions, all of which shall be Landlord's obligation at its sole cost and expense. If Landlord fails to make any repairs, restorations, or replacements required of Landlord, Tenant may, but is not obligated to, make such repairs, restorations, or replacements at the reasonable cost of Landlord, and to reduce Base Rent accordingly for the subsequent months until it has recovered all of its costs and expenses.

b. All repairs and maintenance other than those set forth in Section 15(a) above shall be made by Tenant, and Tenant agrees to maintain the Premises and all improvements, fixtures, and equipment on the Premises in good repair, including but not limited to the floors, non-structural walls, interior plumbing and electric, and windows and to keep the interior of the Premises painted and clean. Tenant shall keep the sidewalks in front of the Premises free from ice and snow, litter, and debris.

16. Mechanic's Liens. Tenant shall keep the Premises free and clear of all mechanic's liens and other liens because of Tenant's Work. Tenant shall provide Landlord with written notice of any liens filed or recorded against the Premises due to Tenant's contracts with third parties, and shall cause all such liens to be removed within ten (10) days after filing. If final judgment establishing the validity or existence of a lien is entered, Tenant shall pay and satisfy the same promptly and completely.

17. Casualty. If the Premises are damaged by fire or other casualty, Landlord shall promptly repair the damage and restore and rebuild the Premises (except Tenant's personal property). Landlord shall use its diligent, good faith efforts to make such repair or restoration promptly and in such manner as not to unreasonably interfere with Tenant's use and occupancy of the Premises. If the Premises are totally destroyed by fire or other casualty and repair or restoration would require (a) more than one hundred eighty (180) days; or (b) Landlord to spend more than eighty percent (80%) of the full insurable value of the Premises immediately prior to the casualty, Landlord and Tenant shall each have the option to terminate this Lease by advising the other in writing within ten (10) days after learning of the extent of the required repair or restoration. Additionally, if the damage is 10-79% of the full insurable value of the Premises immediately prior to the casualty, and it occurs during the last two (2) years of the Lease, each party shall also have the option to terminate this Lease by advising the other in writing within ten (10) days after learning of the extent of the required repair or restoration. Termination under this Section shall be deemed effective when the non-terminating party receives proper notice from the terminating party. Provided that any damage is not caused by Tenant or the result of acts or omissions by Tenant or its agents or invitees, Base Rent and Tenant's share of Operating Costs shall be abated to the extent of actual loss of the Premises by Tenant until the Premises are restored to their condition prior to the damage.

18. Eminent Domain. In the event the whole of the Premises shall be taken under the power of eminent domain, or sold to prevent the exercise thereof (collectively, a "Taking"), this Lease shall automatically terminate as of the date of such Taking. Base Rent and all other sums due under this Lease shall be duly apportioned as of the date of

the Taking, and Tenant shall surrender the Premises. In the event that only a portion of the Premises is subject to a Taking, Tenant may elect to reduce the scope of this Lease to the portion of the Premises that remains tenantable, in which case Base Rent, Tenant's share of Operating Costs, and all other sums due under this Lease shall be reduced proportionately, or terminate this Lease upon thirty (30) days' written notice. In the event of a Taking or conveyance, Landlord shall receive the entire award or consideration for the Premises so taken, except for any portion of the award or consideration attributable to Tenant's leasehold interest or Tenant's personal property, for which Tenant shall have the right to make a separate claim. Tenant and/or Franchisor may separately claim and recover from the condemnor: (a) the value of any respective personal property which either party was entitled to remove pursuant to this Lease, and (b) any relocation expenses that are separately awardable.

19. Indemnity.

a. Landlord hereby agrees to indemnify, defend, and hold harmless Tenant and its respective affiliates, owners, partners, members, directors, officers, invitees, successors, independent contractors, agents, employees and assigns (collectively "Tenant Indemnified Parties") from and against any and all claims, demands, expenses, actions, judgments, damages (actual, but not consequential), penalties, fines, liabilities, losses of every kind and nature, suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' reasonable fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any or all of the following: (i) the conduct or management of the Premises; (ii) Landlord's Work or any conditions created by Landlord on or about the Premises prior to the Commencement Date; (iii) any act, omission or negligence of Landlord or its agents; (iv) any accident, injury or damage occurring in, at or on the Premises caused by Landlord or its agents; (v) Landlord's breach of any warranty, representation, or covenant under this Lease; (vi) the creation or existence of any hazardous materials in, at, under or on the Premises if and to the extent brought there or caused by Landlord or its agents before, during, or after the Term; and (vii) any actual or alleged violation of any law by Landlord or its agent(s) (collectively, "Landlord's Indemnified Matters"). Landlord shall resist and defend any action or proceeding brought or threatened against Tenant or the Tenant Indemnified Parties arising from or relating to Landlord's Indemnified Matters, and shall do so through counsel reasonably satisfactory to, or selected by, Tenant. This section shall survive the expiration, termination, or non-renewal of this Lease.

b. Tenant hereby agrees to indemnify, defend, and hold harmless Landlord and its respective affiliates, owners, partners, members, directors, officers, invitees, successors, independent contractors, agents, employees and assigns (collectively "Landlord Indemnified Parties") from and against any and all claims, demands, expenses, actions, judgments, damages (actual, but not consequential), penalties, fines, liabilities, losses of every kind and nature, suits, administrative proceedings, costs and fees, including, without limitation, attorneys' and consultants' reasonable fees and expenses, and the costs of cleanup, remediation, removal and restoration, that are in any way related to any or all of the following: (i) Tenant's Work or any conditions created by Tenant on or about the Premises during the Term; (ii) any act, omission or negligence of Tenant or its agents; (iii) any accident, injury or damage occurring in, at or on the Premises caused by Tenant or its agents; (iv) Tenant's breach of any warranty, representation, or covenant under this Lease; (v) any actions necessary to protect Landlord's interest in the Premises in a bankruptcy proceeding for Tenant; and (vi) any actual or alleged violation of any law by Tenant or its agent(s) (collectively, "Tenant's Indemnified Matters"). Tenant shall resist and defend any action or proceeding brought or threatened against Landlord or the Landlord Indemnified Parties arising from or relating to Tenant's Indemnified Matters, and shall do so through counsel reasonably satisfactory to, or selected by, Landlord. This section shall survive the expiration, termination, or non-renewal of this Lease.

20. Insurance.

a. Tenant shall maintain: (i) public liability insurance for claims of personal injury, death, and property damage with minimum limits of liability of $1,000,000 combined single limit and $2,000,000 umbrella coverage; and (ii) fire and extended coverage on all of Tenant's personal property to the extent of at least 90% of their insurable value. All such policies shall name Landlord as an additional insured and shall be with insurance companies and on forms reasonably satisfactory to Landlord. Tenant shall furnish Landlord with certificates of insurance upon request, and all policies shall require thirty (30) days' written notice to Landlord and Franchisor prior to amendment or termination.

b. Landlord shall maintain: (i) public liability insurance for claims of personal injury, death, or property damage with minimum limits of liability of $1,000,000 combined single limit; and (ii) with respect to all structures and improvements on the Premises, including Landlord's Work, "all-risk" coverage to the extent of at least one hundred percent (100%) of the replacement value of the Premises and all of Landlord's personal property thereon. Such policies shall also include rental value insurance that shall provide payment of net rental and other charges due under this Lease to Landlord for at least one (1) year following a casualty, regardless of whether this Lease is terminated as a result of such casualty.

c. Landlord and Tenant mutually agree to release one another from any and all claims with respect to any loss covered (or which should have been covered) by the insurance coverages required by this Lease. They also agree that their respective insurance companies shall have no right of subrogation against the other on account thereof. This release and waiver remains effective despite either party's failure to obtain insurance. If either party fails to obtain or maintain insurance, it bears the full risk of its own loss.

21. Assignment and Subletting.

a. Landlord's Right to Assign. Landlord is entitled to sell, transfer, or assign its rights and obligations under this Lease, in whole or in part, provided the transferee assumes all of Landlord's obligations under the Lease.

b. Tenant's Right to Assign. Tenant is entitled to assign all of its right, title, and interest in the Lease to Franchisor or its successor or designated affiliate at any time during the Term or any extensions or renewals thereof, without Landlord's prior consent. Neither Franchisor nor its affiliates guarantee Tenant's performance under this Lease, and nothing contained in this Lease shall designate Franchisor or its affiliates as party to this Lease or create any duty or obligation on Franchisor or its affiliates unless and until either such party assumes the Lease in writing pursuant to this Section. After its assumption, Franchisor will observe the terms, conditions and agreements on the part of Tenant to be performed under the Lease. Tenant will remain liable for its responsibilities and obligations under the terms of the Lease including, without limitation, amounts owed to Landlord. Franchisor's right to take an assignment will not be conditioned and Franchisor will have no obligation to cure any default or to perform or discharge any duty or liability under this Lease, including, without limitation, paying any amounts owed to Landlord prior to the date of the assumption.

c. Franchisor's Right to Assign. At any time after Franchisor or its designated affiliate assumes the Lease pursuant to Section 21(b) above, Franchisor may assign the Lease to a third-party franchisee without Landlord's consent, provided such franchisee meets or exceeds Franchisor's then-current financial requirements for new or similarly situated franchisees and assumes all of Franchisor's obligations under the Lease. Upon such reassignment, Franchisor shall be fully released from its liability under this Lease.

22. Limitations on Use. During the term of the Lease, including any extensions or renewals, Landlord covenants not to allow the Premises or any other space in the building complex in which the Premises are located to be used by a person or entity who derives ten percent (10%) or more of its gross sales from the sale of dog daycare,

boarding, training, or animal grooming services, collectively or individually (the "Restricted Services"). Franchisor agrees that Landlord may lease space in the building complex to a veterinarian practice without violating this provision, provided Landlord expressly prohibits the veterinarian practice and its owners, employees, and affiliates from deriving 10% or more of its gross sales from the Restricted Services. Nothing in this section is intended to prevent the veterinarian from providing licensed professional veterinarian services or medical boarding for the needs of its clients.

23. Surrender and Holdover.

a. On the last day of the Term, or upon earlier termination of this Lease, Tenant shall quit and surrender the Premises to Landlord in "broom clean" condition. Tenant shall remove all of its personal property from the Premises and shall surrender any keys, access cards, computer codes, or other items needed to access the Premises. Landlord expressly agrees that Tenant or its designee may:

i. Remove the logo, hours of operation, and contact information from the front door and post a sign on the door regarding the closure, with then-current contact information for any questions;

ii. Remove exterior signage;

iii. Remove any item(s) bearing The Dog Stop logo, or any other trademark or proprietary symbol or copyrighted work of Franchisor or its affiliate(s), including without limitation all floor mats, logo disks, whiteboards, signage, displays, etc.;

iv. Remove all log trim in the Stop, including but not limited to trim around the front door, on the desk, around the data poles, in the lobby, and throughout the Stop;

v. Remove all: (a) lobby artwork, retail shelving, cabinets, directional signage, emergency supply boxes, dry erase boards, boarding card holders on cabins, and leash holders; (b) log furniture and shelving, and the fireplace; (c) dog beds, cots, and mats; (d) puppy playground equipment, dog pools, and toys; (e) shade sails and other shade structures; (f) cleaning supplies and dispensing systems; (g) any servers, monitors (computer, television, etc.) and software; and, (h) dog cabins (kennels) and play yard fencing (both indoor and outdoor).

vi. Prime the walls of the lobby;

vii. Significantly alter the front desk layout to remove the check in/check out areas, the gates and signs, and the data poles; and,

viii. Remove any materials that are specific to the brand, including but not limited to items such as galvanized steel or sound baffling.

ix. In the event Tenant fails to remove such items within thirty (30) days of expiration, cancellation or termination of the Lease, Landlord may dispose of the same without liability to Tenant or Franchisor.

b. If Tenant or any party claiming through Tenant remains in possession of the Premises (or any portion of it) after the termination of the Lease, and Landlord continues to accept Base Rent and Operating Cost payments, then Tenant or such party shall be deemed a month-to-month tenant on the terms and conditions of this Lease, except Base

Rent shall be one hundred ten percent (110%) of the amount of the Base Rent in the final Lease year.

24. Subordination. This Lease is subordinate to any mortgages or encumbrances that may now or hereafter affect all or any portion of the Premises and to all renewals, modifications, consolidations, replacements and extensions thereof. This clause is self-operative and no further instrument of subordination shall be required to effectuate it. However, Tenant agrees to promptly execute and deliver any certificate or other assurance of such subordination if requested. This Lease is also subordinate and subject to the terms of that certain "Right of First Refusal and Option Agreement" between Landlord and Franchisor.

25. Landlord's Representations and Warranties. Landlord represents, warrants and covenants that to the best of its knowledge, there are no (i) hazardous or toxic materials, wastes or substances ("Hazardous Materials") located in or which have been treated, stored, generated or disposed of on the Premises; (ii) violation of any state, federal or local law enacted for the protection of the environment or the safety of workers at the Premises; or (iii) present violations of applicable federal, state, or local laws or regulations, including all laws related to toxic and Hazardous Materials. Landlord further represents and warrants that: (iv) it has lawful title to the Premises; (v) it has the full right, power and authority to enter this Lease; and, (vi) the original construction on the Premises (including the parking lot) complies with all applicable laws, ordinances and regulations. Landlord covenants that the Landlord's Work shall also comply with all applicable laws, ordinances and regulations.

26. Tenant's Default. The following shall constitute a default under the Lease:

a. Tenant's failure to pay Base Rent or its portion of the Operating Costs or any other sum payable under this Lease, and failure to remedy it within ten (10) days of receipt of notice of the same;

b. Tenant's failure to perform any of the other covenants contained in this Lease and failure to cure within thirty (30) days of receipt of notice of the same (or within such time frame as may be reasonable if the default cannot reasonably be cured within thirty (30) days);

c. Entry of a court order, judgment, or decree approving a reorganization of Tenant under any bankruptcy or insolvency law or appointing a receiver, trustee or liquidator of Tenant of all or substantially all of Tenant's property, the Premises, or Tenant's interest in the Lease, or adjudicating Tenant as bankrupt or insolvent and failure by Tenant to have the judgment or decree vacated, set aside, or stayed within 90 days from the date of entry; or,

d. Tenant makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee or liquidator of Tenant of all or substantially all of Tenant's property, the Premises, or Tenant's interest in the Lease, files a petition in bankruptcy or takes advantage of any insolvency law, or admits to the material allegations in any bankruptcy, reorganization, or insolvency proceedings.

27. Landlord's Remedies. If Tenant defaults under the Lease and fails to cure within the applicable time period, then subject to Franchisor's notice and assumptions rights under the Lease, Landlord may terminate the Lease, in which case Tenant shall be liable for the Base Rent and Operating Costs accrued and unpaid as of the date of termination, plus twenty-five percent (25%) of the remainder of Base Rent for the Term. Landlord shall use commercially reasonable efforts to mitigate its damages. If Tenant fails to pay any third party as required to do pursuant to this Lease, Landlord may, but is not required to pay such third party on Tenant's behalf and deduct the same plus the Default Rate from the security deposit. No such payment shall be deemed a waiver of default nor shall it affect any other remedy Landlord may have for such default.

28. Landlord's Default and Tenant's Remedies. If Landlord fails to perform any of its covenants or obligations contained in this Lease and fails to cure within thirty (30) days of receipt of notice of the same (or within such time frame as may be reasonable if the default cannot reasonably be cured within thirty (30) days), Tenant may, at its option, cure the same on behalf of Landlord and may offset its costs and expenses in doing so plus the Default Rate from the next subsequent Base Rent payment(s) until Tenant has been paid in full. Tenant may also seek enforcement by specific performance or injunctive relief as applicable.

29. Dispute Resolution. Subject to the exceptions contained in Section 29(c), this dispute resolution provision is mandatory and applies to, governs and provides the exclusive method for resolving any and all disputes and claims relating in any manner to this Lease, its terms, or the parties' dealings with each other. This dispute resolution provision will survive the termination or expiration of the Lease (each a "Dispute").

a. Mediation. All parties involved in a Dispute shall first submit the Dispute to mediation to be administered by the American Arbitration Association under its mediation rules then in effect. The mediation shall be conducted at the offices of the American Arbitration Association in Pittsburgh, Pennsylvania, or such other location agreed on by all parties. Any party to this Agreement may initiate mediation by written request to all other parties. Each party that receives a written request for mediation must respond, in writing, within three (3) business days of receipt of the request and state unequivocally whether that party will participate in mediation. Failure to respond constitutes a waiver of the right to mediate and permits the requesting party to proceed as set forth herein. Absent rare, exceptional circumstances, the mediation shall be conducted and completed within forty-five (45) days of the written request for mediation. The parties shall participate in good faith in the entire mediation, including the mediation conference, with the intention of resolving the dispute. The parties shall each send at least one representative to the mediation conference who has authority to enter into a binding contract on that party's behalf and on behalf of all principals of that party who are required by the terms of the parties' settlement to be personally bound by it. The parties recognize and agree, however, that the mediator's recommendations shall not be binding on the parties. Completion of mediation shall be a condition precedent to initiation of an arbitration proceeding.

b. Arbitration. If the parties are unable to reach resolution of any Dispute through mediation as provided in Section 29(a) above, any Dispute shall be governed and exclusively resolved by final and binding arbitration administered by the American Arbitration Association. Subject to this Section 29(b), the right and duty of the parties to this Agreement to resolve any disputes by arbitration will be governed exclusively by the Federal Arbitration Act, and arbitration will take place according to the Commercial Arbitration Rules of the American Arbitration Association in effect as of the date the demand for arbitration is filed.

c. Exceptions to Mandatory Arbitration Requirement. Franchisor, in its sole discretion, is permitted to pursue claims in a court of competent jurisdiction located in the State of Pennsylvania that involve (a) misuse of any of The Dog Stop's intellectual property, business concepts, trade secrets, confidential information, or any issue involving injunctive relief; (b) Franchisor's enforcement of its rights under this Agreement and any agreement attached hereto; and (c) collection of any monetary obligations owed to Franchisor.

d. Arbitration Procedures.

i. *Hearing locale.* The arbitration hearing will be held at the offices of the American Arbitration Association in Pittsburgh, Pennsylvania, or such other location as the parties agree. Absent extraordinary circumstances or agreement of the parties, the hearing on the merits shall be commenced within one hundred eighty (180) days of the date the demand for arbitration (or other initiating document) is submitted to the American Arbitration Association.

ii. *Arbitrator*. The arbitration hearing will be conducted by a single arbitrator who has a minimum of five (5) years of experience in commercial real estate. The fees of the arbitrator and the American Arbitration Association will be divided equally between the parties. The arbitrator will have no authority to amend or modify the terms of this Agreement or to award any damages or remedies not available under this Agreement or applicable law. The arbitrator must apply the terms of this Agreement as written.

iii. *Award*. The arbitrator shall issue a reasoned award. The award of the arbitrator will be final and binding on the parties and may be enforced by judgment or order of the state and federal courts located in Pittsburgh, Pennsylvania.

iv. *Discovery*. The parties' written discovery rights in arbitration shall be limited to requests for production of documents (including electronically-stored information). The parties' deposition rights in arbitration shall be limited to (1) depositions of two representatives of each party not to exceed four (4) hours per deposition, and (2) depositions of experts, if any, limited to four (4) hours per deposition. Whether depositions of non-parties will be allowed will be decided by the arbitrator in his or her sole discretion. The arbitrator has the discretion to modify these discovery rights upon a showing of good cause. All discovery activities in arbitration including, but not limited to, production of documents and depositions, shall be conducted and maintained at all times as strictly confidential. Discovery information and documentation shall not be used for any purpose other than the pending arbitration action and shall not be disclosed – directly or indirectly – to any person or entity. At the conclusion of the action, a party that has produced documents may request the return of all documents previously produced, and the recipient of such request shall return all produced documents, including copies, and provide written verification that all documents have been returned to the requesting party within thirty (30) days of receipt of the request.

v. *Prevailing Party Rights*. The prevailing party in any arbitration or action in court to confirm or enforce an arbitration award shall be entitled to recover, in addition to all other remedies or damages, its reasonable attorney's fees, arbitration costs and court costs.

vi. *Collateral Estoppel.* To the extent permitted by applicable law, no issue of fact or law will be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between Franchisor and Franchisee or any person claiming through, in the right of or on behalf of Franchisee or Franchisor.

e. Franchisor's Rights. Notwithstanding any other provision in this Agreement, Franchisor shall have the right, at its sole discretion, to seek immediate injunctive relief and other equitable remedies in any court of competent jurisdiction to protect and enforce its rights relating to intellectual property, confidential information, trade secrets, trademarks, or The Dog Stop system, without first participating in mediation or arbitration and without posting any bond or security.

30. Notices. Any notice, demand, or communication concerning the Lease shall be in writing and shall be deemed delivered (a) on the date of personal delivery to the receiving party or any of its officers; (b) three days after being sent by certified mail, postage prepaid and return receipt requested; or (c) 1 business day after being sent by a nationally recognized overnight courier service. Notices shall be sent to the following addresses, which may be modified by either party at any time upon notice to the other party:

Tenant:

_____

_____
_____

Franchisor:
The Dog Stop Franchising, LLC
1632 William Flinn Highway
Glenshaw, PA 15116

Landlord:

_____
_____
_____

Landlord agrees to provide Franchisor notice of any default or termination under this Lease at the same time it provides such notice to Tenant.

31. Miscellaneous.

a. *Choice of Law and Venue*. The parties expressly consent to personal jurisdiction and venue in the State of Pennsylvania and agree that such courts will have exclusive jurisdiction over any issues not subject to arbitration. Pennsylvania law will apply without regard to any conflicts of law principles. The parties waive any right to challenge venue or jurisdiction, or to assert forum non conveniens.

b. *Counterparts*. This Lease may be executed in counterparts, each of which when executed shall be deemed an original, and all of which when taken together shall constitute one full and complete document. Any signature hereon may be transmitted by facsimile, email, or electronic signature, and such signature shall be valid and accepted for all purposes.

c. *Severability*. If any term of this Lease is held to any extent to be illegal, otherwise invalid, or unenforceable, such term shall be excluded to the extent of such invalidity or unenforceability and all other terms of this Lease shall remain in full force and effect.

d. *Failure to Act; Customs; Waiver*. Neither party's failure, neglect, or delay in enforcing or exercising any of its rights under this Lease shall affect or diminish its right to strictly enforce each provision of this Lease at any time, whether at law, in equity, for injunctive relief or specific performance, or otherwise. None of the parties' customs, usage, or practices with regard to this Lease precludes the strict enforcement of this Lease according to its terms. No waiver shall be binding unless in writing and signed by the party waiving.

e. *Entire Agreement*. This Lease, together with all exhibits, attachments, and addenda, constitutes the entire understanding and agreement between the parties and supersedes all prior understandings, whether oral or written, pertaining to this Lease or the Premises.

f. *Headings*. The headings in this Lease are for reference only, and do not define or limit the contents of the section or subsection.

g. *Time is of the Essence*. Time is of the essence with respect to every provision of this Lease.

h. *Force Majeure*. Neither party is liable for any loss or damage due to delay in performance caused by strike, lockout, or other labor relations issue; fire; riot; war; embargo; civil commotion; or act of God. In any such event, performance will be delayed only so long as the event is in progress.

i. *Further Actions*. Both parties will execute and deliver such further instruments, contracts, forms and other documents, and perform such further acts, as may be necessary or desirable to carry out, complete and perform all terms, covenants, and obligations under this Lease.

j. *Binding Effect*. This Lease is binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties.

k. *Personal Liability*. Fulfillment of Tenant's obligations is Tenant's sole responsibility, and none of Tenant's agents, representatives, employees, or individuals associated with Tenant will be personally liable to Landlord for any reason.

l. *Modifications*. This Lease can only be modified or amended by written agreement signed by both parties.

m. *Jointly Drafted*. This Lease shall be construed as if drafted jointly by all parties, and no presumptions or burdens of proof will arise in favor of any party by virtue of the fact that it was authored primarily by an attorney for one party, it being recognized that both parties have been advised to seek legal counsel prior to entering this Lease and have had the opportunity to contribute to the terms and conditions in this Lease.

n. *Brokers.* Each party represents and warrants that no brokers have negotiated this Lease or are entitled to any commission in connection with this Lease.

o. *Recording*. This Lease shall not be recorded, but at Tenant's option and expense, the parties shall execute and record a memorandum of this Lease in the Office of the Clerk and Recorder for the county in which the Premises are located.

p. *Rules and Regulations*. Landlord shall not make any rule or regulation affecting the Premises that interferes with Tenant's intended use or renders Tenant unable to conduct its business in the ordinary course without modification to the Premises or its business practices.

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the date the last party signs below.

LANDLORD	**TENANT**
_____,	**_____,**
a _____	**a _____**
Signed:	Signed:
_____	_____
Printed Name:	Printed Name:
_____	_____

Title: _____

Date: _____

Title: _____

Date: _____

EXHIBIT A

LANDLORD'S WORK

EXHIBIT I

STATE EFFECTIVE DATES

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J

RECEIPTS

RECEIPT
(Retain This Copy)

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

If The Dog Stop Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, The Dog Stop Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires The Dog Stop Franchising, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If The Dog Stop Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A. The Dog Stop Franchising, LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Jesse Coslov, 1632 William Flinn Highway, Glenshaw, PA 15116 (855) 635-3935

Issuance Date: April 30, 2026

I received a disclosure document issued April 30, 2026 that included the following exhibits:

Exhibit	A	List of State Administrators and Agents for Service of Process
Exhibit	B	Financial Statements
Exhibit	C	Franchise Agreement
Exhibit	D	Area Development Agreement
Exhibit	E	List of Current and Former Franchisees
Exhibit	F	State Addenda and Agreement Riders
Exhibit	G	Franchise Operations Manual Table of Contents
Exhibit	H	Contracts for use with The Dog Stop Franchise
Exhibit	I	State Effective Dates
Exhibit	J	Receipts

Date	Signature	Printed Name
Date	Signature	Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.

RECEIPT
(Our Copy)

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Date	Signature	Printed Name
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to The Dog Stop Franchising, LLC, 1632 William Flinn Highway, Glenshaw, Pennsylvania 15116.