

## FRANCHISE DISCLOSURE DOCUMENT



### **Camp Bow Wow Franchising, Inc.**

a Delaware corporation

7577 West 103<sup>rd</sup> Avenue, Unit 209

Westminster, Colorado 80021

877-700-BARK

[www.campbowwow.com](http://www.campbowwow.com)

[franchisesales@cbwcorp.com](mailto:franchisesales@cbwcorp.com)

Camp Bow Wow Franchising, Inc. franchises the right to operate “CAMP BOW WOW®” businesses offering specialized pet care services through fixed store locations and mobile units, the retail sale of pet food and merchandise, and related services and products.

The total investment necessary to begin operation of a Camp Bow Wow franchised business ranges from \$954,606 to \$1,229,536. This total investment includes \$55,000 that must be paid to Franchisor or its affiliates. The total investment necessary to begin operation of a Conversion Franchise is \$70,846 to \$406,715, which includes \$50,000 that must be paid to Franchisor or its affiliates.

If you enter into a Multi-Unit Development Agreement, you must establish and operate three (3) Camp Bow Wow franchised businesses according to a development schedule and pay us a development fee of \$125,000. The total investment necessary to begin operation of Camp Bow Wow franchises under a Multi-Unit Development Agreement ranges from \$1,029,606 to \$1,304,536, which includes \$125,000 that must be paid to Franchisor or its affiliates.

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact the Franchise Sales Department, at Camp Bow Wow Franchising, Inc., c/o Propelled Brands Franchising, LLC, 2542 Highlander Way, Carrollton, Texas 75006, telephone (877) 700-BARK, or [www.campbowwow.com](http://www.campbowwow.com).

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 contracts carefully. Show your contracts and this Disclosure Document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this Disclosure Document can help you make up your mind. More information on franchising, like “A Consumer’s Guide to Buying a Franchise,” which can help you understand how to use this Disclosure Document is available through 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](http://www.ftc.gov) for additional information on franchising. 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. You may ask your state agencies about them.

Issuance Date: May 1, 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:

<b>QUESTION</b>	<b>WHERE TO FIND INFORMATION</b>
<b>How much can I earn?</b>	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.
<b>How much will I need to invest?</b>	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.
<b>Does the franchisor have the financial ability to provide support to my business?</b>	Item 21 or Exhibit C includes financial statements. Review these statements carefully.
<b>Is the franchise system stable, growing, or shrinking?</b>	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
<b>Will my business be the only Camp Bow Wow® business in my area?</b>	Item 12 and the “territory” provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
<b>Does the franchisor have a troubled legal history?</b>	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
<b>What’s it like to be a Camp Bow Wow® franchisee?</b>	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
<b>What else should I know?</b>	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 requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. 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 Texas than in your own state.
2. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate the business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices 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 franchise business.
3. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Spousal Liability.** Your spouse may have legal rights in your assets (such as community property rights or other similar interests)—even if they have no ownership interest in the franchise and, in most instances, no direct ownership in your assets—may be required to sign a document making them jointly and severally liable for all financial obligations under the Franchise Agreement. This guarantee may place your and such individual’s marital, community, and personal assets—potentially including your residence—at risk if your franchise fails.
5. **Unregistered Trademark.** The primary trademark that you will use in your business is not federally registered. If the franchisor’s right to use this trademark in your area is challenged, you may have to identify your business and its products or services with a name that differs from that used by other franchisees or the franchisor. This change can be expensive and may reduce brand recognition of the products or services you offer.
6. **Unopened Franchises.** The Franchisor has signed a number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you 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.

## 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 are 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 a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise before the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation is 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 such 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 the Department of Attorney General, State of Michigan, 670 Williams Building, Lansing, Michigan 48909, 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:**

<u>Exhibit A:</u>	List of State Agencies and Agents for Service of Process
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<u>Exhibit C:</u>	Financial Statements
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<u>Exhibit E:</u>	List of Franchisees and Former Franchisees
<u>Exhibit F:</u>	State-Specific Addenda to the Disclosure Document
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<u>Exhibit H:</u>	Multi-Unit Development Agreement
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**ITEM 1.**  
**THE FRANCHISOR AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

To simplify the language in this Franchise Disclosure Document (“Disclosure Document”), “Camp Bow Wow Franchising, Inc.,” “CBW,” “us” or “we” means Camp Bow Wow Franchising, Inc., the Franchisor. “You” means the person who buys a Camp Bow Wow® franchised business and includes your owners if you are a business entity.

The Franchisor

Camp Bow Wow Franchising, Inc. is a Delaware corporation formed on July 24, 2014. Our principal place of business is 7577 West 103<sup>rd</sup> Avenue, Unit 209, Westminster, Colorado 80021, telephone is (877) 700-2275 and email address is franchisesales@cbwcorp.com. We began offering and selling franchises in August 2014.

Franchisor’s Business Experience and Predecessors

We acquired one hundred percent of the equity interests of our predecessor D.O.G. Development LLC (“D.O.G. Development”) on August 16, 2014. On August 16, 2014, D.O.G. Development was merged with and into Camp Bow Wow Franchising, Inc. D.O.G. Development’s principal place of business was 8820 W. 116th Circle, Unit D, Broomfield, Colorado 80021.

In 2003, our predecessor began operating as Camp Bow Wow Branding, LLC; in September 2004, our predecessor changed its name to D.O.G. Development.

In addition to offering CBW Franchises, our predecessor previously offered separate Home Buddies Franchises from 2008 through 2012. Home Buddies Franchises provide In-Home Services. Home Buddies Franchises cannot provide Camp Services and, except for those grandfathered in prior to the date of this Disclosure Document, cannot provide dog training services.

All new CBW Franchises are provided the opportunity to offer all Camp Services, as defined below, for their franchise. Unless otherwise agreed in writing, you will be required to provide all Camp Services.

Except as stated above, we do not engage in any other business activities and have not offered franchises in any other line of business. Our agents for service of process are disclosed in Exhibit A to this Disclosure Document.

Parents and Affiliates

On January 31, 2024, Propelled Brands Franchising, LLC (“Propelled Brands”) acquired all of the equity interests in us from Vicar Operating, Inc., a wholly-owned subsidiary of Mars Incorporated. As a result of this transaction, our parent is Propelled Brands, a Delaware limited liability company formed on December 28, 2021, with a principal place of business at 2542 Highlander Way, Carrollton, Texas 75006. Propelled Brands Holdings, Inc. (“PBHI”), a Delaware corporation with a principal place of business at 2542 Highlander Way, Carrollton, Texas 75006-2333, is our ultimate corporate parent. PBHI is owned by funds controlled separately by LightBay Capital, a private equity firm located at 11601 Wilshire Boulevard, Suite 2150, Los Angeles, CA 90025 and Freeman Spogli & Co., a private equity firm located at 11100 Santa Monica Boulevard, Suite 1900, Los Angeles, CA 90025.

As of the date of this Disclosure Document, we are affiliated with the franchise programs listed below through common control with LightBay Capital and Freeman Spogli & Co. None of these affiliates have offered franchises in any line of business other than as listed below, and none of them have conducted a business similar to the Camp Bow Wow® franchise that you will operate:

FASTSIGNS International, Inc., a Texas corporation, which is the franchisor of FASTSIGNS®-branded businesses that specialize in selling, marketing, producing, installing, and repairing visual communications, including signs. As of December 31, 2025, there were 710 franchised FASTSIGNS centers operating in the United States and 83 franchised centers operating internationally.

Suite Management Franchising, LLC (“SMF”), a Florida limited liability company, the franchisor for My Salon Suite® (“My Salon Suite”) franchises, which offer turnkey salon suite studios and related services in a luxury environment to salon professionals where such salon professionals can provide health and beauty services to their respective clients). As of December 31, 2025, there were 320 franchised and 51 company-owned or affiliate owned My Salon Suite businesses in operation in the United States, and there was one franchised My Salon Suite business in operation in Canada.

The Boardroom Salon Company, LLC and KLPS, LLC, both of which are Texas limited liability companies located at 2271 E. Continental Boulevard, Suite 100, Southlake, Texas 76092. KLPS, LLC is the franchisor of Boardroom Salon franchises. As of December 31, 2025, there were 6 franchised Boardroom Salons operating in the United States.

Since July 2016, Freeman Spogli & Co, through its affiliates, has owned a majority interest in Batteries Plus, LLC, the franchisor for Batteries Plus stores. As of December 31, 2025, there were 601 franchised Batteries Plus stores, 594 of which were in the United States and 7 in Puerto Rico. Batteries Plus, LLC had 737 total stores as of December 31, 2025, including 133 company-owned and operated stores.

Since September 2024, Freeman Spogli & Co, through its affiliate, has owned a majority interest in VIO Franchise Group, LLC, the franchisor of VIO Med Spa. As of December 31, 2025, there were 62 franchised VIO Med Spa locations, all of which were in the United States. VIO Med Spa had 64 total stores as of December 31, 2025 including 2 company-owned and operated stores.

The Camp Franchise

We have developed a unique system for establishing, operating and promoting businesses offering a variety of pet care services and products under the “Camp Bow Wow” trademark (collectively, the “Franchised Business” or “Camp”, or if referring to Camp Bow Wow’s franchise network, the “Franchised Businesses”). We offer the right to operate CBW Franchises which must offer the following services: dog boarding, dog day care, enrichment, and certain dog grooming services at a specially designed pet care facility (collectively, “Camp Services”).

<p>“Camp Services”</p> <p>We market Camp Services as “Camp Bow Wow®”</p>	<p>Providing dog boarding, dog day care, enrichment, and certain dog grooming services (full-service dog grooming and certain pre-approved dog training services are optional) at a pet care facility meeting our design and appearance requirements and at a location that we approve of in advance, which we refer to in this Disclosure Document as the “Camp Site.”</p>
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We regard full-service dog grooming and certain pre-approved dog training services as optional Camp Services. In our experience, we and our franchisees that have chosen to offer full-service dog grooming services do so through independent contractors who own their own grooming equipment and already possess requisite insurance, licenses and bonds. You are solely responsible for making classification decisions and determining that your groomer may be properly classified as an independent contractor and has the appropriate experience, licenses, insurance and equipment to perform grooming services consistent with our standards in the Operations Manuals. You may choose to perform dog training services through employees or independent contractors whom you hire or retain who meet certain minimum experience and training requirements that we identify in the Operations Manuals. If you choose to retain independent contractors, you are solely responsible for properly classifying them as independent contractors based on your level of control and other legal tests under applicable law.

Some Franchised Businesses also provide optional Bark ‘n Ride shuttle services. To offer optional Bark ‘N Ride shuttle services, you must have a vehicle meeting our then-current safety and branding specifications. At this time, we are not aware of any special licenses that your personnel will need to provide Bark ‘n Ride shuttle services other than a valid driver’s license.

Other than materials regarding brand standards that we provide to dog trainers, we do not offer special training instruction or materials in the services that we identify as optional. However, before you may offer optional services, you must be in compliance with your obligations under the Franchise Agreement and you must obtain approval from us, in writing. You must also follow the Operations Manuals with regard to the optional services.

Your CBW Franchised Business must provide all Camp Services unless we and you have agreed in writing that you are not required to do so.

You will provide the Camp Services from a premises (“Camp Site”) within the Authorized Territory as may be mutually agreed upon between the parties in writing (defined below in Item 12). Currently, as disclosed in Item 7, the Camp Site for your CBW Franchise will include approximately 6,000 square feet of space. Except as otherwise noted in this Disclosure Document or the Franchise Agreement, you must provide the Camp Services upon the earlier of (i) your receipt of a certificate from us notifying you to begin providing the Camp Services, or (ii) within 18 months of the Effective Date of your Franchise Agreement (the “Operations Deadline”).

Each CBW Franchise operates according to our proprietary business system, the characteristics of which include: (a) requirements, standards and specifications for providing Camp Services, and other goods and services authorized for sale by us; (b) standards and specifications for equipment, furniture, fixtures, interior and exterior design, decor and color schemes, and the general layout of a Camp Site; (c) sales techniques; (d) branding standards and requirements, (e) promotion, marketing and advertising methodologies, and (f) other general operating procedures (collectively, the “System”). We may modify the System at any time.

The System is identified by and includes certain trade names, service marks, trademarks, logos, emblems, trade dress, and indicia of origin, including the CAMP BOW WOW® mark and any other trademarks we may now or in the future designate in writing for use with the System (collectively, the “Marks”).

You must operate your CBW Franchise according to our System and sign our standard Camp Bow Wow® franchise agreement (“Franchise Agreement”). The Franchise Agreement provides you with the right and obligation to operate a CBW Franchise and provide the Camp Services from within a single Authorized Territory.

### Multi-Unit Developers

If you qualify, we may offer you the right to operate more than one CBW Franchise in a designated development area pursuant to our Multi-Unit Development Agreement, attached to this Disclosure Document as Exhibit H (the “Multi-Unit Development Agreement”). Under the Multi-Unit Development Agreement, you agree to open three (3) CBW Franchises within a particular territory according to a development schedule. The development schedule is determined at the time you sign the Multi-Unit Development Agreement. For each CBW Franchise under the Multi-Unit Development Agreement, you will be required to sign the then-current Franchise Agreement.

### Market and Competition

The market for pet care in general is growing. However, market growth is affected by general economic conditions, tight credit markets, restrictive business lending conditions, unemployment levels which may affect the extent of discretionary spending by consumers, and the presence of competition. As a result of the current economic climate, there may be additional unforeseen changes in the economy or our industry that may impact your business.

The pet care industry is continually changing and evolving. You will compete directly with other local franchises and businesses that sell and offer pet care services from retail locations or mobile units, such as dog day care, overnight boarding and mobile pet care, in-home pet care providers, groomers, trainers, walkers, and retail businesses that sell pet food and merchandise. You will also face normal business risks that could have an adverse effect on your CBW Franchise. The success of your business will be dependent on your entrepreneurial abilities and focus on customer service. CBW Franchises operate year-round but may experience seasonal fluctuations in customer demand.

### Industry-Specific Regulations

CBW Franchises are subject to various federal, state and local laws and regulations applicable to providing Camp Services, dog training services and other authorized products and services, including but not limited to: data privacy laws, zoning and construction laws, public accommodations laws, kennel and pet sitting licensing laws, grooming laws, noise ordinances, bonding requirements, health and safety laws, hazardous waste and environmental laws, fire codes, smoking rules, employment and workers’ compensation laws, federal, state and local tax laws, the Occupational Safety and Health Act, the Americans with Disabilities Act, and related laws and regulations. You may need to obtain a zoning variance or similar entitlement when you obtain a Camp Site. You may also need to obtain a license or permit to provide grooming services or dog training services.

You must investigate all applicable federal, state, and local laws and regulations, and your cost to comply with these laws and regulations, with an attorney, financial advisor or both before purchasing a CBW Franchise from us. Applicable laws and regulations are subject to change.

## **ITEM 2. BUSINESS EXPERIENCE**

### Chief Executive Officer and Director: Catherine Monson, CFE

Ms. Monson has been our Chief Executive Officer since January 2024, located in Carrollton, Texas. Ms. Monson also currently serves as Chief Executive Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, since January 2021; Chief Executive Officer of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, since June 2021; and Chief Executive Officer and Director of our affiliate FASTSIGNS International, Inc., located in Carrollton, TX, since January 2009. Ms. Monson previously served as Chief Executive Officer of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from September 2020 until July 2025. Since February 2008, Ms. Monson has served on the Board of Directors and as Chair of the International Franchise Association, working from her residence located in Plano, Texas. Since March 2019, she also serves on the Board of Directors for Big Blue Swim School and Brain Balance, in both cases working remotely from her residence in Plano, Texas.

### Chief Development Officer: Mark Jameson, CFE

Mr. Jameson has been our Chief Development Officer since January 2024, located in Carrollton, Texas. Mr. Jameson also currently serves as Chief Development Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, since October 2022; Chief Development Officer of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, since October 2022; and Chief Development Officer of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas, since October 2022. Mr. Jameson previously served as Chief Development Officer of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from October 2022 until July 2025. Mr. Jameson previously served as Chief Support and Development Officer for Propelled Brands Franchising, LLC, located in Carrollton, Texas, from December 2021 until September 2022, for Suite Management Franchising, LLC, located in Carrollton, Texas, from June 2021 until September 2022, for FASTSIGNS International, Inc., located in Carrollton, Texas, from September 2020 until September 2022, and for GTN Capital Group, LLC, located in Carrollton, Texas, from September 2020 until September 2022.

### Chief Operating Officer: Vera Peterson

Ms. Peterson has served as our Chief Operating Officer since October 2025, located in Carrollton, Texas. Since October 2025, Ms. Peterson has also served as Chief Operating Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, and of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. From March 2023 until September 2025, Ms. Peterson served as the Group President for Dwyer Franchising LLC's (d/b/a Neighborly) eight "Maintain Brands" (including Window Genie, Mr. Handyman, Mosquito Joe, Molly Maid, Junk King, Dryer Vent Wizard, Glass Doctor, and Lawn Pride) located in Waco, Texas. From March 2021 until March 2023, Ms. Peterson was the President of Molly Maid SPV LLC (and from September 2020 until March 2021, Molly Maid's predecessor, Molly Maid, LLC), located in Waco, Texas.

#### Chief Financial Officer: Jason White

Mr. White has been our Chief Financial Officer since January 2024, located in Carrollton, Texas. Since June 2023, Mr. White has also served as Chief Financial Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas; of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas; and of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. Mr. White previously served as Chief Financial Officer of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from June 2023 until July 2025. From April 2022 until June 2023, Mr. White served as Chief Operating Officer of Pentax Medical, located in Lewisville, Texas. From October 2021 until April 2022, Mr. White was Financial Consultant for Pentax Medical, located in Lewisville, Texas. From April 2015 until October 2021, Mr. White served as Chief Financial Officer of Hoya Vision Care, located in Lewisville, Texas.

#### Chief Marketing Officer: Jennifer Herskind

Ms. Herskind has been our Chief Marketing Officer since January 2024, located in Carrollton, Texas. Ms. Herskind also currently serves as Chief Marketing Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, since December 2021; Chief Marketing Officer of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, since June 2021; and Chief Marketing Officer of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas, since September 2019. Ms. Herskind previously served as Chief Marketing Officer of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from September 2020 until July 2025.

#### Chief Information Officer: Michael Chachula

Mr. Chachula has served as our Chief Information Officer since February 2025, located in Carrollton, Texas. Since February 2025, Mr. Chachula has also served as Chief Information Officer of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, and of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. Mr. Chachula previously served as Chief Information Officer of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from February 2025 until July 2025. From April 2022 until January 2025, Mr. Chachula served as Chief Information Officer for FAT Brands, Inc., located in Beverly Hills, California. From March 2021 until March 2022, Mr. Chachula was the Head of Digital Technology and Revenue Growth of Coffee Bean & Tea Leaf, located in Hollywood, California.

#### General Counsel: Jennifer Rote

Ms. Rote has served as our General Counsel since January 2025, located in Carrollton, Texas. Since January 2025, Ms. Rote has also served as General Counsel of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, and of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. Ms. Rote previously served as General Counsel of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from January 2025 until July 2025. From October 2024 until December 2024, Ms. Rote served as Legal Consultant for Sugarloaf TGIF Management, LLC, working from her residence

located in Prosper, Texas. From May 2017 until September 2024, Ms. Rote served as Senior Vice President and General Counsel for TGI Friday's Inc., and affiliated entities, located in Dallas, Texas.

President: Julie Turner

Ms. Turner has served as our President since August 2019, located in Westminster, Colorado. From September 2014 until August 2019, Ms. Turner served as our Vice President of Marketing, located in Westminster, Colorado.

Vice President of Field Operations: Jeremy Tebo

Mr. Tebo has been our Vice President of Field Operations since October 2024, located in Westminster, Colorado. From August 2024 until September 2024, Mr. Tebo was unemployed located in Bailey, Colorado. From January 2021 until July 2024, Mr. Tebo served as Vice President of Corporate Operations for Radiance Holdings, LLC, located in Lakewood, Colorado.

Vice President of Design and Construction: Derald Shane Harvey, CFE

Mr. Harvey has served as our Vice President of Design and Construction since January 2024, located in Carrollton, Texas. Since October 2023, Mr. Harvey has also served as Vice President of Design and Construction of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas; Vice President of Design and Construction of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas; and Vice President of Design and Construction of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. Mr. Harvey previously served as Vice President of Design and Construction of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from October 2023 until July 2025. From January 2020 until September 2023, Mr. Harvey served as Senior Director of Development of Foursite Consulting, LLC, located in Midlothian, Texas.

Vice President of Franchise Development: Scott Krupa, CFE

Mr. Krupa has served as our Vice President of Franchise Development since January 2024, located in Carrollton, Texas. Mr. Krupa also currently serves as Vice President of Franchise Development of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas, since January 2022; Vice President of Franchise Development of our affiliate Suite Management Franchising, LLC, located in Carrollton, Texas, since April 2022; and Vice President of Franchise Development of our affiliate FASTSIGNS International, Inc., with whom he has been affiliated since March 2015, located in Carrollton, Texas, since January 2022. Mr. Krupa previously served as Vice President of Franchise Development of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from January 2022 until July 2025. From February 2021 until December 2021, Mr. Krupa served as Assistant Vice President of Franchise Development of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas, and of our former affiliate GTN Capital Group, LLC, located in Carrollton, Texas.

Senior Director of Real Estate: Holland B. Burton, CFE

Ms. Burton has served as our Senior Director of Real Estate since June 2024, located in Carrollton, Texas. Since June 2024, Ms. Burton has also served as Senior Director of Real Estate of our parent company Propelled Brands Franchising, LLC, located in Carrollton, Texas; Senior Director of Real Estate of our

affiliate Suite Management Franchising, LLC, located in Carrollton, Texas; and Senior Director of Real Estate of our affiliate FASTSIGNS International, Inc., located in Carrollton, Texas. Ms. Burton served as Senior Director of Real Estate of our former affiliate, GTN Capital Group, LLC, located in Carrollton, Texas, from June 2024 until July 2025. Ms. Burton previously served as Senior Director of Development Services for Propelled Brands Franchising, LLC, located in Carrollton, Texas, from January 2021 until May 2024, for Suite Management Franchising, LLC, located in Carrollton, Texas, from April 2022 until May 2024, for FASTSIGNS International, Inc., located in Carrollton, Texas, from January 2021 until May 2024, and for GTN Capital Group, LLC, located in Carrollton, Texas, from February 2021 until May 2024.

### **ITEM 3. LITIGATION**

#### **Prior Actions:**

*D.O.G. Development, LLC v. See More Paws, Inc. and Diane LaFemina (American Arbitration Association, Case No. 77-20-1400-0050 filed January 24, 2014).*

We filed this case against a former franchisee and its guarantor to enforce the Franchise Agreement’s post-termination obligations and restrictions, and to seek redress for breach of those obligations and restrictions. The former franchisee and guarantor filed a counterclaim against us alleging, among other things, that we made material misrepresentations during franchise sales process about the amount of money they could expect to make from a Camp Bow Wow® franchise. On June 30, 2014, the day prior to a scheduled hearing, we received notice that the Guarantor filed a Chapter 7 bankruptcy action, thereby staying the arbitration case. The stay was lifted by court order in September 2017, and we settled the case on March 22, 2018, with the former franchisee and guarantor paying us \$12,000 and agreeing to not interfere with our intellectual property rights or trade dress, and the parties agreeing to mutual releases and termination of the Franchise Agreement.

*Lincolnshire Police Pension Fund, et al. v. Taylor, et al., Del. Ch., No. 2020-0487*

In June 2020, a shareholders’ derivative suit (Lincolnshire Police Pension Fund, et al. v. Taylor, et al., No. 2020-0487) was filed in the Delaware Court of Chancery against nominal defendant Floor & Decor, and certain Floor & Decor officers and directors, including John Roth, who is a director of our parent, Propelled Brands, and certain former shareholders, alleging breach of fiduciary duty and unjust enrichment. A motion to dismiss the litigation was denied in December 2023. John Roth and Brad Brutocao denied any violations of law, breaches of duty, or other wrongdoing throughout the course of this dispute and maintained D&O insurance to cover his defense costs in his capacity as a former director of Floor & Décor. The parties settled this dispute amicably via a Stipulation of Compromise and Settlement order—entered September 19, 2024—whereby all combined codefendants agreed to pay plaintiffs a settlement payment totaling \$8,000,000.

Other than the two actions disclosed above, no further litigation is required to be disclosed in this Item.

### **ITEM 4. BANKRUPTCY**

On November 2, 2024, TGI Friday's Inc., with its principal place of business at 19111 N. Dallas Pkwy. Suite 200, Dallas, Texas 75287, filed a voluntary petition under Chapter 11 of the U.S. Bankruptcy Code

in the Northern District of Texas, Case No. 24-80069. Jennifer Rote served as TGI Friday's Inc.'s Senior Vice President and General Counsel until September 2024. The case is currently pending.

Other than this one matter, no bankruptcy is required to be disclosed in this Item.

## **ITEM 5. INITIAL FEES**

### Initial Franchise Fee

You must pay us an initial franchise fee (the “Initial Franchise Fee”) when you sign the Franchise Agreement. The Initial Franchise Fee is \$50,000. The Initial Franchise Fee includes the tuition for you and one (1) other individual you designate to attend our proprietary initial training program. The Initial Franchise Fee is due in full at the time you sign the Franchise Agreement, is uniform, and non-refundable and is deemed fully earned by us once paid.

In the event you are using funds from your 401(k), IRA or other qualified retirement accounts to purchase your Franchised Business, we may allow you to pay a deposit of \$20,000 toward your franchise fee when you sign the Franchise Agreement, you will also sign Exhibit N, Franchise Fee Acknowledgement, to this Disclosure Document and pay the balance when you receive your rollover money, which payment will be due no later than 30 days from the effective date of the Franchise Agreement. This does not apply if you are establishing an additional Franchised Business.

If you currently own a CBW Franchise and you are granted an option to purchase a franchise for an additional Franchised Business, the Initial Franchise Fee for the additional franchise will be \$35,000, which is due in full at the time you sign the Franchise Agreement for the additional Franchised Business, is uniform, and non-refundable and is deemed fully earned by us once paid.

We are a member of the International Franchise Association (“IFA”) and participate in the IFA’s VetFran Program. We offer a reduced initial franchise fee of \$25,000, a 50% discount, to veterans of the U.S. Armed Forces who meet the requirements of the VetFran Program.

We offer a reduced initial franchise fee of \$25,000, a 50% discount, to first responders. A first responder is a person with specialized training who is among the first to arrive and provide assistance at the scene of an emergency, such as an accident, natural disaster, or other catastrophic events. First responders include paramedics, emergency medical technicians, police officers, sheriffs, and firefighters (“**First Responder**”).

If an individual qualifies as both a veteran and a First Responder, or qualifies under multiple First Responder categories (for example, as both a police officer and a paramedic), that individual is eligible for only one discounted initial franchise fee, and the discounts may not be combined.

During our last fiscal year, we collected Initial Franchise Fees ranging from \$25,000 to \$50,000.

### Multi-Unit Development Agreement Fee

Franchisees may also purchase the rights to open additional Franchised Businesses by signing a Multi-Unit Development Agreement and paying a development fee of \$125,000 (the “Development Fee”). Under a Multi-Unit Development Agreement, you will have the right to open three (3) Franchised Businesses according to a development schedule. You must sign our then-current Franchise Agreement for

each Franchised Business you open under the Multi-Unit Development Agreement, but you will not be required to pay an Initial Franchise Fee (all other fees will apply). The Development Fee is uniform, payable when you sign your Multi-Unit Development Agreement, and is non-refundable under any circumstances, even if you fail to open any Franchised Businesses.

During our last fiscal year, we did not collect any Multi-Unit Development Fees.

Project Management Fee; Site Assistance Fee

You must also pay us a project management fee (the “Project Management Fee”) of \$5,000 to assist with design, service bids, bid process, service management and a total of up to two (2) construction site assistance visits from us including our travel and living expenses. The Project Management Fee will be invoiced within 30 days of signing a lease or prior to commencement of any design, service bids, bid process, or service management work. This fee is due in full within five (5) days of when we invoice you, is uniform, is deemed fully earned by us once paid, and is non-refundable.

If you require more than two (2) construction site assistance visits or require any visit to be longer than two (2) days, you must pay us an additional fee (the “Site Assistance Fee”) of \$500 per each day we spend on such additional site assistance visit(s), and you must reimburse us for any travel and living expenses incurred by us in connection with such additional site assistance. We will invoice you for this fee prior to opening, within 30 days of incurring the underlying cost or expense. This fee is due in full within five (5) days of when we invoice you, is uniform, is deemed fully earned by us once paid, and is non-refundable.

**ITEM 6.  
OTHER FEES**

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Royalty Fee	3.5% of Net Revenue for the first year (for so long as you are in good standing).  Then the greater of 7% of Net Revenue or the Minimum Monthly Royalty beginning the second year through the end of the term of the Franchise Agreement.	Twice monthly on the 10th and 25th day of the month, via ACH	See Notes 2 and 3
Advertising Fund Fee	1% of Net Revenue up to a maximum of 3% of Net Revenue.	Twice monthly on the 10th and 25th day of the month, via ACH	See Note 4

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Local Advertising Expense	3% of Net Revenue	If we choose to collect the Local Advertising Expense, it will be due twice monthly on the 10th and 25th day of the month via ACH.	See Note 5
Technology Fees (Including Third Party Software License Fees)	\$250 per month, per location. Third party fees vary based on software package. The estimated fees for required third party software are up to \$1,000 per month.	As incurred. Payable monthly via ACH	See Note 6
Renewal Fee	50% of the then-current Initial Franchise Fee	Upon signing the renewal franchise agreement	You must give us at least six (6) months' notice; upgrade equipment to current standards; and sign then-current Franchise Agreement (see Item 17).
Transfer Fee	The greater of either (i) 50% of the then-current Initial Franchise Fee or (ii) 2% of the total sale of the Franchised Business, capped at 100% of the then-current initial franchise fee, plus any broker fees and other out-of-pocket costs incurred by us.	Submitted with the Transfer Agreement	See Note 7
Camp Re-Launch Advertising	\$8,000 - \$10,000	Payable during the period after the transferee signs the Franchise Agreement through its grand re-opening event, or, if applicable to a relocation, payable prior to and through the grand re-opening event.	See Note 8

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Late Fees and Interest	\$100 plus 18% interest, not to exceed the maximum rate of interest allowable by law	As incurred	Begins to accrue the day after payment was due
Audit Fee	Cost of audit, which may range from \$500 - \$5,000	As incurred	Payable only if the audit reveals that you have understated your Net Revenue by 1% or more
Indemnification	Amount of claim or judgment plus reasonable attorney fees	As incurred	You must reimburse us for and defend us against claims brought against us, and for taxes imposed on us, due to your operations.
Resale Consulting Fee	\$15,000	50% on signing the Resale Services and Consulting Agreement and 50% paid at closing.	See Note 7
Cost of Enforcement or Defense	Actual costs	Upon settlement or conclusion of claim or action	You must reimburse us if we incur any expenses in enforcing our rights against you under any agreement
Additional or Repeat Initial Camp Services Training	\$100 per person per day if you choose to have additional people attend Initial Camp Services Training, plus \$1,000 - \$7,500 per person for travel expenses.	As you hire new managers, or we require you or your personnel to attend or repeat Camp Services Training	See Note 8

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Regional Advertising Co-operative	3% of Net Revenue	Twice monthly on the 10th and 25th day of the month, via ACH	As of the date of this Disclosure Document, we have not established a Regional Advertising Co-op, but may do so in the future.
Other Additional Training	Varies based on needs. Estimated to be \$100 - \$2,000, plus \$50 - \$2,000 of travel expenses.	As incurred	See Note 9
Dog Trainer Certificate Program	Currently, there is no charge for this program, but we reserve the right to start charging for this training at any time.	Not applicable	
Relocation Fee	\$20,000	Upon approval of relocation request	See Note 10
Pre-Re-Sale On-Site Evaluation	\$2,500	As incurred	At our option, we may require you to pay for one of our personnel to conduct an on-site evaluation prior to a Transfer in order to determine whether any items within the Franchised Business needs to be updated or replaced to meet current standards.

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Product or Supplier Review Fee	\$500 plus actual costs of tests	At time of request	Payable only if you request that we review a new supplier or product for use or sale in your CBW Franchise.
Mandatory Seminars, Conventions, or Programs	Registration fees plus travel expenses, estimated to be \$500-\$2,500 per person, per meeting. If you do not attend a mandatory meeting, you must pay us the registration fee plus a penalty of up to \$3,000, regardless of the cause for non-attendance.	As incurred	We may conduct periodic meetings that you must attend. System-wide franchisee meetings are typically held every 12-24 months.
Post-Termination and Post-Expiration Expenses	Costs and expenses associated with ceasing operations and de-identifying the Camp Site and yourself with the CBW Franchise and System.	Upon termination or expiration	See Note 12
Early Termination Damages	Amount varies	Upon termination or expiration	See Note 13
Management Fee	The then-current fee, which currently is \$1,000 per day plus reimbursement for reasonable and actual overhead expenses.	Payable with the Royalty Fee	Payable only if we elect to manage the CBW Franchise after a death or incapacity that results in a Change of Control, or during a cure period after a default of the Franchise Agreement.

Type of Fee <sup>1</sup>	Amount	Due Date	Remarks
Marketing Platform Fee	\$300 per month, per location	Payable on the 10th of the month via ACH, beginning the month after your Real Estate Documents (defined below) are executed	We reserve the right to increase these payments as necessary upon notice to you. These payments count toward your monthly Local Advertising Expense once you open your Franchised Business. We anticipate these payments will not increase more than 25% annually.
Default Fee	Currently \$250 for your first default, and \$500 per additional default within 12 months, but we reserve the right to change these amounts at any time.	Upon demand, via ACH.	See Note 14
Daily Fee	Currently \$100 per day that you are out of compliance, but we reserve the right to change this amount at any time.	Upon demand, via ACH.	See Note 15
Insurance cost	Reimbursement of the full cost of the purchased insurance plus a 18% service charge	Upon demand; within 5 days of receipt of an invoice for the same	If you fail to obtain or maintain the required insurance, we may, but are not required to, purchase insurance on your behalf, and you must then pay us these amounts.

Notes:

1. All amounts are stated in U.S. Dollars (“USD”). You pay all fees to us, or our Affiliates, unless otherwise noted. We also collect fees for some third-party service and product providers. Fees paid to us, our Affiliates, or third parties are nonrefundable under any circumstances once paid. Unless otherwise noted, all fees are uniformly applied. We may change the manner and timing for paying the Royalty Fee and other fees due to us.

2. Net Revenue; Royalty Fee. Royalty Fees are calculated as a percentage of Net Revenue for the respective billing cycle. “Net Revenue” is the total of all receipts (net of any returns, allowances or discounts regardless of whether franchisee reports on cash or accrual basis accounting) derived from the sale of all Products or Services at or through the Franchised Business or through Franchisee or its Personnel; insurance claims for lost profits to the extent a claim is paid by the insurer; and all other products and services sold or provided by or through Franchisee, the Franchised Business, or within the Authorized Territory, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, payment coupons, traded services, property or other means of exchange. Net Revenue does not include the following: amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales collected from customers, provided that the amount of any such tax is shown separately and in fact paid by Franchisee to the appropriate governmental authority; charitable contributions collected; or tips collected. Barter and exchange transactions are strictly prohibited. Franchisee is not entitled to a refund on any Royalty Fees paid on Net Revenue that are eventually escheated to the State.

The amount of Royalty Fees invoiced is based on Net Revenue reported through our required point-of-sale system. Royalty Fees for the 1<sup>st</sup> through the 15<sup>th</sup> of each month are payable on the 25<sup>th</sup> of that month, and Royalty Fees for the 16<sup>th</sup> through the end of the month are payable on the 10<sup>th</sup> of the following month. We have the right to change the frequency of Royalty Fee due dates at any time. You will not subordinate your obligation to pay the Royalty Fee (or any other fee due under this Agreement) to any other obligation. We may periodically compare, or “true up,” the aggregate percentage Royalty Fees that you pay against the Minimum Monthly Royalty fee due for the month. If the aggregate percentage Royalty Fees paid is less than the Minimum Monthly Royalty due for that month, we may debit your account for the difference via ACH. We may true up the Royalty Fees as often as we deem appropriate, and we may not true up all franchisees at the same time or with equal frequency.

For so long as you are in “Good Standing”, your Royalty Fee rate for the first twelve (12) months of operation will be 3.5% of Net Revenue and you will not be subject to the Minimum Monthly Royalty Fee during that initial 12-month period. If you are not in “Good Standing” at any time during those twelve (12) months, the Royalty Fee will increase to the greater of 7% of Net Revenue or the Minimum Monthly Royalty from the table below effective immediately, in addition to all other remedies available to us.

“Good Standing” means you do not owe any Royalty Fees, Advertising Fund Fees, Technology Fees, or any other monetary obligations to us for more than thirty (30) days, and you will follow all other obligations under the Franchise Agreement and any other agreement with us, including timely reporting of Net Revenue. You are not in “Good Standing” if you make partial payments to us but still have amounts outstanding for more than thirty (30) days.

3. Minimum Monthly Royalty. After the initial 12-month period (so long as you are in Good Standing), the Minimum Monthly Royalty only applies if 7% of your monthly Net Revenue does not exceed the amount listed in the chart below.

<b>Months of Operations</b>	<b>Minimum Monthly Royalty</b>
0 – 6	\$0
7 – 12	\$1,500
13 – 18	\$1,750
19 – 24	\$2,000
25+	\$2,500

If you have not secured a Camp Site by the Premises Deadline or opened by the Operations Deadline, and we elect to extend the Premises Deadline and/or Operations Deadline in our sole discretion (which will not waive our right to terminate the Franchise Agreement), the Minimum Monthly Royalty is \$2,500 per month during the extension period. We have the sole authority, in our discretion, to waive the Minimum Monthly Royalty during any extension period and have no obligation to impose this uniformly. The Minimum Monthly Royalty may be charged in addition to any Default Fee or Daily Fee that we assess.

For so long as you are in “Good Standing”, your Royalty Fee rate for the first twelve (12) months of operation will be 3.5% of Net Revenue and you will not be subject to the Minimum Monthly Royalty Fee during that initial 12-month period. If you are not in “Good Standing” at any time during those twelve (12) months, the Royalty Fee will increase to the greater of 7% of Net Revenue or the Minimum Monthly Royalty from the table above effective immediately, in addition to all other remedies available to us.

4. Advertising Fund Fee. We have established an Advertising Fund for the common benefit of System franchisees. Currently, we require you to participate in and contribute 1% of your Net Revenue to the Advertising Fund, payable in the same manner as Royalty Fee payments are made (the “Advertising Fund Fee”). We reserve the right to increase this fee to an amount not to exceed 3% of Net Revenue at any time, upon notice to you. These funds are used in part to generate general brand advertising and promotion for the overall Camp Bow Wow® franchise system, website development and maintenance, and administrative costs associated with our marketing efforts.

5. Local Advertising Expense. This is an ongoing expense starting ninety (90) days after you begin operations. You must spend the amounts we require on advertising within your Authorized Territory and subject to our requirements and specifications (the “Local Advertising Expense”). We may require you to pay all or a portion of the Local Advertising Expense directly to us, our designated advertising agency, or third-party media outlet. We may also require you to contribute all or a portion of the Local Advertising Expense to a local or Regional Advertising Co-op we may designate within your Authorized Territory. We reserve the right to request, and upon any such request you must provide, proof of payment of the Local Advertising Expense to us within 10 days after the end of each month. As of the date of this Disclosure Document, we require that you spend at least 3% of your Net Revenue on your Local Advertising Expense to be allocated as follows: The Marketing Platform Fee, which will count toward the Local Advertising Expense once you open your Franchised Business. We require you to spend 2% of your prior year’s net revenue per location per month on digital media with our approved vendor(s), including management fees which are collected by the vendor(s) and are approximately 14% of the digital media budget per location per month. The digital media budget is divided evenly by month and should primarily be used for pay per click (“PPC”) advertising and Local Service Ads (“LSA”), and after successfully optimized based on search volume and performance, any remaining budget can be used in other digital channels including, but not limited to organic search engine optimization (“SEO”), social media advertising, and digital video advertising. All digital media spend, regardless of type, must go through our approved vendor(s). The remainder of your Local Advertising Expense can be spent on advertising within your Authorized Territory

at your discretion, however, we reserve the right to increase our required allocations or to allocate additional portions of your Local Advertising Expense upon notice to you.

6. Technology Fee. We are the service provider for certain software that you must use to furnish Camp Services. To offset our costs in providing this software and in adding, updating, or upgrading technology tools and systems required to stay competitive, you are required to pay us \$250 per month, plus taxes (if applicable) beginning the month you begin operations. We will ACH this fee once per month, and we reserve the right to increase this fee upon notice to you. In addition, you may be required to pay software license fees to third parties for use of their software in the Franchised Business. Depending on your software needs, we estimate that this could cost up to \$1,000 per month. Costs will vary based on use. We may also collect fees for required third-party software for dispersal to the respective vendors at any time.

7. Transfer Fee. You may transfer your interest in the Franchise Agreement for a fee. You must pay us this fee based on the total gross sales price of the Franchised Business upon the sale of your Franchised Business. We may, at our discretion, discount or waive the transfer fee for transfers to an entity you control or to a member of your immediate family (see Section 12 of your Franchise Agreement).

The Transfer Fee is the greater of either (i) 50% of our then-current Initial Franchise Fee, or (ii) 2% of the total sale of the Franchised Business) capped at 100% of the then-current initial franchise fee, plus any broker fees related to the transfer. If you request our assistance in selling your Franchised Business and we list your Franchised Business on our established broker networks, you must also pay us a Resale Consulting Fee of \$15,000, which is only due to us if we provide such assistance.

8. Camp Re-Launch Advertising. If you Transfer or relocate your Franchised Business pursuant to your Franchise Agreement, as defined therein, we may, in our sole discretion, require the Transferee (or you, in the event of a relocation) to spend this amount through our designated public relations and advertising agencies to conduct a re-grand-opening event and/or to advertise, market and promote the new ownership or new location, as applicable, even if the Franchised Business remains in full operation pending the Transfer. Generally, these payments will be made to third parties, including our designated advertising agencies. However, we may collect the fee and spend it on your or the Transferee's behalf, as applicable, in the Authorized Territory, to promote the re-opening.

9. Additional or Repeat Initial Camp Services Training. Initial Camp Services Training for your Majority Owner (as defined in the Franchise Agreement) and up to one (1) additional person is included in the Initial Franchise Fee. You must pay our then-current initial training fee if you wish to have additional persons attend Initial Camp Services Training at any time during the term of the Franchise Agreement. We may also require you, your Manager or Personnel to retake training or receive additional Initial Camp Services Training, if (i) you are not meeting our System compliance or sales requirements, or (ii) your full-time Manager's employment ends, at your expense. As of the date of this Disclosure Document, the fee payable to us for training additional Personnel is \$100 per day. You will be responsible for all travel expenses for all attendees participating in the Initial Camp Services Training programs including airfare, lodging, meals, ground transportation, and personal expenses.

10. Other Additional Training. We will provide you with continuing consultation and advice as we deem necessary regarding the management and operation of your CBW Franchise. We will provide ongoing assistance, at our discretion, by telephone, facsimile, email or intranet communication at no additional cost. You must pay our then-current fee if you request or we require that you or your Personnel have additional

on-site training, which will be provided subject to the availability of our employees. The fees for this additional training will depend on your needs, and the amount of training you desire or we require and will be at your expense as described above.

11. Relocation Fee. A Relocation Fee of \$20,000 is payable to us only if we approve your request to relocate your Camp Site. As a condition of relocation, we may require you to pay Royalty Fees, Advertising Fund Fees, and the Local Advertising Expenses based on an average of the prior 12 months of Net Revenue or the Minimum Monthly Royalty, whichever is greater, during any period in which you are unable to operate the CBW Franchise. Additionally, we may require you to spend the then-current Camp Re-Launch Advertising to publicize the new Camp Site.

12. Post-Termination and Post-Expiration Expenses. Upon termination, expiration, non-renewal, or transfer of the Franchise Agreement for any reason, you must pay for all costs and expenses associated with ceasing operations and de-identifying the Camp Site and yourself with the CBW Franchise and System and refund in full all outstanding customer packages. You must pay back both account credits and all outstanding balances.

13. Early Termination Damages. If we terminate the Franchise Agreement because of your breach, then within 30 days following such termination, you agree to pay us an amount equal to the greater of (i) the average monthly royalty fees and advertising contributions that you owed to us for the past 24 months multiplied by the lesser of 36 or the number of months remaining in the Term, or (ii) the average monthly royalty fees and advertising contributions paid by all Camp Bow Wow Franchised Businesses who have operated for the past 24 months multiplied by the lesser of 36 or the months remaining in the Term (“Early Termination Damages”). If you have not operated the Franchised Business for 24 months prior to the termination of the Franchise Agreement, the Early Termination Damages will be calculated by using the average monthly royalties and advertising contributions by all Camp Bow Wow Franchised Businesses who have operated for the past 24 months multiplied by 36.

14. Default Fee. The Default Fee is currently \$250 for your first Default (as that term is defined in the Franchise Agreement) and \$500 for any subsequent Default within 12 months, whether or not such Default(s) arise from or relate to the same occurrence or Section of the Franchise Agreement. The Default Fee is payable via ACH immediately upon demand, if you violate any provision of the Franchise Agreement or fail to comply with a mandatory standard or procedure. The Default Fee is in addition to, and not in lieu of, any rights we have under the Franchise Agreement (including termination for Defaults as set forth in the Franchise Agreement) and is subject to change at any time. For the avoidance of doubt, we reserve the right to charge you a Default Fee and a Daily Fee for any Default.

15. Daily Fee. The Daily Fee is currently \$100 per day that you remain out of compliance with the Franchise Agreement or any mandatory standard or procedure. The Daily Fee is payable via ACH immediately upon 24 hours’ notice, and we reserve the right to continue charging it until you cure any applicable default. The Daily Fee is in addition to, and not in lieu of, any rights we have under the Franchise Agreement (including termination for Defaults as set forth in the Franchise Agreement) and is subject to change at any time.

**ITEM 7.  
YOUR ESTIMATED INITIAL INVESTMENT**

**Your Estimated Initial Investment**

<b>Type of Expenditure<sup>1</sup></b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Made</b>
Initial Franchise Fee <sup>2</sup>	\$50,000	Lump Sum	Upon signing the Agreement	Franchisor
Travel Costs for All Initial Training <sup>3</sup>	\$1,000 - \$2,965	As incurred	Prior to and during training	Airlines, Hotels, Restaurants
Improvements for Pre-Existing Buildings (Leased) <sup>4</sup>	\$516,735 - \$663,917	As incurred	Before opening	Contractors and other Third Parties
Equipment, Supplies, and Opening Inventory <sup>5</sup>	\$136,799	As incurred	Before opening	Suppliers
Dog Cabins and Interior Fencing <sup>6</sup>	\$76,750	As incurred	Before opening	Suppliers
Signage <sup>7</sup>	\$4,846 - \$8,000	As incurred	Before opening	Suppliers
Webcam System <sup>8</sup>	\$23,639 - \$29,000	As incurred	Before opening	Suppliers
Personnel Costs <sup>9</sup>	\$5,592 - \$34,281	As incurred	Before opening	Your employees and independent contractors
Deposits <sup>10</sup>	\$7,335 - \$11,460	As agreed	Before opening	Third Parties and Suppliers
Plans and Permits <sup>11</sup>	\$31,000 - \$65,000	As incurred	As incurred	Third Parties
Professional Services <sup>12</sup>	\$910 - \$11,864	As incurred	As incurred	Third Parties

Type of Expenditure <sup>1</sup>	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Camp Launch Advertising <sup>13</sup>	\$15,000	As agreed	As incurred from Agreement date	Our Specified Marketing Vendors and/or Franchisor
Financing Fees <sup>14</sup>	\$0 - \$39,500	As agreed	Before opening	Third Parties
Additional Funds for First 3 Months of Operations <sup>15</sup>	\$80,000	As incurred	As incurred	Personnel, Suppliers, and Third Parties
Project Management Fee <sup>16</sup>	\$5,000	Lump sum	Within 30 days of signing lease or service start	Franchisor
<b>TOTAL<sup>17</sup></b>	<b>\$954,606 to \$1,229,536</b>			

Notes:

1. Expenditures. The amounts provided in this Item 7 include estimated costs you will incur prior to opening or as otherwise specified. All amounts are stated in U.S. Dollars. These estimates are based on figures reported by Franchised Businesses that opened prior to 2025, combined with our expertise in opening camps, and include our 2025 updates, which feature a smaller footprint, new design, and value engineering modifications, which had been bid out by multiple general contractors to obtain pricing. All fees and payments are non-refundable, unless otherwise stated or permitted by the payee. Real estate related estimates assume that you will rent the Camp Site from a third-party landlord. The costs for rent, fixtures and improvements will vary and may be higher than projected in this table, based on the square footage, location, economic climate, market conditions, prevailing interest rates and other financing costs, the conditions of the property and other physical characteristics of your Camp Site. Your initial investment may be impacted by proposed governmental policies, such as tariffs, which may lead to increases in vendor rates. You should investigate all of these costs in the area where you wish to establish your Camp Bow Wow Franchise. This Item 7 also assumes that you do not need to acquire or lease a vehicle for business purposes.

2. Initial Franchise Fee. The Initial Franchise Fee for your Authorized Territory is \$50,000, unless you qualify for any applicable discounts as set forth in Item 5. The Initial Franchise Fee is due when you sign the Franchise Agreement and is nonrefundable once paid.

3. Travel Costs for All Initial Training. These are estimated costs for travel, room and board for the Initial Camp Services Training. Portions of each training program may be provided remotely, such as via webinar, however you must also pay all travel and living expenses, such as airfare, lodging, ground transportation, salaries and benefits, and any other personal expenses attendees might incur while attending each training program. Costs will vary depending on the style of travel.

4. Improvements for Pre-Existing Buildings (Leased). Improvements include the estimated cost of construction modifications based on the 2025 updates, which include a smaller footprint, new design, and value engineering changes, which were bid on by multiple general contractors to gather pricing. We used our updated footprint of 6,000 sq ft. We may consider approving a site that is about 15% larger or smaller than our prototype, depending on local real estate availability. These estimates do not include the costs of the Franchised Business where the franchisee built their own building, which we would not approve for a new franchisee. The cost range listed reflects estimates based on the net amount paid for leasehold improvements after landlord contributions or allowances are subtracted (i.e., it could include free rent, reduced rent, or other landlord incentives). The construction modifications commonly encountered include demolition, concrete repair, insulation, roof repair, doors and hardware, partition walls, acoustic ceilings, flooring, painting, installation of fixtures, cabinets, plumbing, HVAC, electrical, fire alarm, security system. Note that we may require you to use our designated or approved contractors or suppliers for some or all such items, and we may designate new or different mandatory contractors or suppliers for any build-out service or product at any time.

5. Equipment, Supplies and Opening Inventory. This estimate includes the cost to purchase the equipment and supplies necessary to begin operating a Camp Bow Wow Franchise that meets our size of 6,000 (+/- 15%) square feet, including outdoor fencing, indoor and outdoor turf, computer hardware and software, furniture, fixtures, limited retail inventory to resell to clients, storage containers, poop scoopers, cleaning supplies, treats, collars, leashes, dog food, uniforms, dog cots, play yard equipment, video display technology, wall art, boarding supplies (beds, bowls and leashes), interior graphics, door and window vinyl, magnets for vehicles used to provide approved Services, first aid kits for pets and humans, direct stop sprays, office supplies, automatic floor scrubber, grooming tubs, window treatments, sound baffles, promotional items, forms, and other supplies we determine are necessary or important. Note that we require you to use our designated suppliers for many of these items. You must subscribe to and use the software program(s) we designate, for the computer management operations of your Camp Bow Wow Franchise. You will either pay us directly or pay our designated vendors the monthly fee for the software program(s). Your initial inventory of retail products will vary depending on the anticipated sales volume as well as current market prices and the time of year that you open your Camp Bow Wow Franchise. We may change the selection of equipment, supplies and retail inventory you must provide at any time.

6. Dog Cabins and Interior Fencing. This estimate includes the cost to purchase our required 50 dog cabins to start your Franchised Business and interior fencing. During the design process, we will provide two drawings: the first will show the 50 cabins needed to open, and the second will display the maximum number of dog cabins that can fit within your space. You can add more cabins as your business grows.

7. Signage. This estimate includes the cost of one outdoor illuminated sign for a Camp Site. Requirements may vary depending on the landlord's site specifications and local city regulations.

8. Webcam System. The estimate includes costs to purchase web cameras and secure a license for the software, which also includes technical support. You must purchase the web camera hardware, software, and routers from our approved suppliers. The monthly fee for the web camera system ranges from \$199 to \$239 per month depending on the number of cameras you order, and this is paid directly to the web camera service provider. Your costs may vary depending on the size of your Franchised Business and the number of cameras and monitors you order.

9. Personnel Costs. This estimate includes the cost of employee payroll prior to opening (but not a draw or salary for you) as well as fees paid to any independent contractors you may choose to retain, from time of lease execution and zoning approval to opening.

10. Deposits. Deposits for site lease and utilities. The figure includes miscellaneous utility deposits such as telephone, electric, gas, and water. These amounts will vary depending on the Franchised Business's geographic area, your credit rating, and other factors. The premises for a Camp Site are approximately 6,000 square feet, plus or minus 15%, with annual rent ranging from about \$17.55 to \$28.15 per square foot. Rental rates and payment terms differ based on geographic location and market conditions. The lease deposit also varies according to market standards, existing conditions of the space, Landlord concessions, your ability to negotiate, and creditworthiness. The actual deposit and rent you pay will depend on the size of the Camp, the geographic area, your ability to negotiate with landlords, Landlord concessions, current rental rates, and other relevant factors.

11. Plans and Permits. This estimates your expenses to draw plans (construction documents) for your leasehold improvements or improvements, as applicable, and obtain permits, zoning, and a kennel license for the Camp Site. The costs for legal counsel or design professionals to assist with obtaining a special or conditional use permit are not included in this estimate.

This figure also includes the cost to retain a required permit expeditor, separate from the Architect of Record, to assist with maximizing the speed of permit review process. You should anticipate the cost for this service to range between \$1,000 and \$10,000 depending on Building Department review process complexity. You must either retain the Camp Bow Wow approved permit expeditor. Or, you may use an alternate expeditor only if approved by the Camp Bow Wow Project Manager.

If your Franchised Business requires a change to zoning, You must use the expeditor for this process as well, separate from the permit expeditor and Architect of Record. You should anticipate the cost for this service to range between \$10,000 and \$20,000 depending on complexity of the Zoning review process within each individual city's regulations. You must either retain the Camp Bow Wow approved permit expeditor, or you may use an alternate expeditor only if approved by the Camp Bow Wow Project Manager.

12. Professional Services. This estimate includes legal and accounting expenses organizing and establishing your business entity, paying any applicable insurance deposits, and negotiating Real Estate Documents or other legal contracts during the period prior to opening.

13. Camp Launch Advertising. You must spend at least \$15,000 on required advertising and marketing from the time you secure a Camp Site through the first 3 months of operation. You must use our designated public relations and advertising agencies to promote and market your Franchised Business to consumers in your Authorized Territory before your grand opening event, or, if you do not hold a grand opening event, through the month you begin operations, according to our instructions and timeline. Generally, you will make these payments to third parties, including our designated advertising agencies and/or us. However, if we feel that your efforts are insufficient, we may collect the fee and spend it on your behalf in your Authorized Territory to promote the opening of your Camp Site.

14. Financing Fees. These fees include amounts that may be payable for items such as 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 low end of this investment range assumes you will not need financing and will not incur costs in connection with financing.

15. Additional Funds for First 3 Months of Operations. These figures are estimates of additional costs such as rent, telephone, utilities, employee wages, workers' compensation, professional fees, operational

supplies, the Royalty Fee and the Advertising Fund fee. In some cases, these additional funds may also be used to finance accounts receivable incurred in the Franchised Business. These estimates are provisional, and we cannot guarantee that you will not incur further expenses while operating your Franchised Business. The amount of extra funds needed depends on factors like your management skills, experience, business judgment, local economic conditions, the prevailing wage rate, competition, and sales during the initial phase. These amounts do not cover salaries, benefits, or personal living expenses for you or your Managers. The figures are based on the working capital costs experienced by our franchisees, covering 3 months. These amounts are in addition to all other expenses listed in this chart.

You may need more than the additional funds that we estimate and should have additional funds available to you to address contingencies during the initial period and beyond. We reserve the right to verify your working capital meets our minimum requirement prior to approving your opening. If your working capital prior to opening is insufficient, we may require you to obtain additional funding to meet the minimum threshold prior to approving your opening.

16. Project Management Fee. This fee is described in further detail in Item 5. The high end of the estimate assumes that you also must pay us a Site Assistance Fee of \$500 for an additional day of a construction site assistance visit. The Site Assistance Fee is also described in more detail in Item 5.

17. Total Estimated Initial Investment. The above chart does not include any sales, use, or similar taxes that may be assessed on purchases and leases by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed. Also excluded are ongoing fees payable to us, which we cannot estimate since they will be based on your revenue results, and any interest payable to lenders on loans that you may obtain in connection with the franchise. All figures in Item 7 are estimates only. You may have additional expenses, or other categories of expenses, to start the Camp Bow Wow Franchise. You should not plan to draw income from your Camp Bow Wow Franchise operations during the initial period. You should have other funds available for your living expenses. You should have additional funds available in reserve, either in cash or through a bank line of credit, or have other assets that you may liquidate or against which you may borrow, to cover other expenses, losses or unanticipated events during the start-up and development stage or beyond. Neither we nor our Affiliates offer financing for any part of your initial investment, as described in Item 10. In estimating what your initial investment expenses will be, you should allow for inflation, discretionary expenditures, fluctuating interest rates and other financing costs, the unpredictability of rising costs, and local market conditions, all of which are highly variable factors that can result in sudden and unexpected increases in costs.

Except as specifically stated above, the amounts provided in this Item 7 may increase due to changes in market conditions, our costs to provide services, and future policy changes. At this time, we have no plans to increase the fees we control.

**MULTI-UNIT DEVELOPMENT AGREEMENT  
YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Development Fee <sup>1</sup>	\$125,000	Lump sum	Upon signing of the Multi-Unit Development Agreement	Franchisor
Estimated Initial Investment for Your Initial Franchised Business <sup>2</sup>	\$904,606 to \$1,179,536	See First Chart Above		
<b>TOTAL<sup>3</sup></b>	<b>\$1,029,606 to \$1,304,536</b>			

Notes:

1. Development Fee. The Development Fee is described in greater detail in Item 5 of this Franchise Disclosure Document. Once the Development Fee is paid, you will not be required to pay an Initial Franchise Fee in connection with the CBW Franchises, provided you comply with the development obligations set forth in the Multi-Unit Development Agreement.

2. Estimated Initial Investment for Your Initial CBW Franchise. This figure represents the total estimated initial investment required to open your initial CBW Franchise under the first Franchise Agreement you enter with us, which you will sign along with your Multi-Unit Development Agreement. This range does not include an Initial Franchise Fee because you will pay the Development Fee instead. The range listed here does include all other amounts described in the chart for the franchised businesses contained above in this Item 7. It does not include any of the costs you will incur in opening a second and third CBW Franchise that you obtain the option to open under the Multi-Unit Development Agreement; these costs will not likely be incurred during the first three (3) months of operating your first CBW Franchise. Once you open additional CBW Franchises, you will incur the costs listed in this Item 7 (except for the Initial Franchise Fee) at the time you open the additional CBW Franchises. These costs may increase in the future depending on when you open the additional CBW Franchise.

3. Total. The above chart does not include any sales, use, or similar taxes that may be assessed on purchases and leases by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed. All figures in Item 7 are estimates only. You may have additional expenses, or other categories of expenses, to start the CBW Franchise. You should not plan to draw income from CBW Franchise operations during the initial period. You should have additional funds available in reserve, either in cash or through a bank line of credit or have other assets that you may liquidate or against which you may borrow, to cover other expenses, losses or unanticipated events during the start-up and development stage or beyond. Neither we nor our Affiliates offer financing for any part of your

initial investment, as described in Item 10. In estimating what your initial investment expenses will be, you should allow for inflation, discretionary expenditures, fluctuating interest rates and other financing costs, the unpredictability of rising costs, and local market conditions, all of which are highly variable factors that can result in sudden and unexpected increases in costs.

**CONVERSION FRANCHISE (INCLUDING ACQUISITION CONVERSIONS)  
YOUR ESTIMATED INITIAL INVESTMENT**

This table applies to Conversion Franchises, including situations where you convert an existing business you already own and operate, as well as situations where you acquire an existing independent business and convert it into a Franchised Business (“Acquisition Conversion”). The costs shown may vary significantly depending on the condition of the existing business, the extent of modifications required to meet our standards, and whether you are converting an existing business you operate or are acquiring a business from a third party.

<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment is to be Paid</b>
Initial Franchise Fee <sup>1</sup>	\$50,000	Lump Sum	Upon signing the Agreement	Franchisor
Travel Costs for All Initial Training <sup>2</sup>	\$1,000 - \$2,965	As incurred	Prior to and during training	Airlines, Hotels, Restaurants
Real Estate Improvements <sup>3</sup>	\$0 - \$100,000	As incurred	Prior to and during training	Contractors and other Third Parties
Rent or Real Estate Deposits <sup>4</sup>	\$0 - \$25,000	As agreed	Before opening	Third Parties and Suppliers
Equipment, Supplies, and Opening Inventory <sup>5</sup>	\$0 - \$50,000	As incurred	Before opening	Suppliers
Dog cabins and interior Fencing <sup>6</sup>	\$0 - \$76,750	As incurred	Before opening	Suppliers
Signage <sup>7</sup>	\$4,846 - \$8,000	As incurred	Before opening	Suppliers
Webcam System <sup>8</sup>	\$0 - \$29,000	As incurred	Before opening	Suppliers
Camp Launch Advertising <sup>9</sup>	\$15,000	As agreed	As incurred from Agreement date	Our Specified Marketing or Third Parties

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Paid
Additional Funds for First 3 Months of Operations <sup>10</sup>	\$0 - \$50,000	As incurred	As incurred	Personnel, Suppliers, and Third Parties
<b>TOTAL<sup>11</sup></b>	\$70,846 - \$406,715			

1. Initial Franchise Fee. The Initial Franchise Fee for your Conversion Franchise is \$50,000, unless you qualify for any applicable discounts as set forth in Item 5. The Initial Franchise Fee is due when you sign the Franchise Agreement and is nonrefundable once paid.

2. Travel Costs for All Initial Training. These are estimated costs for travel, room and board for the Initial Camp Services Training for your Conversion Franchise. Portions of each training program may be provided remotely, such as via webinar, however you must also pay all travel and living expenses, such as airfare, lodging, ground transportation, salaries and benefits, and any other personal expenses attendees might incur while attending each training program. Costs will vary depending on the style of travel.

3. Real Estate Improvements. The Camp Bow Wow construction team will help evaluate your current space to determine what required enhancements need to be completed to become a Camp Bow Wow. Key components that we will review to determine brand standards include, but are not limited to, current lobby design, current yard designs, HVAC, and safety measures. The cost range is an estimated cost of modifications required.

4. Rent or Real Estate Deposits. This figure includes miscellaneous utility deposits such as telephone, electricity, gas, and water. These amounts will vary depending on the Franchised Business’s geographic area, your credit rating, and other factors. The premises for a Camp Site are approximately 6,000 square feet (+/- 15%), with annual rent ranging from \$17.55 to \$28.15 per square foot. Rental rates and payment terms differ based on geographic location and market conditions. If you are converting an existing business that you already operate, your rental will be in accordance with your existing lease. If you are leasing an “Acquisition Conversion,” lease rates will be in accordance with any existing lease or additional provisions which you negotiate. The lease deposit also varies according to market standards, existing conditions of the space, Landlord concessions, your ability to negotiate, and creditworthiness. The actual deposit and rent you pay will depend on the size of the Franchised Business, the geographic area, your ability to negotiate with landlords, Landlord concessions, current rental rates, and other relevant factors.

5. Equipment, Supplies and Opening Inventory. The Camp Bow Wow construction team will help evaluate your current space to determine what required enhancements need to be completed to become a Camp Bow Wow Franchised Business. The low cost includes our current brand standard graphic package that will be required to purchase. The cost range is an estimated cost of modifications required.

6. Dog Cabins and Interior Fencing. The Camp Bow Wow construction team will evaluate your current cabins and interior fencing to determine whether they meet Camp Bow Wow brand and dog-safety standards. Key components that we will review to determine standards, but not limited to, current cabin, interior and exterior fencing and locking components, layout of back of house to maximum boarding

capability, and review indoor and outdoor play yards to confirm they meet operational requirements. The cost range is an estimated cost of modifications required.

7. Signage. This estimate includes the cost of one outdoor illuminated sign for a Camp Site for your Conversion Franchise. Requirements may vary depending on the landlord's site specifications and local city regulations.

8. Webcam System. The Camp Bow Wow construction team will help evaluate your current webcam system to determine if it meets the Camp Bow Wow standards. The estimate includes costs to purchase new web cameras and secure a license for your new software, which also includes technical support. It will include the web camera hardware, software, and routers from our approved suppliers. The monthly fee for the web camera system ranges from \$199 to \$239 per month depending on the number of cameras you order, and this is paid directly to the web camera service provider. Your costs may vary depending on the size of your Franchised Business and the number of cameras and monitors you order.

9. Camp Launch Advertising. You must spend at least \$15,000 on required advertising and marketing from the time you secure a Camp Site through the first 3 months of operation. You must use our designated public relations and advertising agencies to promote and market your Franchised Business to consumers in your Authorized Territory before your grand opening event, or, if you do not hold a grand opening event, through the month you begin operations, according to our instructions and timeline. Generally, you will make these payments to third parties, including our designated advertising agencies and/or us. However, if we feel that your efforts are insufficient, we may collect the fee and spend it on your behalf in your Authorized Territory to promote the opening of your Camp Site.

10. Additional Funds for First 3 Months of Operations. These figures are estimates of additional costs such as rent, telephone, utilities, employee wages, workers' compensation, professional fees, operational supplies, the Royalty Fee, and the Advertising Fund fee. In some cases, these additional funds may also be used to finance accounts receivable incurred in the Franchised Business. Depending on your specific circumstances, including whether you are converting an existing operating business or acquiring an existing business, you may already have sufficient revenue to support operations and may not require additional working capital, or you may require additional funds to support operations during a period of transition.

Depending on your specific circumstances, including whether you are converting an existing operating business or acquiring an existing business, you may already have sufficient revenue to support operations and may not require additional working capital, or you may require additional funds to support operations during a period of transition.

These estimates are provisional, and we cannot guarantee that you will not incur further expenses while operating your Franchised Business. The amount of extra funds needed depends on factors like your management skills, experience, business judgment, local economic conditions, the prevailing wage rate, competition, and sales during the initial phase.

These amounts do not cover salaries, benefits, or personal living expenses for you or your Managers. The figures are based on the working capital costs experienced by our franchisees, covering 3 months. These amounts are in addition to all other expenses listed in this chart.

You may need more than the additional funds that we estimate and should have additional funds available to you to address contingencies during the initial period and beyond. We reserve the right to verify that your working capital meets our minimum requirement prior to approving your opening or conversion.

If your working capital is insufficient, we may require you to obtain additional funding to meet the minimum threshold prior to approval.

11. Total Estimated Initial Investment. The above chart does not include any sales, use, or similar taxes that may be assessed on purchases and leases by state or local authorities. You should check with your local and state governmental agencies for any taxes that may be assessed. Also excluded are ongoing fees payable to us, which we cannot estimate since they will be based on your revenue results, and any interest payable to lenders on loans that you may obtain in connection with the franchise.

All figures in Item 7 are estimates only. You may have additional expenses, or other categories of expenses, to start the Camp Bow Wow Franchise. Depending on your specific circumstances, including whether you are converting an existing operating business or acquiring an existing business, you may experience little or no interruption in revenue, or you may experience a period of transition during which revenue is reduced or operating costs increase.

You should ensure that you have sufficient financial resources to support your business and personal expenses during any transition period. You should have other funds available for your living expenses. You should have additional funds in reserve, either in cash or through a bank line of credit, or have other assets that you may liquidate or against which you may borrow, to cover other expenses, losses, or unanticipated events during the start-up and development state or beyond.

Neither we nor our Affiliates offer financing for any part of your initial investment, as described in Item 10. In estimating your initial investment expenses, you should allow for inflation, discretionary expenditures, fluctuating interest rates, other financing costs, the unpredictability of rising costs, and local market conditions, all of which are highly variable factors that can result in sudden, unexpected increases in costs.

Except as specifically stated above, the amounts provided in this Item 7 may increase due to changes in market conditions, our costs to provide services, and future policy changes. At this time, we have no plans to increase the fees we control.

The amounts shown in this table are estimates and may vary significantly based on factors including the size and condition of the existing facility, local market conditions, lease terms, regulatory requirements, and the extent of modifications required to meet our standards. We cannot assure that you will not incur additional costs.

## **ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

You must establish and operate your CBW Franchise in compliance with your Franchise Agreement and the standards and specifications contained in our Operations Manuals. We may change any standard or specification upon 30 days' prior written notice to you.

You may only offer services and products that are pre-approved by us through your CBW Franchise ("Approved Products" and "Approved Services" or collectively "Approved Products and Services"). We will provide you with a list of Approved Products and Services upon request. All Approved Products and Services must meet our standards and specifications, which we will provide directly to you or to our designated or approved vendors.

We have developed standards and specifications for, among other things, your equipment, signage, uniforms, kennels, fencing, supplies, forms, products, services, advertising materials, digital marketing, and most other Approved Products and Services used in, sold or provided through your CBW Franchise. In addition, we also have standards and specifications for the design and construction of your Camp Site, including but not limited to furniture and fixtures. We and our Affiliates may become an approved supplier or the exclusive supplier of any category of Approved Products or Services, effective upon written notice to you. For any Approved Products or Services that we or our Affiliates sell, you must pay the then-current price in effect. We may negotiate other purchase arrangements with suppliers and distributors of approved products, and we may receive rebates or payments on your purchases of those items from approved suppliers. We also may derive revenue from your purchases of items from us, or our Affiliates. There are no restrictions on our use of payments received from approved or designated suppliers derived from their transactions with you or on payments that we, or our Affiliates, receive from these transactions.

None of our officers have any ownership interest in any approved suppliers.

### **Required Purchases and Approved Suppliers**

You must purchase or lease all of your equipment, signage, uniforms, kennels, fencing, supplies, forms, products, services, digital marketing, fixtures, inventory, computer software, merchandise and marketing materials (collectively “Equipment and Supplies”) from us or our approved suppliers, in accordance with our specifications and standards. In certain instances, we have designated a single source for Equipment and Supplies that you must use. You must also participate in any mandatory promotional or incentive program we require, including gift card and loyalty programs, unless doing so would cause you to violate any local, state or federal law. We may designate new mandatory suppliers at any time and require that all future purchases of Equipment and Supplies be made from these designated suppliers, which may be us, or our Affiliates.

1. Computer Hardware and Software. You must purchase or use a computer and router(s) that can run our required software, with Broadband, DSL, or Air Card access to the Internet. Our current approved computer hardware and software suppliers are: Peanut Butter and Jelly TV, LLC (“PB&J”) for webcam hardware and software; Scorpion Design, LLC (“Scorpion”) for website and content management; Emma, Inc. (“Emma”) for marketing automation software; and us, for point-of-sale software, and client access applications. All software licenses include technical support, and our approved suppliers may require that you sign service-level agreements with them. You must also use our designated suppliers for payment processing equipment and merchant services for processing all forms of payment. As of the date of this Disclosure Document, we are transitioning our point-of-sale system from “Data Dawg” software to Gingr Pet-Care software. All new Franchised Businesses are required to use Gingr Pet-Care software as its point-of-sale software. Some existing Franchised Businesses may continue to use Data Dawg during the transition period until they are migrated to Gingr Pet-Care software.

2. Advertising. You must use our designated public relations and advertising agencies for your Camp Launch Advertising, which shall be subject to our requirements and specifications. You must also use our designated suppliers for print and marketing collateral, apparel, pay per click, local service ads, and social media advertising, promotional items, your website, search engine optimization, event equipment, digital newsletters, and customer engagement software. All self-generated advertising materials must be approved by us in writing before publication or use.

3. Insurance. You must purchase insurance in the amounts provided in the Operations Manuals from an insurance company that is acceptable to us. Your insurance policy must name us, and our Affiliates, agents, members, officers, directors, shareholders, and all other parties as additional insureds and contain waivers of subrogation so that we are the first payee of any claim.

Currently, your insurance coverage must include, at a minimum, comprehensive general liability, including public liability insurance for claims for personal injury or death and property damage (with limits of no less than \$1 million combined single limit, plus umbrella coverage of no less than \$2 million); fire and extended coverage insurance on all the tenant's personal property of at least 90% of insurable value; business interruption insurance; automobile insurance (if a vehicle will be used for business purposes); unemployment and workers compensation insurance; bodily injury; all-risk property damage insurance; cybersecurity insurance; coverage against any other claims of any person, employee, independent contractor, customer, agent, and any additional coverage required by Franchisee's landlord or mortgage company, as applicable, and by state and federal law. We also recommend that you carry, and all independent contractors providing Services should carry, professional liability insurance. We may change the insurance requirements at any time, and you must comply with the changes within 30 days. You are solely responsible for staying abreast of state and federal law requirements.

4. Vehicles. If you are offering pet transportation, you must purchase a vehicle that meets our requirements from our approved supplier(s).

5. Build Out. We also require you to use our designated suppliers for, among other things, architectural space planning, flooring, fencing, kennels, wall art, grooming tubs, lobby furniture, dog cots, outdoor turf, play yard equipment, video display technology, and other build-out requirements.

6. Cleaning Supplies. You are required to use our approved supplier for cleaning supplies, and to use the cleaning supplies specified by us in the Operations Manual (and only the approved cleaning supplies).

7. Miscellaneous. We reserve the right to designate an approved or required supplier for any product or service at any time, and upon notice, to require you to start using the approved or required supplier.

As of the date of this Disclosure Document, except for the point-of-sale software program, neither we nor our affiliates are the sole supplier of any products/services to franchisees, but we or our affiliate may become one for additional products/services in the future.

### **Approval of Alternative Suppliers**

Except for items where we have designated a single source of supply or authorized supplier, if you want to use an alternative supplier for any required purchases, you must provide us (i) the name, address and telephone number of the proposed supplier, (ii) a description of the item you wish to purchase, (iii) purchase price of the item, if known, (iv) the then-current product or supplier review fee, which is currently \$500 for each new product or supplier, (v) a complete vendor approval form which can be furnished to you upon request, and (vi) a sample of the product for testing purposes. If we incur any costs for testing a particular product or service or evaluating an alternative supplier at your request, you must reimburse our reasonable inspection and testing costs, regardless of whether we later approve the item or supplier. We will use our best reasonable efforts to approve, deny, or initiate further testing within 60 days of receiving all requested information. If we do not respond within 60 days of our receipt of all required information, the supplier is deemed disapproved. We are not required to approve or test any particular supplier, product, or service. We may base our decision on considerations relating not only directly to the item or supplier,

but also indirectly to the uniformity, efficiency, and quality of operation we deem necessary or desirable in our System as a whole. We may revoke our approval of previously Approved Products or Services or suppliers when we determine, in our sole discretion, that those products, services, or suppliers no longer meet our standards, as updated from time to time. Upon receipt of written notice of revocation, you must immediately stop purchasing products or services from the specified suppliers.

### Revenue from Franchisee Purchases

We and our Affiliates may earn revenue as a result of your purchase of Equipment and Supplies. For Equipment and Supplies that you purchase or license from third parties, we may receive payments from suppliers on account of your transactions with them, and we may use all amounts we receive without restriction (unless instructed otherwise by the supplier) for any purposes we deem appropriate.

In the year ending December 31, 2025, we received \$677,608 in technology fee revenue primarily from the sale of Data Dawg software to franchisees, which was 3.8% of our total revenue of \$17,648,105. We received no revenue from the direct sale of retail products to franchisees, and we received \$15,413 in rebates which were derived from the sale uniforms, Camp supplies, marketing materials, and apparel. We reserve the right to sell products and services to franchisees and to collect additional vendor and supplier rebates in the future.

The cost of Equipment and Supplies purchased in accordance with our specifications will represent approximately 14% of your total cost to establish a CBW Franchise and approximately 15% of your total cost of operating a CBW Franchise (not including amortization, depreciation, or replacement of worn or obsolete improvements, equipment or fixtures).

**Cooperatives, Negotiated Prices, and Material Benefits.** We do not have any purchasing or distribution cooperatives as of the date of this Disclosure Document. Although we do not presently do so, we may negotiate purchasing arrangements with suppliers in the future. We do not provide material benefits, like renewing or granting additional franchises to franchisees based on their use of designated or approved suppliers or their purchase of particular products or services.

## ITEM 9. FRANCHISEE’S OBLIGATIONS

This table lists your principal obligations under the Franchise Agreement, Multi-Unit Development Agreement and other agreements. It will help you find more detailed information about your obligations in the Franchise Agreement, Multi-Unit Development Agreement and in other items of this Disclosure Document. The Franchise Agreement is abbreviated in this table as “FA” and the Multi-Unit Development Agreement is abbreviated as “MDA.”

Obligations	Section In Agreement	Item In Disclosure Document
a. Site Selection and acquisition/lease	FA: §§ 6.1, 7 MDA: §V	11

<b>Obligations</b>	<b>Section In Agreement</b>	<b>Item In Disclosure Document</b>
b. Pre-opening purchases/leases	FA: § 6.1 MDA: None	5, 6, 7, 8, 11
c. Site development and other pre-opening requirements	FA: § 6.1 MDA: §§ II, IV, V	6, 7, 11
d. Initial and ongoing training	FA: §§ 6.1, 6.9 MDA: § III	11
e. Opening	FA: § 6.1 MDA: §§ III, IV	11
f. Fees	FA: §§ 3, 6.1(e), 6.10 MDA: § III	5, 6, 7, 11
g. Compliance with standards and policies/Operating Manual	FA: §§ 1.5, 6.1-4, 6.6, 6.7, 8.2, 8.4 MDA: None	6, 8, 11
h. Trademarks and proprietary information	FA: § 8 MDA: § X	13, 14
i. Restrictions on products/services offered	FA: §§ 1.4, 3.2(e), 6.2, 6.3, 6.4, 7, 8, 9, 10 MDA: None	8, 13, 14, 16
j. Warranty and customer service requirements	FA: § 6.3(a), 6.4 MDA: None	None
k. Territorial development and sales quotas	FA: §§ 1.3, 3.2, 6.1 MDA: §§ I, IV	12
l. Ongoing product/service purchases	FA: §§ 1.4, 6.2, 6.3, 6.4, 6.6, 6.7, 6.9, 6.10, 7.2, 7.3(c), 7.11, 7.13, 8, 10.10 MDA: None	6, 8, 11
m. Maintenance, appearance and remodeling requirements	FA: §§ 6.1, 6.3, 6.6, 6.7 MDA: None	6, 11

<b>Obligations</b>	<b>Section In Agreement</b>	<b>Item In Disclosure Document</b>
n. Insurance	FA: § 9 MDA: None	6, 7, 8
o. Advertising	FA: § 6.10 MDA: None	6, 11
p. Indemnification	FA: § 9 MDA: § XIV	6
q. Owner's participation/management/staffing	FA: §§ 6.5, 6.8, 6.11, 7.8, 7.9, 7.13 MDA: § I.D	11, 15
r. Records/Reports	FA: §§ 4, 6.6 MDA: § XIII	6, 11
s. Inspections/audits	FA: § 4 MDA: None.	6,11
t. Transfer	FA: §§ 1.2, 12, 13 MDA: § VIII	17
u. Renewal	FA: § 2 MDA: None	17
v. Post-termination obligations	FA: §§ 2, 4, 8, 9, 11, 12, 13, 16, 18, 19, 20 MDA: §§ VII, X, XI	17
w. Non-competition covenants	FA: § 11 MDA: § XI	17
x. Dispute resolution	FA: § 19 MDA: § XXI	17
y. Other - Dog Trainer Certificate training	FA: §§ 6.1, 6.9 MDA: None	5, 11

## **ITEM 10. FINANCING**

We do not offer direct financing or indirect financing for a new Camp Bow Wow Franchised Business. We offer direct financing of the initial franchise fee for Conversion Franchisees (as described below). We do not guarantee your note, lease, or obligations.

### **Direct Financing Available to Conversion Franchisees**

If you are a Conversion Franchisee and you meet our credit standards and qualify for financing, we may offer you financing for a portion of the initial franchise fee necessary to establish a Conversion Franchised Business. If you pay us \$15,000 of the initial franchise fee, we will finance \$35,000 of the initial franchise fee (See Item 5). If you obtain financing from us, you will be required to sign a Promissory Note in the form attached as **Exhibit J** to this Franchise Disclosure Document (the “Note”). The Note provides for payment to us over a 36-month period of 0% interest per annum paid in monthly installments. There are no additional finance charges. The first payment on the Note is due 30 days after you commence operating as a Conversion Franchised Business. If you finance the full amount, your monthly installment payment will be \$972.22. We will debit your business checking account automatically for the monthly installment payment on the 25th day of each month. We also require that the Note be guaranteed by your principals if you are a corporation or other business entity. We require no other security interest in the Note. You may pre-pay the Note in whole or in part without penalty.

You may be required to pay a higher down payment than the \$15,000 referenced above or the full initial franchise fee if you do not meet our minimum credit standards.

The following are events of default under the Note: (1) your failure to pay any principal, or any other charge or expense payable under the Note, (2) any breach or default by you of any warranty, representation, covenant, term or condition stated in the Note, in the Franchise Agreement, or in any other security instrument, affidavit or other agreement or instrument between us, (3) if the Franchise Agreement is terminated for any reason by us, (4) if you are not paying your debts as such debts become due, (5) the commencement of any proceedings under any bankruptcy or insolvency laws by or against you or (6) the sale, assignment, transfer or conveyance of all or substantially all of your assets. If you default, we may terminate the Franchise Agreement and all outstanding principal under the Note will be immediately due and payable. Also, you must pay the costs, fees, and expenses we incur in enforcing the Note.

Under the Note you waive presentment, demand for payment, protest, and notice of nonpayment by the makers, endorsers, and guarantors of the Note. We receive no consideration for offering you financing.

## **ITEM 11. FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEM AND TRAINING**

**Except as listed below, Camp Bow Wow Franchising, Inc. is not required to provide you with any assistance.**

**Pre-opening Assistance.** Franchisees typically open their Franchised Business around 18 months after the effective date of the Franchise Agreement. Some factors that may affect this timing are your ability to locate a Camp Site, the time to acquire the Camp Site through Lease or purchase negotiations, your ability to secure any necessary financing, your ability to comply with local zoning, other state and local requirements and any necessary licenses or permits, the timing of the delivery and installation of equipment, supplies and

leasehold improvements, your compliance with our pre-opening marketing requirements, including generating the required number of leads through approved measures, as described below, the time to convert, renovate or build out the Camp Site with possible construction delays, as well as your availability to attend the Initial Camp Services Training. We or our representatives will provide you with the following pre-opening assistance:

1. Make a representative reasonably available to you via telephone or via e-mail during normal business hours (Section 5.1(a) of the Franchise Agreement);

2. Designate the Authorized Territory in which you must locate a proposed Camp Site. You must acquire the Camp Site through a lease or purchase within 365 days after the effective date of the Franchise Agreement (Section 5.1(b) of the Franchise Agreement);

3. Provide general advice regarding the selection of a Camp Site and CBW's general prototype design and construction specifications (Section 5.1(c) of the Franchise Agreement). Typical Camp Sites are based on a prototype of approximately 6,000 square feet and are usually located in a light industrial or commercial area. While it is your sole responsibility to obtain a mutually acceptable Camp Site, we may provide assistance in finding a Camp Site, as we deem reasonable and appropriate. We may require that you work with Camp Bow Wow's exclusive Real Estate Broker in your site search; this may involve working with individuals from a national brokerage firm as well as a local brokerage firm. We must review and approve the Camp Site. We consider factors like area demographics, population, market conditions, zoning requirements, access and exits to and from the proposed Camp Site, competitor activity and proximity, financial viability of the proposed Real Estate Documents, construction terms, traffic patterns of the area as well as size, parking and other physical characteristics of the Camp Site. We will either approve or deny the site within 30 days of receipt of all relevant information. If we do not respond within 30 days, the site is denied. Our approval of the Camp Site is not a promise or guarantee that your CBW Franchise will be successful or that the actual costs of the Camp Site build-out will not exceed your budget or that your location will be granted approval under applicable zoning ordinances. You must obtain all permits, licenses and entitlements necessary to begin construction and provide Camp Services from your Camp Site. You must also comply with all local ordinances and building codes in the build out of your Camp Site. We will provide you with design and decor specifications that we require in order to adapt your Camp Site to our standards. You must work with one of our approved architects. Once the architectural and working drawings have been developed and approved by us and, if applicable, the landlord, you must purchase contracting services for the construction of the Camp Site. We require that you have your construction management supplier approved by our team before you can begin construction. The costs for fixtures and improvements will vary based on the square footage, location and other physical characteristics of your Camp Site. You are solely responsible for ensuring that the build-out of your Camp Site complies with applicable entitlements, ordinances, building codes, permit requirements, and the Americans with Disabilities Act. Ground-up builds are only for existing Franchisees in good-standing who have operated a Franchised Business for at least one (1) year;

4. Review your Real Estate Documents for approval (Note: CBW's review is limited to ensuring there are no terms that would prevent you from performing your obligations under the Franchise Agreement. We advise and encourage you to have your own counsel review and negotiate the terms of your Real Estate Documents) (Section 5.1(d) of the Franchise Agreement). If you or your affiliate will own the property on which your Camp Site will be located, you must sign a Right of First Refusal and Option Agreement. If any

entity other than Franchisee's franchising entity owns the property in which the Franchised Business will operate from, you must also sign a Lease. You must obtain our approval of your lease (including any assignment, amendment, or replacement of an existing lease) and ensure that the lease complies with the required terms in our Lease Addendum, which is attached as Exhibit K to this Franchise Disclosure Document. We may require you to modify, assign, or replace your existing lease as a condition of approving the Franchised Business location. We may also require you to enter into a new lease if your existing lease cannot be modified to comply with our requirements. If you are leasing the Camp Site, you and your Landlord must sign the Lease Addendum with our Required Lease Terms (collectively, the "Real Estate Documents"). We have 30 days from receipt of the Real Estate Documents to either approve or deny them. If you do not receive a response within 30 days, the Real Estate Documents and, consequently, the Camp Site, is denied. Our acceptance of any Real Estate Document is not a promise or guarantee that your CBW Franchise will be successful or that the actual costs of the Camp Site build-out will not exceed your budget. You must provide us with a fully executed lease, or fully executed warranty deed for a purchase, within five (5) days of finalizing the approved lease or purchase of your Approved Camp Site. If you purchase your Camp Site, then you must establish a Lease to Self. The Landlord entity that owns the building may be a separate entity from the franchisee entity which operates the Camp. We must approve the lease that you use in connection with the Franchised Business and the lease must include our Franchise Lease Addendum attached to the Franchise Agreement as Exhibit K. This "Lease to Self" must be submitted within forty-five (45) days of the executed warranty deed for the purchase.

5. Provide you with a list of required and approved suppliers and approved equipment, fixtures, furnishings, signs, products, materials, and supplies necessary to build out the Camp Site and begin operations (Section 5.1(e) of the Franchise Agreement);

6. Conduct the Initial Camp Services Training program for Franchisee (or its Majority Owner, if Franchisee is an entity) and its Manager at a location (or locations) designated by CBW (Section 5.1(f) of the Franchise Agreement). Unless CBW agrees otherwise in writing, you and your Manager must complete the Initial Camp Services Training Program to CBW's satisfaction, in its sole discretion, prior to beginning operations. You are responsible for the cost of all travel, lodging, wages, meals and expenses your or your personnel incur in attending the Initial Camp Services Training Program.

7. Conduct an on-site training program for you at the Camp Site immediately prior to the commencement of operations (Section 5.1(g) of the Franchise Agreement);

8. Grant you access to the Operations Manual (Section 5.1(h) of the Franchise Agreement). The table of contents for the Operations Manuals is attached to this Disclosure Document as Exhibit D. You may provide the Operations Manual, or portions thereof, to your employees who need access to perform their jobs, but only to the extent they need it, and only if they sign a non-disclosure agreement. You are responsible for your Personnel's use of the Operations Manual and for compliance with CBW's expected level of confidentiality for the same. We may amend the Operations Manuals periodically at our discretion, and you must comply with any changes. It is your responsibility to know of and keep your staff informed of all such changes. We provide the Operations Manuals and all changes and updates electronically through email notification, our intranet system, "CampConnect," or our learning management system (collectively, "Intranet Systems");

9. Provide you with access to CBW's Intranet Systems (Section 5.1(i) of the Franchise Agreement). You are responsible for all activity on your account and must promptly notify CBW if any access information is lost or stolen, or if any Personnel who has been granted access to the Intranet Systems leaves

your employment for any reason. Nothing in this section guarantees that CBW will maintain an intranet or learning management system;

10. Provide you with a website on CBW's domain (Section 5.1(j) of the Franchise Agreement). You are solely responsible for maintenance and updates to such website and will maintain and update the same in accordance with CBW's policies, specifications and standards and applicable laws. Your website may only be accessed through CBW's domain, and you must agree not to link to, create a splash page for, or otherwise refer to the website without prior written approval from CBW.

11. The week that you begin operations, we provide you with the Opening Week Support detailed in the Training section, below.

**Post-Opening Assistance.** After opening, we or our representatives will provide you with the following post-opening assistance:

1. Make a representative reasonably available to Franchisee via telephone or via e-mail during normal business hours (Section 5.2(a) of the Franchise Agreement);

2. Furnish general guidance through printed, filmed, or streamed material; via web, video, or telephone conference; via live meeting; through refresher training programs; or in any other manner deemed appropriate by CBW on (i) methods, specifications, standards, and operating procedures used in Camp; (ii) new developments and techniques in advertising, management, and operations; and, (iii) developing and implementing local advertising and promotional programs (Section 5.2(b) of the Franchise Agreement);

3. Test, Develop, and Design new Products, Services, operational methods, programs, or other items for use in the System, in CBW's sole discretion. Franchisee will pay any fees associated with training for new Products, Services, operational methods, programs, or other items, and must offer or sell the same per CBW's requirements, as updated from time to time (Section 5.2(c) of the Franchise Agreement);

4. Maintain the Advertising Fund, as set forth below (Section 5.2(d) of the Franchise Agreement); and,

5. Conduct evaluations of Franchisee's Camp Site and provide feedback and guidance on operational standards and practices (Section 5.2(e) of the Franchise Agreement). Franchisee may reasonably request additional assistance at any time, and CBW will make reasonable efforts to provide such additional assistance, subject to the availability of its personnel. If CBW provides additional assistance, CBW may charge Franchisee a fee.

## **Advertising.**

### 1. CBW's Advertising.

a. Generally. We have the right, but are not required, to market anywhere within or outside your Authorized Territory or on the Internet in any way we deem appropriate, including use of all websites, domain names, URLs, social media sites, directory addresses, metatags, linking, advertising and co-branding and other arrangements. You may not independently market on the Internet or buy or use any domain name, address, locator, link, metatag or search technique with words or symbols similar or identical to the Marks ("similar" words for purposes of this sentence include but are not limited to "CBW" and "Bow Wow") or otherwise establish a presence on the Internet without our prior written approval.

b. The Advertising Fund (Section 6.10(g) of the Franchise Agreement). We have established an Advertising Fund for the common benefit of the System (“Advertising Fund”). Currently you must pay us an “Advertising Fund Fee” of 1% of your Net Revenue in the same manner and on the same frequency as Royalty Fees are paid. We reserve the right to increase this fee to an amount not to exceed 3% of Net Revenue at any time, upon notice to you. Your contribution to the Advertising Fund will be in addition to all other advertising fees or expenses set out in this Item 11. All franchisees are currently required to contribute to the Advertising Fund on the same basis, and stores owned by us or our Affiliates contribute on the same basis as franchisees.

The Advertising Fund will be administered by us, and we may use a professional advertising agency or media buyer to assist us. The Advertising Fund is not audited separately from the overall company audit. We will consult with our Camp Bow Wow® Franchise Council on certain Advertising Fund related matters, although their input is advisory in nature.

The Advertising Fund is intended to maximize general brand recognition, and CBW has the right in determining how to spend the money in the Advertising Fund. CBW may use the Advertising Fund to develop, prepare, and place advertising in any medium for use by franchisees generally, on behalf of the entire System, or on behalf of a particular region which may or may not include Franchisee or Franchisee’s Authorized Territory. CBW is not required to spend the Advertising Fund or the Advertising Fund Fees paid by Franchisee on Franchisee’s behalf or for its benefit. The Advertising Fund will cover, among other things, advertising, public relations, website development and maintenance, market research, promotion, marketing incentive programs being offered by CBW to franchisees from time to time, customer loyalty programs, including but not limited to incentives for franchisees to participate in loyalty programs, marketing products and services provided by CBW, outside vendors, marketing agencies, and administration costs of the Advertising Fund, including but not limited to salaries, overhead, and administrative, accounting, auditing, collection and legal costs and expenses. Upon written request, Franchisee may review an unaudited annual financial statement of the Advertising Fund, which will be available annually no later than 120 days after the end of CBW’s fiscal year. If any portion of the Advertising Fund is not used by the end of any given fiscal year, the unused portion will carry over into the Advertising Fund for the following fiscal year. In the event that the Advertising Fund is depleted in any given fiscal year, we may contribute or loan additional funds to the Advertising Fund on any terms we deem reasonable. We may modify or terminate the Advertising Fund at any time. If we terminate it, any remaining balance in the fund will be spent as provided for above or returned to you on a pro-rata basis, at CBW’s discretion.

In our fiscal year ending December 31, 2025, Advertising Fund contributions were spent as follows: 34% on customer retention; 32% on administration and production; and 34% on public relations and advertising. The Advertising Fund will not be used principally for the solicitation of franchisees, but CBW may use it for public relations, general recognition of the brand, creation and maintenance of a website (a portion of which will be intended to solicit potential franchisees), and to include mention of the franchise opportunity in any advertisement placed or materials created with the Advertising Fund. Neither we nor our Affiliates receive payments for providing goods or services to the Advertising Fund, except for reimbursement of expenses as described above.

2. Your Advertising. You are only allowed to advertise in your Authorized Territory, unless otherwise stated in the Franchise Agreement (Section 6.10(d)). You are also only permitted to use CBW-approved advertising materials and placements. If we do not provide certain types of print or other advertising materials, you may develop such materials for your own use, at your own cost, but must first submit

prototypes, examples, proofs or other such samples of these materials to CBW for approval before use. We will use reasonable best efforts to approve or disapprove your self-generated advertising materials in writing within 14 days after we receive your request and materials for review. If we do not respond within 14 days, the materials are denied.

a. Camp Launch Advertising. From the effective date of the Franchise Agreement through the first three (3) months of operating your Franchised Business, we require that you spend \$15,000 on the advertising and marketing of your CBW Franchise. We currently require you to pay portions of the Camp Launch Advertising to third-party vendors and portions to us.

b. Local Advertising.

i. *Prior to Opening*. Beginning the month the Real Estate Documents are signed, you will be required to pay us \$300 per month for access to certain marketing platforms, which includes hosting and management of a website and access to marketing and promotional materials (“Marketing Platform Fee”). The Marketing Platform Fee may be increased upon notice to you. You will also be required to hire a Community Marketing Coordinator pursuant to the Operations Manual. You must have the required amount of marketing leads based off your projected opening date, as set forth in the marketing section of the Operations Manual, to attend the Initial Camp Services Training Program. We will require you to have at least 1,000 qualified leads before we approve your opening. If you have failed to collect the required amount of marketing leads, we reserve the right to delay your opening or require you to spend an amount CBW deems appropriate of the Camp Launch Advertising expense to acquire the necessary leads. Your qualified leads must be obtained through marketing and community outreach efforts and may not be purchased or acquired from third parties. We reserve the right to postpone your opening if we suspect or discover that you purchased your leads. We may also require you to participate in pre-opening promotions and host a grand opening event on a date we approve, and in the manner we require in the Operations Manual. You must agree to provide receipts and proof of the required expenditures upon request.

ii. *After Opening*. After 90 days of operating your Franchised Business, you must spend at least 3% of Net Revenue on local advertising for Camp Services in the Authorized Territory (the “Local Advertising Expense”). You must agree to provide receipts and proof of the required expenditures upon request. We may elect to collect the Local Advertising Expense at any time, in the same manner and on the same frequency that we collect Royalty Fees, for dispersal to local advertising or media placements.

The 3% amount is composed of combined 2% Local Digital Marketing and 1% Community Marketing. The 3% required spend is based on prior years Net Revenue. To establish the required monthly Local Digital Marketing spend with approved vendor(s), the total of 2% of prior year Net Revenue is divided by 12. New spend levels commence on April 1st each year and last through March 31st, the following year. Minimum monthly Local Digital Marketing spend is \$1200 per month. The 1% Community Marketing spend can be allocated as needed during the year in accordance with franchisee created marketing plan. The Marketing Platform Fee is included in the Community Marketing spend requirement.

New Franchised Businesses will have the monthly required amount set based on Net Revenue after 90 days of operation and will then be calculated again at the end of the calendar year to commence April 1st.

We reserve the right to increase these expenses as necessary upon notice to you. The Local Advertising Expense cannot be combined with the Camp Launch Advertising expense. You must spend the amounts explained above on the Local Advertising Expense regardless of the amounts that other franchisees may spend.

c. Regional Cooperatives. We may establish a regional advertising co-operative (“Regional Advertising Co-op”) in an advertising market once we believe there are enough CBW Franchises operating in the market to provide a critical mass for joint advertising and promotion. If established, you must direct your Local Advertising Expense to your Regional Advertising Co-op. If we or one of our Affiliates owns a Camp Bow Wow® location in a Regional Advertising Co-op’s market, we or our Affiliate will contribute to the Regional Advertising Co-op at the same rate that the franchisees in the Regional Advertising Co-op contribute. CBW will provide standard governing rules that the members of the Regional Co-Op may modify (in part), with prior approval from CBW. Members of the Regional Co-Op will elect their own leadership, and each Regional Co-Op shall manage its own expenses. The Regional Co-Op must prepare and submit monthly and annual financial statements in the form and manner specified by CBW. All materials used or created by the Regional Co-Op are subject to the same restrictions and guidelines as any other advertisement, including the requirement for pre-approval, and the Regional Co-Op shall assign any rights in the materials it creates to CBW, without compensation, so CBW and other franchisees may use them. No Regional Advertising Co-ops exist at this time.

**Computer Systems.** We require franchisees to use designated email and communication systems, including Google Workspace, as part of the System. Communications and data transmitted through these systems may be accessed, monitored, and retained by us in accordance with the Franchise Agreement and applicable law. Franchisees and their employees should not expect privacy when using System-required technology platforms.

1. Web Page. We may establish and maintain a website that provides information about the System and the Approved Products and Services offered by franchisees and we will have sole discretion and control over it. We also have the sole right to create interior pages on our website(s) that contain information about your CBW Franchise and other franchised and company owned locations. You will have the ability to propose changes to your web page, but we will be the web master, either directly or through a third party, and have sole discretion and control over all web pages. We will review and publish, subject to our approval, changes you request to the webpage. You will have certain fields that you are able to update on your webpage, but you must use our templates to do so. Excluding labor, the expenses you incur for managing your webpage/microsite may be applied toward your Local Advertising Expense (Section 5.1(k) of the Franchise Agreement).

You are not permitted to maintain an individual website or domain related to your CBW Franchise, including social media or networking pages or sites, without our prior written approval. We must also pre-approve your use of linking and framing between your web page and all other websites. You are not permitted to use any Mark (or any derivative thereof, including but not limited to “CBW” or “Bow Wow”) in any web page, website, or domain name that is not provided or pre-approved by us (Section 1.6(c) of the Franchise Agreement). We will use reasonable best efforts to review your request and respond in writing within 14 days of the date we receive all information requested by us. Our failure to notify you in the specified time frame will be deemed a disapproval of your request.

2. Computer Hardware Requirements. You must purchase or use a computer and router(s) that can run our required software, with Broadband, DSL, or Air Card access to the Internet to our satisfaction. You

must also use our required merchant services provider, payment processor, and must purchase an approved payment terminal that is compatible with our required equipment and providers. You are solely responsible for protecting your computer(s) from all viruses, bugs, power disruptions, Internet access failures, content failures, hackers, and other unauthorized users. You must take reasonable steps to secure your systems through, among other things, firewalls, encryption, access code protection, antivirus systems, cybersecurity insurance, and backup systems. We do not have general access to hard drives or other software that is included as part of your computer. We may require you to switch to different systems and/or providers at any time, which may be provided by us or by designated third parties, at your sole cost.

3. Computer Software Requirements. You must license certain required software from us or our suppliers in order to operate your Franchised Business. We may revise our specifications at any time, and we may change software suppliers. All of the required software permits us to receive information in real time concerning sales, operations, and inventory of your CBW Franchise. Current software requirements include PB&J for webcam software, Scorpion for content management, Emma for marketing automation software, and us or Gingr Pet-Care for point-of-sale software (Data Dawg, Gingr Pet-Care, or any required successor software) and client access applications. Costs for PB&J and Data Dawg are stated below. Scorpion and Emma are currently included in the Marketing Platform Fee beginning the month you sign your Real Estate Documents. We reserve the right to increase the Marketing Platform Fee upon notice to you.

4. Webcams. You must purchase webcam hardware, software, and routers from our approved supplier, which is currently PB&J. Your webcam hardware and routers must have Broadband or DSL access to the Internet. The monthly fee for the webcam software ranges from \$179 to \$239 per month depending on the number of cameras you install, and this is paid directly to PB&J. This fee includes the costs of updates to the system, which are done by PB&J. Your costs may vary depending on the size of your Franchised Business and the number of cameras and monitors you order. We will have access to your webcams at all times, including but not limited to the lobby webcam, which is hidden from public view.

5. Data Dawg. You are required to use our proprietary point-of-sale software, which is developed by us and is maintained and updated by us. You are required to sign a separate software license agreement with us for this software. We may independently access your electronic information and data through Data Dawg, and collect and use your electronic information and data in any manner we choose to promote the development of the System and the sale of franchises. We use this information to access sales information, revenue reports and royalty reports, as well as to monitor compliance with staffing requirements and brand requirements, such as play yard supervision, vaccinations and overbookings. There is no contractual limitation on our right to view, receive, or audit information through Data Dawg. We reserve the right to discontinue Data Dawg at any time and require you to begin using another vendor or program that we designate. We are in the process of transitioning our required system from “Data Dawg” software to Gingr Pet-Care software. All new Franchised Businesses are required to use Gingr Pet-Care software as their point-of-sale software. Some existing Franchised Businesses may continue to use Data Dawg during the transition period until they are migrated to the Gingr Pet-Care software. Currently, the cost for Data Dawg or Gingr Pet-Care, whichever is applicable to your Franchised Business, is included in your monthly Technology Fee. The Technology Fee is subject to change or increase upon notice to you.

6. Intranet Systems. You must regularly check, review and participate in our System-wide computer network Intranet Systems, and any other intranet systems we create in the future relating to the System. We may require that you use the Intranet Systems to: (i) submit reports due to us under the Franchise

Agreement; (ii) view and print portions of the Operations Manual; (iii) download approved local advertising materials; (iv) communicate with us and other franchisees; or (v) participate in training as we determine. We will provide access to our Intranet Systems for your Personnel. Each of your Personnel will have different levels of security and access to the information contained in the Intranet Systems. You are responsible for the use of the Intranet Systems by your Personnel and for compliance by each of your Personnel with our security and access policies. If any access information is lost or stolen, or employment of any of your Personnel ends, you must promptly notify us.

7. Network Requirements. To ensure business continuity and security compliance, it is critical that your business is outfitted with a commercial grade managed network stack that includes, a network switch, firewall, an appropriate number of wireless access points and of course the appropriate level of internet speed (upload as well as download). Detailed technical requirements are identified in the Camp Bow Wow Operations Manual.

**Operations Manual.** We will loan you a copy of our Operations Manual(s) during the Term of your Franchise Agreement, which contains mandatory and suggested specifications, standards, and procedures and may be updated from time to time in our sole discretion. The Operations Manual remains the sole and exclusive property of CBW and is available online through CampConnect. The Table of Contents is attached as Exhibit D.

**Training.** You are responsible for making sure that your Personnel are properly trained to our standards and requirements. Any training we provide to our Personnel will be limited to training or guidance regarding the delivery of approved services to clients in a manner that reflects the customer and client service standards of the System. You are, and will remain, the sole employer of your Personnel at all times, including during all training programs, and you are solely responsible for all employment decisions and actions related to your Personnel.

The 7-day classroom/in-Camp training program is typically held in our Westminster, Colorado office and corporate camp (or at another location designated by us). However, we reserve the right to alter this program and/or the locations of such training at any time.

<b>CAMP OPS 101 (INITIAL CAMP SERVICES TRAINING PROGRAM)</b>			
<b>Subject</b>	<b>Hours of Classroom Training</b>	<b>Hours of On-the-Job Training</b>	<b>Location*</b>
Preliminary Training	20	0	Online
Marketing	5	1	Headquarters, a CBW corporate store, and your Camp Site
Technology	3	3	Headquarters, a CBW corporate store, and your Camp Site
Financial	2.5	0	Headquarters, a CBW corporate store, and your Camp Site
General Business	5.5	0	Headquarters, a CBW corporate store, and your Camp Site

<b>CAMP OPS 101 (INITIAL CAMP SERVICES TRAINING PROGRAM)</b>			
Daily Operations	11	24	Headquarters, a CBW corporate store, and your Camp Site
Customer Service	1	4	Headquarters, a CBW corporate store, and your Camp Site
<b>Total</b>	<b>48</b>	<b>32</b>	

*\* All or portions of the program may be offered via webinar, online learning management system, or via third-party online learning systems that we designate.*

The principal instructional materials are the Operations Manuals and training presentations created by our Learning & Development team. The Initial Camp Services Training and other on-going training will be conducted by our trainers under the direction of our Vice President of Field Operations, Jeremy Tebo, whose experience is described in Item 2. We may change or substitute trainers as necessary and may delegate and share our training responsibilities.

Unless CBW agrees otherwise in writing, Franchisee (its Majority Owner, if Franchisee is an entity) and its Manager must complete the Initial Camp Services Training Program to CBW's satisfaction, in its sole discretion, prior to beginning operations. Failure to complete the Initial Camp Services Training to our satisfaction and begin providing Camp Services by the Operations Deadline may, at our option, result in a Default under or the termination of your Franchise Agreement. While tuition for you and your Manager is included in the Initial Franchise Fee, you will be responsible for the cost of all travel, lodging, wages, meals and expenses you incur in attending the Initial Camp Services Training Program. We will also provide Initial Camp Services Training to any Personnel for \$100 per day for each person that you cause or we require to participate in or retake the Initial Camp Services Training. You will be responsible for all travel expenses for all of your attendees, including airfare, lodging, meals, ground transportation, and personal expenses.

You must also comply with any future required training, at your expense. We reserve the right to change training requirements at any time.

<b>OPENING WEEK SUPPORT</b>		
<b>Subject</b>	<b>Hours of On the Job Training</b>	<b>Location *</b>
Technology	2	Your Camp Site
Daily Operations	20	Your Camp Site
Customer Service	10	Your Camp Site
<b>Total</b>	<b>32</b>	

*\* While we strive to do this in-person at your Camp Site, all or portions of the program may be offered virtually, as we deem necessary.*

The principal instructional materials are the Operations Manuals and training presentations created by our Learning & Development team. The Opening Week Support Training Program will be conducted by our trainers who are also referred to as openers, under the direction of our Vice President of Field Operations, Jeremy Tebo, whose experience is described in Item 2. Unless CBW agrees otherwise in

writing, Franchisee (its Majority Owner, if Franchisee is an entity) and its Manager must be present and participate in the Opening Week Support Training Program to CBW’s satisfaction. We may change or substitute openers as necessary and may delegate and share our training responsibilities.

<b>DOG TRAINER CERTIFICATE PROGRAM</b>			
<b>(For Trainers who are Independently Certified by a Pre-Approved Organization)</b>			
<b>Subject</b>	<b>Hours of Web-Based or Virtual Training</b>	<b>Hours of On the Job Training</b>	<b>Location*</b>
Brand Standards (methodology, training services, referrals)	1	0	Your Camp Site
Communication	2	2	Your Camp Site
Dog Training Business Operations (marketing, finance, sales, technology)	4	2	Your Camp Site
Virtual Start Up Planning (ramp up plan, goal setting, trainer introduction)	4	0	Your Camp Site
<b>Total</b>	<b>11</b>	<b>4</b>	

*\* All or portions of the program may be offered via webinar, online learning management system, or via third-party online learning systems that we designate.*

If you elect to provide dog training services, you must hire a dog trainer with one of the following approved certifications (which may be updated from time to time): Trainers hired who have a current credential from the Certification Council for Professional Dog Trainers (CCPDT), the International Association for Animal Behavior Consultants (IAABC), or have completed one of the following dog training programs: CATCH Canine Trainers Academy; Victoria Stilwell Academy; Peaceable Paws; Karen Pryor Academy; or, The Academy for Dog Trainers. Your selected trainer must complete the Dog Trainer Certificate Program to our satisfaction before you are approved to begin dog training.

The Dog Trainer Certificate Program, originally launched on June 11, 2010 as the Bow Wow Behavior Buddies program, was introduced as part of Camp Bow Wow’s broader expansion of pet service offerings. The program is now referred to as the Dog Training Certificate Program. The Dog Trainer Certificate Program will be conducted by our Vice President of Field Operations, Jeremy Tebo.

If your Certified Dog Trainer leaves your employment at any time, you must stop providing any dog training services until another trainer successfully completes our Dog Trainer Certificate Program, to our satisfaction.

We also allow Franchised Businesses with Certified Dog Trainers to have assistant trainers on staff. An assistant trainer is trained by a Certified Dog Trainer at their Franchised Business location. An assistant trainer may only perform obedience training through Play & Train services at the Franchised Business, but may assist the Certified Dog Trainer during group classes, private instruction, and at events. All training

for Assistant Trainers may be conducted by your Franchised Business’s Certified Dog Trainer. The assistant trainer program consists of:

<b>ASSISTANT TRAINER PROGRAM</b>			
<b>Subject</b>	<b>Hours of Web-Based or Virtual Training</b>	<b>Hours of On-the-Job Training</b>	<b>Location *</b>
Brand Standards (methodology)	1	0	Your Camp Site
Observation and Critique	1	15	Your Camp Site
Communication (follow up, pet parent discussions, referrals)	2	2	Your Camp Site
<b>Total</b>	<b>4</b>	<b>17</b>	

In addition to the training programs outlined above, we offer an extensive suite of brand-specific online training modules through our learning management system. There are currently more than 200 hours of proprietary training materials available to you and your staff, that were created by our Training Team.

**ITEM 12.  
TERRITORY**

The Franchise Agreement will designate a geographic area, known as the “Site Selection Area”, within which you agree to conduct your site search. The Site Selection Area does not provide you with any territorial rights. Upon approval of a Camp Site, we may elect to narrow and/or expand the boundaries of your Authorized Territory from the Site Selection Area. Upon execution of the lease for an Approved Camp Site, we will finalize the “Camp Site and Authorized Territory Selection Addendum” on Attachment A to the Franchise Agreement which will include the Authorized Territory and Camp Site location throughout which you must offer the Camp Services (the “Authorized Territory”). The Authorized Territory and Camp Site location will be in the “Camp Site and Authorized Territory Selection Addendum” on Attachment A to the Franchise Agreement. Unless excepted in the Franchise Agreement and pre-approved by CBW, all of your advertising and marketing must be distributed in media that targets the Authorized Territory.

We define each Authorized Territory according to demographic data, including population density and average income, and other characteristics of the surrounding area, natural boundaries, and the amount and size of urban, suburban and rural areas within the Authorized Territory. We do not represent that each franchisee’s Authorized Territory will be the same minimum size or population. We may adjust, redefine or reduce the Authorized Territory upon the renewal of your Franchise Agreement if we determine at the time of renewal that your Authorized Territory contains two or more markets as determined by our then-current territory mapping policy.

The Camp Site must be situated within the Authorized Territory. If your Camp Site is too close to the border of the Authorized Territory, in CBW’s sole discretion, we may require changes to your Authorized Territory as a condition to our approval of the Camp Site. You may be required to cover any costs we incur in making these changes. You must obtain our written approval of the relocated Camp Site (“Relocation Camp”) and once we have granted approval, you cannot move your Camp Site without our prior written consent and your payment of the relocation fee. Any proposed lease for a Relocation Site must be approved by us before you sign a binding Lease Agreement. We must approve the lease that you use in connection with the Relocation Camp and the lease must include our required Lease Addendum, as attached to the Franchise Agreement as Exhibit K. If you purchase a building for your Relocation Camp Site, a Lease to Self must be established. The Landlord entity that owns the building may be a separate entity from

the franchisee entity which operates the Camp. We must approve the lease that you use in connection with the Relocation Camp and the lease must include our required Lease Addendum, as attached to the Franchise Agreement as Exhibit K.

Our approval of a relocation is based on a variety of factors, including but not limited to the demographics, population density, average income and other characteristics of the surrounding area, natural boundaries, extent of competition and the amount and size of urban, suburban and rural areas within the Authorized Territory. CBW may continue to collect the Advertising Fund Fee, Royalty Fee, Technology Fee, or any other fee due to CBW during any relocation period. Further, CBW may require Franchisee to continue spending the Local Advertising Expense and/or to spend the Camp Launch Advertising to promote the opening of the new Camp Site location. Royalty Fees during this period will be the greater of (i) the monthly average of Royalty Fees paid by Franchisee during the immediately preceding 12 months of operations, or (ii) the Minimum Monthly Royalty. Advertising Fund Fees during this period will be based on the monthly average of Advertising Fund Fees paid by Franchisee during the immediately preceding 12 months of operations. If you are forced to relocate due to a force majeure event as defined in Section 20.9 of the Franchise Agreement, you will not be required to pay the Relocation Fee or the Advertising Fund Fee, Royalty Fee, Technology Fee, or any other fee due to CBW during the relocation period unless you fail to re-open within 12 months, in which case CBW may elect to terminate this agreement upon written notice, in its sole discretion. However, CBW may still require you to continue spending the Local Advertising Expense or to spend the Camp Launch Advertising to promote the opening of the new Camp Site.

#### The Authorized Territory

You will receive an Authorized Territory in which to develop and operate your CBW Franchise. You, however, do not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Except as provided below, during the term of the Franchise Agreement, we will not locate, or license to another franchisee the right to locate, a CBW Franchise within the Authorized Territory. However, we reserve for ourselves, our Affiliates and others whom we authorize, the right to engage in certain activities in your Authorized Territory. Our reserved rights include the right to:

a. establish and operate, or grant others the right to establish and operate businesses anywhere within or outside of the Authorized Territory selling similar or identical Products and Services as you under a different name, trademark or service mark than the Marks, including without limitation through brick and mortar stores or through alternative channels of distribution such as wholesalers, retail outlets, mail order, catalog, or via the Internet;

b. offer or grant others the right to offer the Products or Services under the Marks within or outside the Authorized Territory through channels of distribution not licensed to you in the Franchise Agreement, including but not limited to wholesalers, retail outlets, mail order, catalog, or via the Internet;

c. market anywhere within or outside the Authorized Territory or on the Internet in any way CBW deems appropriate, including use of all websites, domain names, URLs, social media sites, directory addresses, metatags, linking, advertising and co-branding and other arrangements. You may not independently market on the Internet or buy or use any domain name, address, locator, link, metatag or

search technique with words or symbols similar or identical to the Marks or otherwise establish a presence on the Internet without CBW's prior written approval;

d. acquire, be acquired by, merge, affiliate with or otherwise engage in any transaction with another business (whether competitive or not), with units within or outside of the Authorized Territory, and to do the following, regardless of their proximity to your Camp Site or the actual or threatened impact on your Franchised Business: (i) establish, acquire, operate or license units under the newly acquired or merged system or trademarks; (ii) convert units from the acquired or merged system to the Camp Bow Wow® brand; or (iii) require that you convert your Franchised Business to the newly acquired or merged system or brand, at your cost;

e. limit the scope of your license for any individual Product or Service if you or any of your officers, directors, shareholders, employees, agents, members, Affiliates, owners or Principals is not in compliance with this Agreement or any other agreement(s) with CBW;

f. establish and operate, or grant others the right to establish and operate a Franchised Business in any of the following "Non-Traditional Location(s)" located inside or outside the Authorized Territory: sporting stadium or similar sports venue, hotel or resort, amusement park or other tourist attraction, casino, corporate campus, hospital or other healthcare facility, college, university or other educational facility, airport, public transportation facility, or co-branded location. However, if the owner of the Non-Traditional Location agrees to consider a franchise in the space, and it is within the Authorized Territory, then subject to the conditions below, CBW will grant you a 30-day right of first negotiation to acquire the right to establish and operate a Franchised Business at the Non-Traditional Location. If: (i) the owner of the Non-Traditional Location elects not to offer you the right (CBW has no obligation or duty to make them offer you the right); (ii) you do not reach an agreement during the 30-day negotiation period; (iii) you or any of your officers, directors, shareholders, employees, agents, members, Affiliates, owners or Principals is not then in compliance under the Franchise Agreement or any agreement with CBW; (iv) you do not meet the then-current requirements for additional franchised units; (v) you fail to sign the then-current franchise agreement for the additional location within 30 days of receipt; or (vi) you elect not to pursue the non-traditional location, then CBW or an Affiliate of CBW has the right to establish and operate the business at the Non-Traditional Location, or the owner of the Non-Traditional Location may establish and operate the business itself (directly or indirectly);

g. establish and operate, and grant others the right to establish and operate, Franchised Businesses using the System and Marks anywhere outside the Authorized Territory;

h. enter into agreements with other franchisees or licensees that may contain provisions, conditions, and obligations that differ from those contained in your Franchise Agreement, without affecting the terms and conditions of your license; and

i. engage in any other activity not expressly prohibited in the Franchise Agreement.

We have no duty to compensate you on account of business that we, our Affiliates, or our licensees conduct within your Authorized Territory pursuant to our reserved rights. You acknowledge that you may compete with other Camp Sites and other CBW Franchises which are now, or which may in the future be, located near or adjacent to your Authorized Territory, and these Camp Sites and other CBW Franchises may be owned by us, third parties, or both.

If, during any four months in any 12 consecutive month period, your Net Revenue does not amount to a level where you are paying a Royalty Fee equal to or greater than the Minimum Monthly Royalty, we may (a) impose additional mandatory marketing and training programs to be paid for by you, or (b) terminate the Franchise Agreement upon notice and opportunity to cure.

The Authorized Territory for a Conversion Franchise will be a defined area as determined by us. The Authorized Territory will be based on the sales of the existing business and the size of the market. The criteria for the Authorized Territory for your Conversion Franchise will not match the criteria for new Franchised Businesses.

Outside of your Authorized Territory, we may use, and license others the right to use, the Marks and System for the operation of a CBW Franchise anywhere regardless of proximity to your Authorized Territory and for any other purposes in our discretion.

### Multi-Unit Development Agreement

If we grant you multi-unit development rights, the Multi-Unit Development Agreement you sign with us will grant you a designated area within which you may establish, according to your Development Schedule, three (3) CBW Franchises (“Development Area”). The Development Area and number of CBW Franchises to be developed is determined based on demographics and other characteristics of the Development Area, including population density, average income and other characteristics of the surrounding area, natural boundaries, and the amount and size of urban, suburban and rural areas in the Development Area. Your Development Area is not dependent upon sales volume or market penetration. Based on your proposal and our own research, we will negotiate with you how many CBW Franchises must be established within the Development Area. Each Authorized Territory for specific CBW Franchise locations to be established within the Development Area will be determined at the time the Franchise Agreement is signed for each new CBW Franchise.

You cannot move your Development Area without our prior written consent. Our approval is based on a variety of factors, including the demographics of the proposed new Development Area and your ability to meet the Development Schedule provided in Schedule A of the Multi-Unit Development Agreement. Our approval of your Development Area does not guarantee the success of CBW Franchises. You will not have any option, right of first refusal or similar rights to acquire any additional Franchised Businesses, franchises or territories by virtue of signing the Multi-Unit Development Agreement.

You will not receive an exclusive Development Area. You may face competition from other franchises, from outlets that we own or from other channels of distribution or competitive brands that we control. We will not, during the term of the Multi-Unit Development Agreement, locate nor license to another the right to locate CBW Franchises within the Development Area, unless you fail to meet the Development Schedule. If you fail to meet the Development Schedule or if the Multi-Unit Development Agreement terminates or expires, your rights to the Development Area may be forfeited and we may grant franchises to other persons or entities to establish CBW Franchises using the Marks and the System within the Development Area, subject only to the territorial rights, if any, under the Franchise Agreements you enter into for the CBW Franchises in the Development Area. You are not granted any rights to develop or operate, and you may not develop or operate, CBW Franchises outside the Development Area, except under rights granted to you under other agreements entered into with us. Unless your Multi-Unit Development Agreement specifies otherwise, if we grant you the right to develop one type of franchise under your Multi-

Unit Development Agreement, we still have the right to license to someone else a different type of franchise in the Development Area.

Neither we nor any of our franchisees are prohibited from soliciting or making sales within the Development Area. We have no duty to protect you from these sales, solicitations, or attempted sales. We also have no duty to compensate you for any Services or products we provide within the Development Area. You acknowledge that (i) you will compete with other CBW Franchises which are now, or which may in the future be, located near or adjacent to your Development Area, and (ii) these CBW Franchises may be owned by us, third parties, or both. You also acknowledge that we may locate a CBW Franchise in your Development Area, provided that such CBW Franchise is not the same type of CBW Franchise for which you have purchased the license to develop, and you may compete with such CBW Franchise.

If you are developing a CBW Franchise, customers from your Development Area may purchase Services and products from other CBW Franchises or from us and our Affiliates or designees over the Internet, or in other reserved channels of distribution such as directory addresses, metatags, linking, advertising, and co-branding and other arrangements. Customers from other Authorized Territories may purchase Services and products from your Development Area (after you begin operations), over the Internet, or from other reserved channels of distribution.

You may not advertise or market the Services or products you intend to provide in your Development Area outside of your Development Area, unless otherwise approved by us, you will be in breach of your Multi-Unit Development Agreement, and we would have the right to terminate your Multi-Unit Development Agreement.

We reserve the right to use, license and franchise the use of other trademarks or service marks other than the Marks, whether in alternative channels of distribution or at any location including the Development Area, in association with operations that are the same as, similar to, or different than CBW Franchises.

### **ITEM 13. TRADEMARKS**



The Franchise Agreement grants you the nonexclusive license and right to use the Marks that we designate for the System. You must indicate, as explained in the Franchise Agreement and specified in the Operations Manuals, that you are an independent operator of the CBW Franchise and you will use only the appropriate and authorized Marks as indicated by us.

We are the current owner of the Marks and certain other intellectual property, and we have registered and filed all the required affidavits for the following principal Marks with the United States Patent and Trademark Office (“USPTO”) on the Principal Register:

<b>Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>
CAMP BOW WOW®	2,954,646	May 24, 2005
CAMP BOW WOW®	3,364,523	January 8, 2008
CAMP BOW WOW®	5,025,152	August 23, 2016

Mark	Registration Number	Registration Date
CAMP BOW WOW®	5,529,134	July 31, 2018
CAMP BOW WOW (and design)	5,451,586	April 24, 2018
CAMP BOW WOW A DOG GONE GOOD TIME (and design)	4,188,751	August 14, 2012
HAPPY HEALTHY PETS, HAPPY HEALTHY PEOPLE BY CAMP BOW WOW®	4,686,913	February 17, 2015
TRADE DRESS (design only)	4,566,177	July 15, 2014
SEIZE THE PLAY®	5,488,343	June 5, 2018
SEIZE THE PLAY®	5,519,583	July 17, 2018
SEIZE THE PLAY®	5,758,242	May 21, 2019

In addition to the registered marks above, we have filed an application for the primary trademark below:

Mark	Application Number	Application Date
	99/040,811	February 13, 2025
HAPPY CAMPER	99/186,348	May 15, 2025
	99/186,351	May 15, 2025

We do not have a federal registration for this trademark. Therefore, this trademark does not have many legal benefits and rights as a federally registered trademark. If our right to use the trademark is challenged, you may have to change to an alternative trademark, which may increase your expenses. An application for registration on the Principal Register of the United States Patent and Trademark Office has been filed.

We do own and claim common law trademark rights in the phrase “Camper Cams” when used in connection with web cams in your CBW franchise and for “Campfire Treats” when used in connection with dog treats. Our common law trademark rights are included as part of the Marks.

You must adhere to our rules and guidelines when you use our Marks. You may not use any of the Marks alone or with modifying words, designs or symbols, as part of a corporate or business name or in any form on the Internet, including URLs, domain names, e-mail addresses, locators, links, metatags or search techniques, except as we license to you. You must not use any of our Marks, or portions or derivatives of them in the registration of the name of any entity. Guidelines regarding proper trademark use and notices are in the Operations Manuals and will be updated periodically. You may not use our Marks with an unauthorized product or service, or in a manner not authorized in writing by us.

By signing the Franchise Agreement, you agree that we own or have the rights to all rights and title in the Marks and that if you use them in an unauthorized manner that use will be an infringement of our rights in and to the Marks. You also agree that your use of the Marks specifically identified in your Franchise Agreement and any goodwill you establish will be to our exclusive benefit. You agree to operate your CBW Franchise in strict compliance with our high standards and to comply strictly with all of our mandatory specifications, standards and operating procedures for CBW Franchises, as applicable, that we may change periodically.

Except as we explain in this Item 13, there are no currently effective material determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, any pending infringement, or cancellation proceedings or any pending material litigation involving any of our Marks that are relevant to the use of these Marks. There is no pending material federal or state court litigation regarding our use or ownership rights in any of our principal Marks.

However, we are aware of similar businesses operating in Ohio and Texas under names similar to ours, and with rights that may or may not be superior to ours. In May 2007, we entered into a Trademark Co-Existence Agreement with CEC Entertainment Concepts, L.P., the owner of the mark “Where a Kid can be a Kid.” Under the terms of that agreement, we agreed not to use our Mark “Where a Dog can be a Dog®” on certain products and to not distribute these products through our Franchised Business.

You must immediately notify us of any potential infringement or challenge to your use of any Mark, trade dress or our other intellectual property. We will take the action that we deem appropriate or necessary to protect the unauthorized use of our Marks, trade dress or our other intellectual property. You agree not to communicate with any person other than us or our attorneys as directed in any claim or challenge. You must fully cooperate in our defense of any action for the Marks or other intellectual property, sign any instruments and documents, and other actions that may be necessary or helpful to protect and maintain our interests. The cost of defense for a claim or challenge will be paid by us, however, if the claim or challenge is caused by your wrongful acts or if you use the Marks in a manner inconsistent with our standards and specifications, you must indemnify us for any damages we incur, including all of our attorneys, experts or other fees.

You must modify or discontinue the use of a Mark, at your expense, if we modify or discontinue its use. In addition, if we discontinue the use of a Mark due to our determination that a third party has superior rights to the Mark, we will reimburse you for the tangible cost of compliance with this requirement (such as the cost of new signage, printing new letterhead and business cards), but you will have no rights of damages, offset, or termination, and CBW will have no further liability or obligation whatsoever.

You should understand that there could be other businesses using trademarks, trade names, or other commercial symbols similar to our Marks with superior rights to our rights. Before opening your CBW Franchise, you should research this possibility, using telephone directories, trade directories, Internet directories, or otherwise to avoid the possibility of having to change your CBW Franchise name.

As of the date of this Disclosure Document, we are not aware of any effective agreements that significantly limit our rights to use or license the use of the Marks or of any superior prior rights or infringing uses that could materially affect your use of the Marks where your CBW Franchise will be located.

**ITEM 14.**  
**PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

The information contained in the Operations Manuals is proprietary, protected as a trade secret and, although we have not registered it with the United States Copyright Office, we claim federal copyright protection. Additionally, although we have not registered the following copyright registrations, we claim that the designs contained in the Marks, our website, the layout and content of our advertising materials and those that we permit you to use, as well as the content and format of any other writings, pictorial works and recordings, as well as any other works of authorship, are protected by copyright and other laws. You are only granted the right to use the version of the website specific to your CBW Franchise. We grant you the nonexclusive license and right to use the above-described proprietary and copyrighted information (collectively, “Copyright Works”) solely for use for the operation of the CBW Franchise, but these copyrights remain our sole property.

There are currently no effective determinations of the United States Copyright Office or any court regarding any Copyrighted Works of ours, nor are any proceedings pending, nor are there any currently effective agreements between us and third parties pertaining to the Copyrighted Works that will or may significantly limit your use of our Copyrighted Works. We are not obligated under the Franchise Agreement or otherwise to protect or defend our copyrights. We have registered the following copyrighted works with the United States Copyright Office:

Title	Registration Number	Registration Date
CAMP BOW WOW LOGO WOODEN MEDALLION (Sculpture/3-D Art Work)	VA 1-752-006	December 8, 2010
UNTITLED (Camp Bow Wow Website) (Literary Work)	TX 7-653-691	January 8, 2013
CAMP BOW WOW PROTOTYPE DESIGN A&B (Architectural Work)	VA 1-134-014	March 8, 2013
UNTITLED (Camp Bow Wow Website – Franchisee Pages) (Literary Work)	TX 8-074-174	January 8, 2013

<b>Title</b>	<b>Registration Number</b>	<b>Registration Date</b>
Dogs Get Nervous Too: A Book About Dog Bite Prevention	TX 7-800-316	November 8, 2013
Dogs Need More than Love: A Book About Responsible Dog Care	TX 8-0110636	January 7, 2015

We have registered the following patented works with the United States Patent and Trademark Office, all of which are protected for 14 years from the date of registration:

<b>Patent</b>	<b>Registration No.</b>	<b>Date Registered</b>
Kennel Gate (Log Cabin Design)	0692,621 S	October 29, 2013
Kennel Gate (Picket Fence Design)	D696,473 S	December 24, 2013
Header for a Kennel Gate (Tree Design)	0703,391 S	April 22, 2014
Design for a Kennel Gate	D735,954 S	August 4, 2015

Our Copyright Works, confidential information, trade secrets, and other intellectual property and equipment subject to patent registrations (collectively, “Intellectual Property”) are our property to be used by you only as described in the Franchise Agreement and Operations Manuals. You must add, modify or discontinue the use of the Intellectual Property if we instruct you to do so. Unless otherwise stated in this document, we do not have any obligation to reimburse you for any expenditure you may incur for the discontinuance, modification or substitution of any equipment or otherwise. You must maintain the confidentiality of our confidential information and trade secrets and adopt reasonable procedures to prevent unauthorized disclosure of our trade secrets and confidential information, including the obligation to require that all of your Personnel execute our nondisclosure form.

You must notify us within 3 days after you learn about another’s use of language, visual image or design, or a recording of any kind, that you believe to be identical or substantially similar to any of our Intellectual Property. You must also notify us within 3 days if someone challenges your use of our Intellectual Property. We will take whatever action we deem appropriate to protect our rights in and to the Intellectual Property, which may include payment of reasonable costs associated with the action. However, we are not required to take affirmative action in response to any apparent infringement of or challenge to your use of any of our Intellectual Property or claim by any person of any rights in any of the same. You must not directly or indirectly contest our rights to any of our Intellectual Property. You may not communicate in any infringement, challenge or claim with anyone except us and our counsel. We will take action we deem appropriate regarding any infringement, challenge or claim, and the sole right to control exclusively any litigation or other proceeding arising out of any infringement, challenge or claim under any Intellectual Property. You must sign all instruments and documents, give the assistance, and do things that may, in the opinion of our counsel, be necessary to protect and maintain our interests in any litigation or proceeding or to protect and maintain our interests in the Intellectual Property.

You must disclose to us all ideas, techniques and products concerning the development and operation of the CBW Franchise that you or your Personnel conceive or develop during the term of the Franchise Agreement. You must grant to us and agree to obtain from your owners or Personnel a perpetual, exclusive, royalty free and worldwide right to use ideas, techniques and products concerning the development and operation of your CBW Franchise that you or your Personnel conceive or develop during the term of the Franchise Agreement in all pet-related product and service businesses that you operate. We will have no obligation to compensate you in any way for 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.

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

Under the Franchise Agreement and the Multi-Unit Development Agreement, you are not obligated to participate personally in the direct operation of your CBW Franchise, however, you are at all times responsible for the operations of the CBW Franchise. Your Manager may manage the day-to-day operations of the CBW Franchise. The Manager is not required to own an equity interest in the franchisee entity; however, the Manager must complete the Initial Camp Services Training, all ongoing training programs, and any other applicable training to our satisfaction. You (if Franchisee is an entity, your Majority Owner) or Manager must devote full time and best efforts to the management and operation of the CBW Franchise and both must successfully complete our Initial Camp Services Training by demonstrating to us appropriate levels of competence in the subject matters taught in these training programs.

At all times, you must keep us informed of the identity of your Manager. We may deal with the Manager on the day-to-day operations of, and reporting requirements for, the CBW Franchise. You must hire all Personnel of your CBW Franchise and are solely responsible for the terms of their work, training, compensation management and oversight. We strongly suggest that you obtain confidentiality agreements from all of your Personnel.

If you are a business entity, we require that each of your officers, directors, partners, shareholders or members (and, if you are an individual, immediate family members) (i) provide us with financial information that we may reasonably require, and (ii) execute our standard Guarantee and Assumption of Franchisee's Obligations and our Nondisclosure and Noncompetition Agreement. (See Attachments B and E to the Franchise Agreement, respectively).

**ITEM 16.**  
**RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL**

You must keep your CBW Franchise open and in normal operation for the minimum hours and days we may specify in the Operations Manuals. You must refrain from using or permitting the use of your CBW Franchise for any other purpose or activity at any time, including the offering of collateral services, without first obtaining our written consent.

You must sell or offer to sell all of the required Approved Products and Services and only the Approved Products and Services, which may be changed from time to time. You must follow our policies, procedures, methods, and techniques. We may change or add to our required Approved Products and

Services at any time, upon prior notice to you. You must discontinue selling and offering for sale any services or products which we may disapprove of in writing at any time.

Approved Products and Services currently include but are not limited to: (i) Camp Services; (ii) certain pre-approved dog training services (after the minimum requirements are met); (iii) retail sale of pet food and other products; (iv) certain grooming services; and (v) assorted other pet-related services and products authorized by us and specified in the Operations Manuals, which may be updated from time to time. You must begin offering all Approved Products and Services at the time you begin to provide Camp Services or as otherwise agreed in writing. Our System has changed over time and our franchisees that have been in the System for a longer period of time may not have the same license granted to you under the Franchise Agreement.

We designate some services as optional. To offer optional services, you must be in compliance with all of your obligations under any agreement with us or our Affiliates and we may require you to comply with other requirements such as training, marketing, or insurance before we permit you to offer optional services.

## ITEM 17. RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

**These tables list important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.**

### THE FRANCHISE RELATIONSHIP

The Franchise Agreement is abbreviated in this table as “FA” and the Multi-Unit Development Agreement is abbreviated as “MDA.”

Provision	Section	Summary
a. Length of the franchise term	FA: § 2.1 MDA: § II	The initial Term of Franchise Agreement is 10 years. The term of the Multi-Unit Development Agreement continues until the earlier of termination of the Multi-Unit Development Agreement or completion of the Development Schedule.
b. Renewal or extension of the term.	FA: §§ 2.1, 2.2 MDA: None	Franchisees may renew for two additional 10-year terms if certain renewal conditions are satisfied.
c. Requirements for franchisee to renew or extend	FA: §§ 2.1, 2.2 MDA: None	Sign a new and then current Franchise Agreement within 30 days of receipt, sign a release and new personal guaranty, provide us proof that you have the right to continue providing all Services from the Camp Site or have found an alternative location, refurbish/upgrade the CBW Franchise and Camp Site if required, take any renewal training courses we require, provide us with at least 6 months and no more than 12 months prior notice of intent to renew, satisfy all payment obligations,

Provision	Section	Summary
		<p>including the renewal fee, provide us with requested financial information. You must be in compliance with the Franchise Agreement during the initial term and not in default at the time of renewal, have participated in and supported our brand initiatives throughout the initial term and agree to any reasonable request to redefine the Authorized Territory. We must be offering franchises in the state in which your Authorized Territory is located at the time of renewal.</p> <p>The new franchise agreement may contain terms and conditions materially different from those in your previous franchise agreement, like different fee requirements and territorial rights.</p>
d. Termination by Franchisee	FA: § 15.2 MDA: None	You may terminate the Franchise Agreement for good cause (as defined in Section 15.2 of the Franchise Agreement) only and if you are in compliance with the Franchise Agreement and we fail to cure, or fail to begin to cure, an alleged breach within the 60-day cure period we are allowed under the Franchise Agreement.
e. Termination by Franchisor without cause.	None	N/A
f. Termination by Franchisor with cause.	FA: §§ 14, 15 MDA: §VII	We may terminate the Franchise Agreement and Multi-Unit Development Agreement with cause.
g. “Cause” defined - curable defaults	FA: § 14.2 MDA: None	<p>We may terminate the Franchise Agreement after providing you a 15- day cure period if: (i) you fail to comply with the Operations Manual or system standard, (ii) you fail to adhere to the insurance requirements for the Franchised Business and Camp Site, (iii) you fail to pay any monies you owe us, our Affiliates, third party creditors, third party lienholders, and/or the lessor from whom you are renting the Camp Site; (iv) you fail to procure or maintain any licenses, certifications, or permits necessary for the operation of your CBW Franchise; or (v) any guarantor fails or refuses to deliver to Franchisor, within 10 days after Franchisor’s written request a personal guaranty or current financial statements.</p> <p>We may terminate the Franchise Agreement after providing you a 30- day cure period if you fail to perform or comply with any one or more of the terms or conditions of the Franchise Agreement, including but not only if: (i) you fail to</p>

Provision	Section	Summary
		satisfy any training requirement; (ii) you use an unapproved vendor or supplier; (iii) you make an unauthorized change to the Camp Site or other equipment; or (iv) you fail to maintain a sufficient staff level.
h. "Cause" defined - non-curable defaults	FA: § 14.1 MDA: § VII	The Franchise Agreement will terminate upon written notice without the opportunity to cure if: (i) you make an assignment for the benefit of creditors, file a voluntary petition in bankruptcy, are adjudicated bankrupt or insolvent, file or acquiesce in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consent to or acquiesce in the appointment of a trustee or receiver for you or the CBW Franchise; (ii) proceedings have started to have you adjudicated bankrupt or to seek your reorganization under any state or federal bankruptcy or insolvency law, and those proceedings are not dismissed within 60 days, or a trustee or receiver is appointed for you or the CBW Franchise without your consent, and the appointment is not vacated within 60 days; (iii) you purport to sell, transfer or otherwise dispose of your interest in the CBW Franchise in violation of our requirements; (iv) you take part in criminal acts or misconduct or commit fraud in the operation of the CBW Franchise or otherwise; (v) you make any misrepresentations in the franchise application; (vi) you fail to start operations within the periods provided; (vii) you receive more than 2 written notices of default within any 12-month period; (viii) you materially breach any other agreement with us or our Affiliates; (ix) you misuse the Intellectual Property, Confidential Information or Trade Secrets; (x) you violate any health, safety or sanitation law; (xi) you violate the in-term restrictive covenants of the Franchise Agreement; (xii) a lien or writ of attachment or execution is placed against you and is not released or bonded against within 5 days; (xiii) you abandon the CBW Franchise; (xiv) you offer any unauthorized or unapproved products or services in the operation of your CBW Franchise; (xv) you purchase or use supplies from unapproved suppliers; (xvi) you misuse our proprietary software; (xvii) you fail to comply with any governmental notice of noncompliance with any law or regulation within the required cure period; (xviii) you fail to comply with any laws or regulations; (xix) any audit reveals that you have understated your royalty or advertising payments, or your Local Advertising Expense, by more than 1%, or if you have failed to submit timely reports and/or

Provision	Section	Summary
		<p>remittances for any 2 reporting periods within any 12-month period; (xx) any material judgment is obtained against you and not discharged within 30 days; (xxi) you contest in a court proceeding the validity, or our ownership, of our Marks; (xxii) you fail to maintain adequate insurance; or (xxiii) you fail to pay when due or there are inadequate funds in your account for automatic withdrawal of any amounts owed to Franchisor on 3 or more occasions in any 12 month period. If you are party to more than one Franchise Agreement, if one Franchise Agreement is terminated, we have the right to terminate all other franchise agreements (“cross-default and termination”).</p> <p>Under the Multi-Unit Development Agreement, non-curable defaults include failure to comply with the Development Schedule or failure to comply with any obligation in the Franchise Agreement.</p>
i. Franchisee’s obligations on termination/non-renewal	FA: § 16 MDA: §§ X, XI	Your obligations under the Franchise Agreement include complete cessation of business, de-identification, return of Manuals, customer lists and other proprietary information, nondisclosure of trade secrets, comply with insurance, indemnification, non-competition and other obligations to protect our system and intellectual property, and payments of amounts due. You must pay back both account credits and outstanding balances. Your obligation under the Multi-Unit Development Agreement is non-competition and confidentiality.
j. Assignment of contract by Franchisor	FA: § 12.1 MDA: § VIII.1	No restriction on our right to assign under the Franchise Agreement or Multi-Unit Development Agreement.
k. “Transfer” by Franchisee - defined	FA: §§ 12.2, 14 MDA: § VIII.2	<p>Includes transfer of rights under the Franchise Agreement and Multi-Unit Development Agreement; all or a substantial portion of the assets or entity of your Franchised Business or Camp Site; or if the franchisee is a business entity, a controlling interest in that business entity.</p> <p>As noted in (m) below, Transferee must sign the then-current form of Franchise Agreement, which may contain materially different terms, upgrade the Camp Site to our then-current standards and specifications, take all required training programs, and be approved by us. Transferees who are related to you and who sign our then-current form of franchise</p>

Provision	Section	Summary
		agreement will receive the full initial term contained in our then-current offering. We must be paid a transfer fee and, if applicable, broker fees and/or the Resale Consulting Fee.
l. Franchisor approval of transfer by Franchisee	FA: § 12.2 MDA: § VIII.2	We must approve all transfers.
m. Conditions for Franchisor approval of transfer.	FA: § 12.2.b MDA: § VIII.2	<p>Transferee qualifies and meets our then-current requirements for becoming a franchisee, no existing defaults or debts, transfer fee paid (as well as any applicable broker fees and/or the Resale Consulting Fee), signs the then-current franchise agreement, which may contain materially different terms, and Transferee provides us with requested financial information that we approve.</p> <p>Transferee or its designated personnel that we approve must complete Camp Services Training and the Dog Trainer Certificate Program. Transferee and Transferor sign a general release as well as a personal guaranty. All material terms of transfer require our approval. If you finance any part of a transfer, you agree to subordinate your interests to ours. You also agree to be bound by post-termination covenant not to compete and sign a mutual termination and release. Transferor must update the Camp Site, if applicable, to our then-current standards. The CBW Franchise must be kept operational during any period of transfer.</p> <p>Under the Multi-Unit Development Agreement, all sums due are paid, no existing defaults, release signed, transfer fee paid (as well as any applicable broker fees and/or the Resale Consulting Fee), transferee meets our standards, transferee signs the current Multi-Unit Development Agreement and attends training.</p>

Provision	Section	Summary
n. Franchisor's right of first refusal to acquire Franchisee's business	FA: §§ 12.2.b, 13 MDA: None	We have a right of first negotiation for the CBW Franchise. We also have a right of first refusal and option to purchase the CBW Franchise upon termination or expiration (see o. below).
o. Franchisor's option to purchase Franchisee's business	FA: § 13 MDA: None	Upon termination or expiration of the Franchise Agreement we have an option to buy the CBW Franchise and all furniture, fixtures, equipment, products, accounts and other business assets.
p. Death or disability of Franchisee	FA: § 12.2.c MDA: None	The CBW Franchise may be assigned to your successor provided that the successor complies with the conditions of transfer.
q. Non-competition covenants during the term of the franchise	FA: § 11.3.b MDA: § XI	Under the Franchise Agreement and Multi-Unit Development Agreement, neither you, your guarantors, officers, directors, owners nor any immediate family of such persons can have any direct or indirect interest in any competitive business, cannot perform services for a competitive business, and cannot direct or attempt to divert business during the term of the Franchise Agreement or Multi-Unit Development Agreement. The in-term non-compete does not apply to your operation of existing CBW Franchises pursuant to other effective franchise agreements with us.
r. Non-competition covenants after the franchise is terminated or expires	FA: § 11.3.c MDA: § XI	Under the Franchise Agreement and Multi-Unit Development Agreement, neither you, your guarantors, officers, directors, your owners nor any immediate family of such persons can have any direct or indirect interest in any competitive business and cannot perform services for a competitive business within (1) the Authorized Territory, (2) any other franchisee's authorized territory, or (3) within 50 miles of another franchisee's authorized territory or a company-owned CBW Franchise for two years from the date of termination.  The post-termination non-compete does not apply to your operation of existing CBW Franchises pursuant to other effective franchise agreements with us. You also cannot divert or attempt to divert business for 2 years following termination of the Franchise Agreement or Multi-Unit Development Agreement.

Provision	Section	Summary
s. Modification of the agreement	FA: § 20.13 MDA: § XII	The Franchise Agreement and Multi-Unit Development Agreement can only be modified by mutual written agreement of the parties, but we may change the Operations Manuals at any time.
t. Integration/merger clause	FA: § 20.6 MDA: § XII	Only the terms of the Franchise Agreement or Multi-Unit Development Agreement are binding (subject to applicable state law). No other representations or promises will be binding, although nothing in the Franchise Agreement, Multi-Unit Development Agreement or in any other related written agreement is intended to disclaim representations made in this Disclosure Document.
u. Dispute resolution by arbitration or mediation	FA: § 19 MDA: § XXII	All disputes must be mediated and, if necessary, arbitrated in the State of Texas, City of Dallas, except that Franchisor may seek injunctive and/or equitable relief to enforce the Franchise Agreement or Multi-Unit Development Agreement (subject to state law).
v. Choice of Forum	FA: § 19 MDA: § XXII	All disputes must be brought in the State of Texas (subject to state law).  Certain states have laws that supersede the choice of forum in the Franchise Agreement and require that a lawsuit be brought in the state or federal courts in the franchisee’s home state. See the State Addendum, Exhibit F.
w. Choice of Law	FA: § 20.1 MDA: § XVIII	Texas law shall apply to all disputes (subject to state law).  Certain states have laws that supersede the choice of law in the Franchise Agreement. See the State Addendum, Exhibit F.

**ITEM 18.  
PUBLIC FIGURES**

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

**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 any reasonable basis for the information, and if the information is included in the Disclosure Document. Financial information that differs from that included in Item 19 may only be given 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 circumstances.

The figures below represent the median and average revenue and net profit reported in accordance with the typical monthly royalty and occupancy reporting procedure for 2025 by Camp Bow Wow franchise locations that satisfied the Reporting Criteria. Written substantiation for the financial performance representation will be made available to prospective franchisees on reasonable request.

### **REPORTING GROUP ONE**

The following charts include information regarding the total number of Camp Bow Wow franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2025 (“**Reporting Criteria Group One**”): (a) operated in the United States under a Franchise Agreement; (b) had been open and continuously operating for at least 24 full months as of December 31, 2025; and (c) submitted all required reports under the Franchise Agreement during 2025.

As of December 31, 2025, there were 225 Camp Bow Wow franchised locations open and operating in the United States under a Franchise Agreement. Of this total, 207 locations met the Reporting Criteria and represent the reporting group for 2025 (“**Reporting Group One**”).

As we have disclosed in Items 1, 7, 11 of this Disclosure Document, we have updated the standard prototype for the Camp Bow Wow Franchise offered under this Disclosure Document to decrease the overall square footage to approximately 6,000 (+/- 15%) square feet and can house up to 80 cabins (but only require 50 cabins to open). However, the reduction in square footage is mainly due to decreased size of the lobby/office/bathrooms area, decreased size of play yards and more efficient back-office layout. Generally, the updated prototype is substantially similar in terms of services offered, number of cabins available for rent and operational structure.

The median and average information was prepared from the records and reports, as reported by franchisees of each of the franchise locations satisfying the Reporting Criteria. Franchisor has relied solely on the information reported to us by franchisees. We do not know of an instance, nor do we have reason to believe, that any franchisee would misstate its information. However, these reports have not been audited and we have not independently verified these numbers.

**Some Camp Bow Wow Businesses have earned this amount. Your individual results may differ. There is no assurance you’ll earn as much.**

### **FINANCIAL RESULTS**

The following Tables provide information regarding the average gross sales, Cost of Goods Sold, Labor, Rent & Facilities expenses, and all Other Operating expenses, owner’s compensation, and Total Franchise Owner’s Benefit, as defined below. Also shown are the percentage of locations that meet or exceed the average for each category.

“**Gross Sales**”, for purposes of this Item 19, means the total annual gross revenue for Camp Services, Dog Training Services, and any other Approved Products and Services as reported by franchisees to us

through our designated financial reporting software, which revenue may be reported on cash basis or accrual basis accounting.

In addition to the average Gross Sales analysis, certain expenses expressed as a percentage of Gross Sales have been provided based on the experience of certain of the foregoing Camp Bow Wow Franchised Businesses described below. The expense figures were extracted from the 2025 financial statements submitted by the Camp Bow Wow Franchisees included in our 2025 Financial Benchmark Survey. You should note that with respect to the 207 Camp Bow Wow Franchises in the Reporting Group included in the compilation of the expense figures, the expense data relates to operations conducted during the calendar year 2025.

Each percentage given on this analysis reflects the mean average or the median of the total percentages for the applicable expense item provided by the Camp Bow Wow Franchises in the Reporting Group (i.e., the aggregate sum of the expense percentages of all reporting Camp Bow Wow Franchised Businesses divided by the number of reporting Camp Bow Wow Franchised Businesses). The expense percentages for the various expense items provided by each Camp Bow Wow Franchised Business in the Reporting Group reflect that Camp Bow Wow Franchised Business's expenses as a percentage of its Gross Sales. No percentage given in this analysis is the actual expenses percentage experienced by any one Camp Bow Wow Franchised Business and the actual expense percentages for the reporting Camp Bow Wow Franchise on any expense item may vary significantly.

The following Tables provide information regarding the average gross sales, cost of goods sold, labor expense, Rent & Facilities, Other Operating Expenses, EBITDA, Owner's Compensation, and Total Franchise Owner's Benefit as defined below. Also shown are the percentage of locations that meet or exceed the average for each category. When determining the Top and Bottom 25% of locations based on Profitability, Camp Bow Wow uses Total Franchise Owner's Benefit.

The following expenses represent the major expense items for a Camp Bow Wow Franchise and should not be considered the only expenses that a Camp Bow Wow Franchise will incur:

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**Table 1**

The following is the average P&L for the Camp Bow Wow Franchises in Reporting Group One.

2025 Year-End Average & Median P&L for Expense Reporting Camp Bow Wow Locations (207 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	1,089,859.75	100.0%	1,052,380.93	100.0%	93 / 45%
<b>EXPENSES</b>					
COGS	93,902.96	8.6%	88,127.82	8.4%	91 / 44%
Labor	464,073.28	42.6%	392,421.54	37.3%	99 / 48%
Rent & Facilities	171,269.63	15.7%	161,670.09	15.4%	87 / 42%
Other Operating Expenses	203,949.36	18.7%	158,563.85	15.1%	72 / 35%
<b>EBITDA</b>	156,664.53	14.4%	145,679.85	13.8%	96 / 46%
Owner's Compensation	44,604.88	4.1%	5,578.19	0.5%	70 / 34%
<b>Total Franchise Owner's Benefit</b>	201,269.41	18.5%	189,770.52	18.0%	100 / 48%

-For 2025, of the 207 Camp Bow Wow Franchised Businesses in Reporting Group One, the high Gross Sales is \$2,465,224 and the low Gross Sales is \$371,438.

**Table 2**

The following is the average P&L for the Top 25% Camp Bow Wow Franchises in Reporting Group One based on profitability.

2025 Year-End Average & Median P&L for Top 25% on Profitability Camp Bow Wow Locations (52 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	1,480,842.45	100%	1,400,524.45	100%	22 / 43%
<b>EXPENSES</b>					
COGS	123,010.22	8.3%	112,632.89	8.0%	21 / 41%
Labor	574,783.78	38.8%	464,764.41	33.2%	17 / 33%
Rent & Facilities	188,453.60	12.7%	178,240.55	12.7%	25 / 48%
Other Operating Expenses	248,754.03	16.8%	248,754.03	17.8%	18 / 35%
<b>EBITDA</b>	345,840.82	23.4%	345,129.05	24.6%	25 / 48%
Owner's Compensation	74,218.02	5.0%	45,523.53	3.3%	16 / 31%
<b>Total Franchise Owner's Benefit</b>	420,058.85	28.4%	392,463.45	28.0%	12 / 23%

- For 2025, the Top 25% of Camp Bow Wow Franchises in Reporting Group One consists of 52 Camps. Of those, the high Gross Sales is \$2,465,224 and the low Gross Sales is \$957,444.

**Table 3**

The following is the average P&L for the Bottom 25% Camp Bow Wow Franchises in Reporting Group One based on profitability.

2025 Year-End Average & Median P&L for Bottom 25% on Profitability Camp Bow Wow Locations (52 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	780,767.97	100.0%	768,939.18	100%	23 / 44%
<b>EXPENSES</b>					
COGS	68,889.99	8.8%	63,601.51	8.3%	24 / 46%
Labor	374,248.83	47.9%	319,295.75	41.5%	24 / 46%
Rent & Facilities	172,789.11	22.1%	157,043.10	20.4%	19 / 37%
Other Operating Expenses	169,595.33	21.7%	128,591.92	16.7%	19 / 37%
<b>EBITDA</b>	(4,755.29)	-0.6%	7,368.77	1.0%	32 / 26%
Owner's Compensation	21,582.33	2.8%	41.64	0.0%	16 / 31%
<b>Total Franchise Owner's Benefit</b>	16,827.04	2.2%	39,098.39	5.1%	39 / 75%

- For 2025, the Bottom 25% of Camp Bow Wow Franchised Businesses in Reporting Group One consists of 52 Camps. Of those, the high Gross Sales is \$1,293,176 and the low Gross Sales is \$371,438.

**Notes to the Tables:**

1. Gross Sales means the total selling price of all services and products sold and accrued at, from, or through the Franchised Business whether for cash, check, debit, credit, or debit. Gross Sales does not include the amount of any applicable sales tax imposed by any federal, state, municipal or other governmental authority if such taxes are stated separately when the customer is charged, and the franchisee pays such amounts as and when due to the appropriate taxing authority. Also excluded from Gross Sales are the amount of any documented refunds, donations, credits, and tips.
2. COGS means Cost of Goods Sold. This category includes supplies specific to creating sales at the business including Kennel Supplies, Grooming Supplies, Retail Products. This category also includes the Royalty Fees that franchisees incur each month.
3. Labor Expense includes the wages and salaries of all management positions, camp counselor labor which includes front of house and back of house staff, groomers, trainers, marketing specialists, pet sitters, and bonuses and commissions given to staff.
4. Rent & Facilities includes Rent of buildings, equipment and any other fees associated with renting the location. Also included are all maintenance and utilities incurred for the building.
5. Other Operating Expenses captures all other expense accounts above the EBITDA line on the P&L including all marketing expenses, miscellaneous fees, professional services, credit card processing fees, travel & entertainment, insurance, and vehicle expenses.
6. EBITDA is defined as Earnings Before Interest, Taxes, Depreciation and Amortization. It is

calculated by subtracting the COGS, Labor Expenses, Rent & Facilities and Other Operating Expense from Income. The EBITDA number excludes any debt service, federal income tax expense, state income tax expense, and interest expense.

7. Owner's Compensation are all salary items that an owner pays themselves and incurs as expenses on the P&L. Not all franchisees utilize this account and some prefer to account for an Owner's Draw through the Balance Sheet. Owner's Draw is not captured here.
8. Total Franchise Owner's Benefit is the net of EBITDA added to Owner's Compensation. This calculation is the basis for measuring Camp Bow Wow's profitability as it captures all expenses the business incurs except non EBITDA items like Depreciation, Amortization, Non Operating Income & Expenses, Interest Income & Expenses, and Income Tax.

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## REPORTING GROUP TWO

Camp Bow Wow would also like to highlight an additional Reporting Group presenting the figures for Camp Sites that are only 9,000 square feet or less. The following charts include information regarding the total number of Camp Bow Wow franchise locations in the United States that met or exceeded all of the following criteria as of December 31, 2025 (“**Reporting Criteria Group Two**”): (a) operated in the United States under a Franchise Agreement; (b) had been open and continuously operating for at least 24 full months as of December 31, 2025; and (c) submitted all required reports under the Franchise Agreement during 2025 and operated in a Camp Site that is 9,000 square feet or less.

155 locations met the Reporting Criteria and represent this reporting group for 2025 (“**Reporting Group Two**”).

## FINANCIAL RESULTS

The following Tables provide information regarding the average gross sales, Cost of Goods Sold, Labor, Rent & Facilities expenses, and all Other Operating expenses, owner’s compensation, and Total Franchise Owner’s Benefit, as defined below. Also shown are the percentage of locations that meet or exceed the average for each category.

“**Gross Sales**”, for purposes of this Item 19, means the total annual gross revenue for Camp Services, Dog Training Services, and any other Approved Products and Services as reported by franchisees to us through our designated financial reporting software, which revenue may be reported on cash basis or accrual basis accounting.

In addition to the average Gross Sales analysis, certain expenses expressed as a percentage of Gross Sales have been provided based on the experience of certain of the foregoing Camp Bow Wow Franchised Businesses described below. The expense figures were extracted from the 2025 financial statements submitted by the Camp Bow Wow Franchisees included in our 2025 Financial Benchmark Survey. You should note that with respect to the 207 Camp Bow Wow Franchises in the Reporting Group included in the compilation of the expense figures, the expense data relates to operations conducted during the calendar year 2025.

Each percentage given on this analysis reflects the mean average or the median of the total percentages for the applicable expense item provided by the Camp Bow Wow Franchises in the Reporting Group (i.e., the aggregate sum of the expense percentages of all reporting Camp Bow Wow Franchised Businesses divided by the number of reporting Camp Bow Wow Franchised Businesses). The expense percentages for the various expense items provided by each Camp Bow Wow Franchised Business in the Reporting Group reflect that Camp Bow Wow Franchised Business’s expenses as a percentage of its Gross Sales. No percentage given in this analysis is the actual expenses percentage experienced by any one Camp Bow Wow Franchised Business and the actual expense percentages for the reporting Camp Bow Wow Franchise on any expense item may vary significantly.

The following Tables provide information regarding the average gross sales, cost of goods sold, labor expense, Rent & Facilities, Other Operating Expenses, EBITDA, Owner’s Compensation, and Total Franchise Owner’s Benefit as defined below. Also shown are the percentage of locations that meet or exceed the average for each category. When determining the Top and Bottom 25% of locations based on

Profitability, Camp Bow Wow uses Total Franchise Owner's Benefit.

The following expenses represent the major expense items for a Camp Bow Wow Franchise and should not be considered the only expenses that a Camp Bow Wow Franchise will incur:

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**Table 1**

The following is the average P&L for the Camp Bow Wow Franchises in Reporting Group Two.

2025 Year-End Average & Median P&L for Expense Reporting Camp Bow Wow Locations (155 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	1,025,123	100.0%	1,007,387	100.0%	74 / 48%
<b>EXPENSES</b>					
COGS	87,476	8.5%	83,848	8.3%	72 / 46%
Labor	445,587	43.5%	376,850	37.4%	74 / 48%
Rent & Facilities	160,479	15.7%	155,518	15.4%	68 / 44%
Other Operating Expenses	196,147	19.1%	153,622	15.2%	52 / 38%
<b>EBITDA</b>	135,433	13.2%	121,871	12.1%	74 / 48%
Owner's Compensation	47,344	4.6%	7,804	0.8%	52 / 34%
<b>Total Franchise Owner's Benefit</b>	182,777	17.8%	178,768	17.7%	76 / 49%

- For 2025, of the 155 Camp Bow Wow Franchised Businesses in Reporting Group Two, the high Gross Sales is \$2,301,937 and the low Gross Sales is \$371,438.

**Table 2**

The following is the average P&L for the Top 25% Camp Bow Wow Franchised Businesses in Reporting Group Two based on profitability.

2025 Year-End Average & Median P&L for Top 25% on Profitability Camp Bow Wow Locations (39 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	1,392,153	100.0%	1,298,111	100.0%	14 / 36%
<b>EXPENSES</b>					
COGS	112,157	8.1%	108,586	8.4%	17 / 44%
Labor	578,222	41.5%	478,762	36.9%	14 / 36%
Rent & Facilities	171,422	12.3%	166,023	12.8%	39 / 44%
Other Operating Expenses	231,969	16.7%	231,969	17.9%	13 / 34%
<b>EBITDA</b>	298,382	21.4%	288,415	22.2%	17 / 44%
Owner's Compensation	89,198	6.4%	55,444	4.3%	15 / 39%
<b>Total Franchise Owner's Benefit</b>	387,581	27.8%	338,173	26.1%	7 / 18%

- For 2025, the Top 25% of Camp Bow Wow Franchised Businesses in Reporting Group Two consists of 39 Camps. Of those, the high Gross Sales is \$2,301,937 and the low Gross Sales is \$957,444.

**Table 3**

The following is the average P&L for the Bottom 25% Camp Bow Wow Franchised Businesses in Reporting Group Two based on profitability.

2025 Year-End Average & Median P&L for Bottom 25% on Profitability Camp Bow Wow Locations (39 Locations)					
	Mean Average	% of Sales	Median	% of Sales	Exceeding Mean Average
<b>GROSS SALES</b>	737,742	100.0%	739,817	100%	20 / 52%
<b>EXPENSES</b>					
COGS	66,875	9.1%	62,843	8.5%	19 / 49%
Labor	371,641	50.4%	306,086	41.4%	15 / 39%
Rent & Facilities	171,623	23.3%	155,196	21.0%	15 / 39%
Other Operating Expenses	149,220	20.2%	126,175	17.1%	14 / 36%
<b>EBITDA</b>	(21,616)	-2.9%	(11,811)	-1.6%	24 / 62%
Owner's Compensation	24,037	3.3%	46	0.0%	13 / 34%
<b>Total Franchise Owner's Benefit</b>	2,420	0.3%	20,479	2.8%	31 / 79%

- For 2025, the Bottom 25% of Camp Bow Wow Franchised Businesses in Reporting Group Two consists of 39 Camps. Of those, the high Gross Sales is \$1,244,979 and the low Gross Sales is \$371,438.

**Notes to the Tables:**

1. Gross Sales means the total selling price of all services and products sold and accrued at, from, or through the Franchised Business whether for cash, check, debit, credit, or debit. Gross Sales does not include the amount of any applicable sales tax imposed by any federal, state, municipal or other governmental authority if such taxes are stated separately when the customer is charged, and the franchisee pays such amounts as and when due to the appropriate taxing authority. Also excluded from Gross Sales are the amount of any documented refunds, donations, credits, and tips.
2. COGS means Cost of Goods Sold. This category includes supplies specific to creating sales at the business including Kennel Supplies, Grooming Supplies, Retail Products. This category also includes the Royalty Fees that franchisees incur each month.
3. Labor Expense includes the wages and salaries of all management positions, camp counselor labor which includes front of house and back of house staff, groomers, trainers, marketing specialists, pet sitters, and bonuses and commissions given to staff.
4. Rent & Facilities includes Rent of buildings, equipment and any other fees associated with renting the location. Also included are all maintenance and utilities incurred for the building.
5. Other Operating Expenses captures all other expense accounts above the EBITDA line on the P&L including all marketing expenses, miscellaneous fees, professional services, credit card processing fees, travel & entertainment, insurance, and vehicle expenses.
6. EBITDA is defined as Earnings Before Interest, Taxes, Depreciation and Amortization. It is calculated by subtracting the COGS, Labor Expenses, Rent & Facilities and Other Operating

Expense from Income. The EBITDA number excludes any debt service, federal income tax expense, state income tax expense, and interest expense.

7. Owner’s Compensation are all salary items that an owner pays themselves and incurs as expenses on the P&L. Not all franchisees utilize this account and some prefer to account for an Owner’s Draw through the Balance Sheet. Owner’s Draw is not captured here.
8. Total Franchise Owner’s Benefit is the net of EBITDA added to Owner’s Compensation. This calculation is the basis for measuring Camp Bow Wow’s profitability as it captures all expenses the business incurs except non EBITDA items like Depreciation, Amortization, Non Operating Income & Expenses, Interest Income & Expenses, and Income Tax.

**The Franchisor is unable to verify the accuracy of the expense information provided by Camp Bow Wow franchisees.**

Finally, you should particularly note the following:

**You are urged to consult with appropriate financial, business and legal advisors in connection with the information set forth in this analysis.**

**Substantiation of the data used in preparing this analysis will be made available upon reasonable request.**

Except for the representations above, we do not make any 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 the Franchise Development Department at 2542 Highlander Way, Carrollton, Texas 75006, 214-346-5600, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20.  
OUTLETS AND FRANCHISEE INFORMATION**

<b>Table 1 System-Wide Outlet Summary for Years 2023-2025</b>				
<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
U.S. Franchised Outlets	2023	199	212	+13
	2024	212	222	+10
	2025	222	224	+2

<b>Table 1</b>				
<b>System-Wide Outlet Summary for Years 2023-2025</b>				
<b>Outlet Type</b>	<b>Year</b>	<b>Outlets at the Start of the Year</b>	<b>Outlets at the End of the Year</b>	<b>Net Change</b>
International Franchised Outlets	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
<b>Total Franchised Outlets</b>	<b>2023</b>	<b>200</b>	<b>213</b>	<b>+13</b>
	<b>2024</b>	<b>213</b>	<b>223</b>	<b>+10</b>
	<b>2025</b>	<b>223</b>	<b>225</b>	<b>+2</b>
Company-Owned*	2023	7	3	-4
	2024	3	1	-2
	2025	1	1	0
<b>Total Outlets</b>	<b>2023</b>	<b>207</b>	<b>216</b>	<b>+9</b>
	<b>2024</b>	<b>216</b>	<b>224</b>	<b>+8</b>
	<b>2025</b>	<b>224</b>	<b>226</b>	<b>+2</b>

\*Our affiliate, CBW Operating, Inc., operates the company-owned Camp.

<b>Table 2</b>		
<b>Transfers of Outlets from Franchisees to New Owners (other than Franchisor or its Affiliates) from 2023-2025</b>		
<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Arizona	2023	1
	2024	0
	2025	0
California	2023	0
	2024	0
	2025	0
Colorado	2023	1
	2024	0
	2025	1
Connecticut	2023	0
	2024	0
	2025	0

**Table 2**  
**Transfers of Outlets from Franchisees to New Owners**  
**(other than Franchisor or its Affiliates) from 2023-2025**

State	Year	Number of Transfers
Florida	2023	0
	2024	3
	2025	2
Georgia	2023	0
	2024	0
	2025	0
Illinois	2023	1
	2024	0
	2025	0
Indiana	2023	0
	2024	1
	2025	0
Louisiana	2023	1
	2024	0
	2025	0
Maryland	2023	0
	2024	0
	2025	1
Michigan	2023	0
	2024	0
	2025	0
Minnesota	2023	1
	2024	0
	2025	0
Missouri	2023	0
	2024	0
	2025	1

**Table 2  
Transfers of Outlets from Franchisees to New Owners  
(other than Franchisor or its Affiliates) from 2023-2025**

<b>State</b>	<b>Year</b>	<b>Number of Transfers</b>
Nevada	2023	0
	2024	0
	2025	1
New York	2023	0
	2024	0
	2025	0
North Carolina	2023	2
	2024	0
	2025	1
Ohio	2023	1
	2024	0
	2025	0
Oregon	2023	0
	2024	1
	2025	0
Pennsylvania	2023	0
	2024	0
	2025	1
South Carolina	2023	2
	2024	1
	2025	0
Texas	2023	2
	2024	1
	2025	0
Washington	2023	0
	2024	0
	2025	1
Total	2023	12
	2024	7
	2025	9

**Table 3  
Status of Franchised Outlets for Years 2023 to 2025**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Alabama	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Alaska	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Arizona	2023	6	0	0	0	0	0	6
	2024	6	1	0	0	0	0	7
	2025	7	0	0	0	0	0	7
Arkansas	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
California	2023	9	3	0	0	0	0	12
	2024	12	1	1	0	0	0	12
	2025	12	1	1	0	0	0	12
Colorado	2023	12	2	0	0	0	0	14*
	2024	14	2	0	0	0	0	16
	2025	16	0	0	0	0	0	16
Connecticut	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
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
Florida	2023	8	1	0	0	0	0	9
	2024	9	0	1	0	0	0	8
	2025	8	1	1	0	0	0	8
Georgia	2023	5	0	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
Idaho	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Illinois	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8

**Table 3  
Status of Franchised Outlets for Years 2023 to 2025**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Indiana	2023	3	1	0	0	0	0	4
	2024	4	0	0	0	0	0	4
	2025	4	0	0	0	0	0	4
Iowa	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Kansas	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Kentucky	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Louisiana	2023	7	1	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
Maine	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Maryland	2023	2	1	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Massachusetts	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Michigan	2023	9	1	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10
Minnesota	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Mississippi	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Missouri	2023	7	0	0	0	0	0	7
	2024	7	1	0	0	0	0	8
	2025	8	0	0	0	0	0	8
Nebraska	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1

**Table 3  
Status of Franchised Outlets for Years 2023 to 2025**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Outlets at End of Year
Nevada	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
	2025	5	0	0	0	0	0	5
New Jersey	2023	10	0	0	0	0	0	10
	2024	10	1	1	0	0	0	10
	2025	10	0	0	0	0	0	10
New Mexico	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
New York	2023	6	0	0	0	0	0	6
	2024	6	1	0	0	0	0	7
	2025	7	0	0	0	0	0	7
North Carolina	2023	8	1	0	0	0	0	8*
	2024	8	1	0	0	0	0	9
	2025	9	0	0	0	0	0	9
Ohio	2023	8	0	0	0	0	0	8
	2024	8	0	0	0	0	0	8
	2025	8	0	0	0	0	0	8
Oklahoma	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Oregon	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Pennsylvania	2023	10	0	0	0	0	0	10
	2024	10	0	0	0	0	0	10
	2025	10	0	0	0	0	0	10
Rhode Island	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
South Carolina	2023	6	0	0	0	0	0	6
	2024	6	1	0	0	0	0	7
	2025	7	0	0	0	0	0	7
Tennessee	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	0	0	0	0	0	6

<b>Table 3</b>								
<b>Status of Franchised Outlets for Years 2023 to 2025</b>								
<b>State</b>	<b>Year</b>	<b>Outlets at Start of Year</b>	<b>Outlets Opened</b>	<b>Terminations</b>	<b>Non-Renewals</b>	<b>Reacquired by Franchisor</b>	<b>Ceased Operations Other Reasons</b>	<b>Outlets at End of Year</b>
Texas	2023	30	0	0	0	00	0	30
	2024	30	2	0	0	0	0	32
	2025	32	1	0	0	0	0	33
Utah	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Virginia	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Washington	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
Wisconsin	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
<b>U.S. Only Total</b>	<b>2023</b>	<b>199</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>212</b>
	<b>2024</b>	<b>212</b>	<b>13</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>222</b>
	<b>2025</b>	<b>222</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>224</b>
Nova Scotia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
<b>International Only Total</b>	<b>2023</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2024</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
	<b>2025</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>
<b>TOTAL</b>	<b>2023</b>	<b>200</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>213</b>
	<b>2024</b>	<b>213</b>	<b>13</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>223</b>
	<b>2025</b>	<b>223</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>225</b>

\* Company-owned outlets in Colorado (1), New Mexico (1), and North Carolina (1) were sold to Franchisees in 2023.

**Table 4  
Status of Company-Owned Outlets for Years 2023 to 2025**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Outlets Sold to Franchisees	Outlets at End of the Year
Colorado	2023	5	0	0	1	1	3
	2024	3	0	0	2	0	1
	2025	1	0	0	0	0	1
New Mexico	2023	1	0	0	0	1	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
North Carolina	2023	1	0	0	0	1	0
	2024	0	0	0	0	0	0
	2025	0	0	0	0	0	0
<b>Total</b>	<b>2023</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>3</b>
	<b>2024</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>1</b>
	<b>2025</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

**Table 5  
Projected Openings as of December 31, 2025**

State	Franchise Agreements Signed but Outlets not Opened	Projected New Franchised Outlets in the Next Fiscal year	Projected New Company Owned Outlets in the Current Fiscal year
Alaska	0	0	0
Arizona	1	0	0
Arkansas	0	1	0
California	1	1	0
Colorado	1	0	0
Connecticut	0	0	0
Florida	3	2	0
Georgia	0	1	0
Idaho	0	0	0
Illinois	0	1	0
Indiana	0	1	0
Maryland	1	1	0
Massachusetts	0	0	0
Michigan	0	0	0
Minnesota	0	0	0
Mississippi	0	0	0
Missouri	1	1	0
Nevada	0	0	0

<b>Table 5</b>			
<b>Projected Openings as of December 31, 2025</b>			
<b>State</b>	<b>Franchise Agreements Signed but Outlets not Opened</b>	<b>Projected New Franchised Outlets in the Next Fiscal year</b>	<b>Projected New Company Owned Outlets in the Current Fiscal year</b>
New Jersey	1	1	0
New York	0	0	0
North Carolina	0	1	0
Ohio	0	1	0
Oklahoma	1	0	0
Pennsylvania	1	0	0
Rhode Island	1	0	0
South Carolina	0	0	0
Tennessee	1	2	0
Texas	7	2	0
Utah	1	0	0
Virginia	2	0	0
Washington	2	0	0
Wisconsin	0	1	0
<b>Total</b>	<b>25</b>	<b>17</b>	<b>0</b>

A list of Camp Bow Franchisees and Area Developers current as of the issuance date of this Disclosure Document with names, addresses, and telephone numbers is attached as Exhibit E. Also on Exhibit E is a list of the names, city and state, and last known business telephone numbers or email for franchisees who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a franchise agreement during the period of January 1, 2025 through December 31, 2025, or who have not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, some current and former franchisees have signed provisions restricting their ability to speak openly about their experience with the Camp Bow Wow® franchise System. You may wish to speak with current and former franchisees but be aware that not all franchisees will be able to communicate with you.

No franchisee organizations or association has asked to be included in this Disclosure Document. We do have a franchise advisory council – the Camp Bow Wow® Franchise Council – that serves in an advisory capacity. Its contact information is the same as our contact information noted in Item 1.

## **ITEM 21.**

### **FINANCIAL STATEMENTS**

Attached to the Disclosure Document as Exhibit C are the audited financial statements for Propelled Brands Franchising, LLC and Subsidiaries for the fiscal years ending December 31, 2023, December 31, 2024, and December 31, 2025, together with the independent auditor’s report. Our Parent guarantees our

performance under the Franchise Agreement. A copy of the Guarantee is included with the financial statements as Exhibit C-1.

## **ITEM 22. CONTRACTS**

Attached as exhibits to this Disclosure Document are the following agreements proposed for use in our offering of franchises:

1. Exhibit B: Franchise Agreement
  - a. *Attachment A to Franchise Agreement*: Camp Site and Authorized Territory Addendum
  - b. *Attachment B to Franchise Agreement*: Guaranty and Assumption of Obligations
  - d. *Attachment C to Franchise Agreement*: Collateral Assignment of Telephone Numbers, Telephone Listings, Internet Addresses and Social Media Pages
  - f. *Attachment D to Franchise Agreement*: State Specific Addenda to Franchise Agreement
  - g. *Attachment E to Franchise Agreement*: Adoption Agreement
  - h. *Attachment F to Franchise Agreement*: Transfer Addendum
  - i. *Attachment G to Franchise Agreement*: Renewal Addendum
2. Exhibit F: State-Specific Addenda to the Disclosure Document
3. Exhibit G: Release of Claims and Indemnification Agreement
4. Exhibit H: Multi-Unit Development Agreement
5. Exhibit I: Conversion Addendum
6. Exhibit J: Conversion Promissory Note (Direct Financing)
7. Exhibit K: Lease Addendum
8. Exhibit L: Right of First Refusal and Option Agreement
10. Exhibit M: ACH Form
11. Exhibit N: Initial Franchise Fee Acknowledgement

## **ITEM 23. RECEIPTS**

Exhibit P to this Disclosure Document contains copies of the acknowledgement of receipt of this Disclosure Document. One copy is for your records and the other copy is to be signed and returned to us.



**EXHIBIT A  
TO FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF STATE AGENCIES AND AGENTS FOR SERVICE OF PROCESS**

**EXHIBIT A**

**LIST OF STATE ADMINISTRATORS AND  
AGENTS FOR SERVICE OF PROCESS**

<b>STATE</b>	<b>STATE ADMINISTRATOR</b>	<b>AGENT FOR SERVICE OF PROCESS</b>
CALIFORNIA	Department of Financial Protection & Innovation 1 Sansome, Suite 600 San Francisco, CA 94104 (415) 972-8559	Commissioner of Financial Protection & Innovation 320 West 4th Street, Ste. 750 Los Angeles, CA 90013-2344 1-866-275-2677
HAWAII	Dept. of Commerce & Consumer Affairs Business Registration Division Commissioner of Securities King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2722	Hawaii Commissioner of Securities Business Registration Division Commissioner of Securities King Kalakaua Building 335 Merchant Street, Room 205 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Franchise Division Office of the Attorney General 500 South Second Street Springfield, IL 62706 (217) 782-1090	Illinois Attorney General Same Address
INDIANA	Securities Commissioner Indiana Securities Division 302 West Washington Street, Room E 111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner Same Address
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attention: Franchise Section G. Mennen Williams Building, First	Michigan Department of Commerce Corporations and Securities

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
	Floor 525 W. Ottawa Street Lansing, MI 48933 (517) 373-7117	Bureau Same Address
MINNESOTA	Minnesota Department of Commerce 85 Seventh Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1600	Minnesota Commissioner of Commerce Same Address
NEW YORK	Office of the New York State Attorney General Investor Protection Bureau Franchise Section 120 Broadway, 23 <sup>rd</sup> Floor New York, NY 10271-0332 (212) 416-8236 Phone (212) 416-6042 Fax	Attention: New York Secretary of State New York Department of State One Commerce Plaza, 99 Washington Avenue, 6 <sup>th</sup> Floor Albany, NY 12231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Ave. State Capitol, Fifth Floor Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner Same Address
RHODE ISLAND	Rhode Island Department of Business Regulation Securities Division John O. Pastore Complex - Bldg. 69-1 1511 Pontiac Ave. Cranston, RI 02920 (401) 462-9500	Director of the Rhode Island Department of Business Regulation Same Address
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid Ave., Suite 104 Pierre, SD 57501 (605) 773-3563	Director of South Dakota Division of Securities Same Address

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, VA 23219 (804) 371-9733	Clerk of the State Corporation Commission 1300 East Main Street, 1 <sup>st</sup> Floor Richmond, VA 23219 (804) 371-9051
WASHINGTON	Department of Financial Institutions Securities Division PO Box 41200 Olympia, WA 98504-1200 (360) 902-8762	Director, Dept. of Financial Institutions Securities Division 150 Israel Road SW Tumwater, WA 98501 (360) 902-8762
WISCONSIN	Department of Financial Institutions Securities Division 201 W. Washington Ave., Suite 300 Madison, WI 53703 (608) 266-8557	Commissioner of Securities Same Address



**EXHIBIT B**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**FRANCHISE AGREEMENT**



**FRANCHISE AGREEMENT**

License Number: \_\_\_\_\_  
Territory: \_\_\_\_\_  
Franchisee: \_\_\_\_\_  
Majority Owner: \_\_\_\_\_  
Date Franchise Fee Paid: \_\_\_\_\_  
Effective Date: \_\_\_\_\_

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## FRANCHISE AGREEMENT

This Franchise Agreement (together with all attachments and addenda, this “**Agreement**”) is made by and between Camp Bow Wow Franchising, Inc., a Delaware corporation located at 7577 W. 103<sup>rd</sup> Ave., Suite 209, Westminster, CO 80021 (“**CBW**”) and \_\_\_\_\_, a \_\_\_\_\_ (“**Franchisee**”) on the date CBW signs below (the “**Effective Date**”).

### RECITALS

A. CBW has developed a unique system for establishing, operating and promoting businesses offering a variety of pet care services and products, including but not limited to dog daycare, boarding, grooming, training, and retail sales under the “Camp Bow Wow®” trademark (collectively, your “**Franchised Business**” or “**Camp**”);

B. CBW is engaged in the business of granting franchises to operate Franchised Businesses in accordance with the System (defined below) and under the name Camp Bow Wow®;

C. Franchisee wants to purchase the right to develop and operate a Franchised Business using the operating system established by CBW, the distinguishing features of which include but are not limited to: standards and specifications for offering and selling authorized Products and Services (defined below), and standards and specifications for equipment, furniture, and fixtures necessary to operate a Franchised Business; interior and exterior designs, decor, and color schemes; sales techniques and methods; training programs and materials; access to custom-designed software; merchandising, marketing, and advertising; inventory purchasing sources; and general procedures for operating a Franchised Business as set out in the Operations Manuals (defined below) and otherwise (collectively the “**System**,” as further defined below);

D. CBW owns and has the right to license certain trade names, trademarks and service marks including, without limitation, the service mark “Camp Bow Wow®” and such other trade names, trademarks, and service marks (collectively “**Marks**”) as CBW may designate for use with the System from time to time;

E. Franchisee has applied for a franchise to operate a Franchised Business, and CBW has approved Franchisee’s application based on the representations Franchisee made in its application;

F. Franchisee acknowledges the benefits from being identified with the System, and recognizes the value of the Marks and the Camp Bow Wow® brand;

G. Franchisee acknowledges that it is essential to the operation of Franchisee’s Franchised Business and the strength of the System for Franchisee to comply with the terms of this Agreement and the standards and specifications of CBW; and,

H. Franchisee is hereby licensed to use the System and the Marks in connection with a Franchised Business in the Authorized Territory (as defined in Attachment A to this Agreement), subject to the terms and conditions contained in this Agreement.

### AGREEMENT

**NOW THEREFORE**, in consideration of the foregoing recitals, which are fully incorporated into this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

### DEFINITIONS

1. **“Affiliate”** – any person or business entity that controls, is controlled by, or is in common control with CBW or Franchisee.

2. **“Camp Records”** – all records, documents, databases and the like (whether in print, electronic or other form), including but not limited to all names, addresses, phone numbers, e-mail addresses, and purchase records of customers; Camper Applications; vendor records; service professional records; financial records; and all other records contained in print or electronic form pertaining to the Franchised Business.

3. **“Camp Scout”** – one or more of Franchisee’s Personnel (defined below) who will be dedicated to marketing and promoting the Services and Products of the Franchised Business.

4. **“Camp Services”** – dog day care, boarding, enrichment, grooming, the retail sale of pet food and merchandise, certain approved dog training services, and assorted other pet-related services and products provided from the Camp Site.

5. **“Camp Site”** – the premises from which Franchisee will provide the Camp Services, or any other location as may be mutually agreed upon between the parties in writing.

6. **“Franchised Business”** – shall have the same definition as “Camp” as defined above.

7. **“Net Revenue”** – “Net Revenue” means the total of all receipts (net of any returns, allowances or discounts regardless of whether franchisee reports on cash or accrual basis accounting) derived from the sale of Products or Services at or through the Franchised Business or through Franchisee or its Personnel; insurance claims for lost profits to the extent a claim is paid by the insurer; and all other products and services sold or provided by or through Franchisee, the Franchised Business, or within the Authorized Territory, whether the receipts are evidenced by cash, credit, checks, gift certificates, scrip, payment coupons, traded services, property or other means of exchange. Net Revenue does not include the following; amount of any tax imposed by any federal, state, municipal or other governmental authority directly on sales collected from customers, provided that the amount of any such tax is shown separately and in fact paid by Franchisee to the appropriate governmental authority; charitable contributions collected; or tips

collected. Barter and exchange transactions are strictly prohibited. Franchisee is not entitled to a refund on any Royalty Fees paid on Net Revenue that are eventually escheated to the State.

8. **“Change of Control”** – a transaction or series of transactions that result in the sale or transfer of all or substantially all of the assets of the Franchised Business. If Franchisee is a business entity, “Change of Control” also means a transaction or series of transactions resulting in: (a) a transfer of 50% or more of the voting power of Franchisee or any of its Affiliates, whether voluntarily, by operation of law, or due to a merger or consolidation; (b) a change in the person identified as the Majority Owner on the Effective Date; or (c) the right to appoint or elect a majority of the directors, officers, or managers of Franchisee.

9. **“Confidential Information”** – all information, knowledge, know-how, techniques, standards, formulas, methods, specifications, and procedures related to the establishment and operation of the Franchised Business and offering, selling, and providing the Services and Products, including but not limited to: (a) all records pertaining to customers, suppliers and other service providers of the Franchised Business; (b) all databases (whether in print, electronic or other form); (c) all customer lists, including but not limited to all customer names, addresses, phone numbers, email addresses, and purchase records; (d) all manuals; (e) promotional and marketing materials; (f) marketing strategies; (g) interior design plans; (h) operational standards; (i) marketing techniques and Internet advertising strategies; and (j) any other data and information which CBW or its Affiliates designates as confidential, including all information contained in CBW’s Operations Manual (which may be provided as one or more separate manuals), written instructional guides, CD Rom or other communications from CBW or its Affiliates, which may be changed or supplemented from time to time. The term “Confidential Information” does not refer to: (i) information in the public domain, other than Confidential Information put into public domain by breach of this Agreement; (ii) information in Franchisee’s possession free of any obligation of confidence at the time it was communicated to Franchisee.

10. **“Copyrighted Materials”** – all materials, including but not limited to all forms, files, documents, artwork and designs, created by CBW or commissioned as a work made for hire by CBW and used with the Marks or in association with the System or Franchised Business.

11. **“Dog Training Services”** – specialized dog training and behavior services offered through the Franchised Business.

12. **“Incapacity”** – the inability, due to mental or physical health reasons, to devote full time and attention to duties of a Franchisee, Majority Owner or Manager for at least 90 days in the aggregate during any rolling 12- month period during the Term. A period of Incapacity shall continue without interruption unless and until the person suffering the Incapacity resumes his or her duties on a full-time basis for 30 consecutive days.

13. **“Initial Camp Services Training”** – the training program CBW provides that Franchisee (all owners must attend) and Manager must attend and complete to qualify to provide Camp Services.

14. **“Intellectual Property”** – the Marks, Confidential Information, Copyrighted Materials, Trade Secrets, Data Dawg, patents (or equipment subject to a patent-pending application), or any pending application for any of the above.

15. **“Lease”** – any lease agreement (whether oral or written) under which Franchisee has the right to occupy the Camp Site, including without limitation, any offer to lease, or license agreement, and any amendment made thereto from time to time.

16. **“Lease Addendum”** – Exhibit K to the Franchise Disclosure Document (“FDD”), which Franchisee and its landlord are required to execute if Franchisee leases the Camp Site.

17. **“Majority Owner”** – if the Franchisee is a business entity, the person who owns a majority interest in the business entity. If there is no majority interest owned by one person, the owners shall appoint one owner to act as the Majority Owner for the purposes of this Agreement, who has the power to bind Franchisee in all dealings with CBW.

18. **“Manager”** – the person to whom Franchisee delegates the day-to-day operations of the Franchised Business.

19. **“Manual(s)” or “Operations Manual(s)”** – means, but is not limited to, collectively, all directives, books, pamphlets, bulletins, memoranda, order forms, packing slips, invoices, letters, e-mail, Internet or Intranet data, or other publications, documents, software programs, DVDs, transmittances or communications, in whatever form (including electronic form) prepared by or on behalf of CBW for use by franchisees generally or for Franchisee in particular, setting forth information, advice and standards, general requirements, build-out requirements, mandatory suppliers or vendors, dog trainer requirements, marketing information and procedures, operating procedures, instructions or policies relating to the operation of the Franchised Business or the operation of franchises, as it may be added to, deleted or otherwise amended by CBW from time to time. The Manuals, as amended from time to time, are incorporated into the Agreement as if fully set forth herein. Franchisee hereby acknowledges that the Manuals are loaned to Franchisee, and always remain the sole and exclusive property of CBW. Franchisee may not copy, distribute, post, publicize, or disseminate any portion of the Manuals unless approved in writing by CBW. Franchisee shall keep any printed copies of the Operations Manuals at the Camp Site under lock and key, except when it is being used by Franchisee or Franchisee’s employees.

20. **“Marks”** – the trademark Camp Bow Wow®, to the extent of CBW’s rights to the same, together with such other trade names, trademarks, symbols, logos, distinctive names, service marks, certification marks, logo designs, trade dress, insignia or otherwise which may be designated by CBW from time to time as part of the System. All Marks are or will be owned exclusively by CBW or its Affiliate and will be used for the benefit of CBW and/or its Affiliate to identify to the public the source of the Products and Services marketed.

21. **“Personnel”** – the employee(s) or independent contractor(s) that work for Franchisee.

22. **“Principal”** – the person or persons who have primary responsibility for Franchisee.

23. **“Products”** – all goods and merchandise that CBW approves for sale through the Franchised Business.

24. **“Real Estate Documents”** – If Franchisee is leasing the Camp Site, this means Franchisee’s lease and the then-current Lease Addendum. Leaseholders must maintain a current, written lease at all times after the Premises Deadline and may not rely on or act pursuant to any holdover provision without prior written consent from CBW. If Franchisee is purchasing the Camp Site, this means an executed purchase agreement, the then-current Right of First Refusal and Option Agreement attached as Exhibit L to the FDD.

25. **“Services”** – collectively the Camp Services and any other services licensed to Franchisee under this Agreement.

26. **“System”** – As further defined above, CBW’s: (a) standards and specifications for providing Products and Services; (b) standards and specifications for the equipment, furniture, and fixtures, and the general layout of a Camp Site and vehicles used to provide Services; (c) interior and exterior designs, decor and color schemes; (d) sales techniques; (e) merchandising, marketing, and advertising; and, (f) general procedures for operating a retail pet care business. CBW reserves the right to modify the System at any time, and to enforce and grant variances from the System in its sole discretion.

27. **“Trade Secrets”** – all information, including all formulas, patterns, compilations, programs, devices, methods, techniques or processes related to the System that both derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

28. **“Transfer”** – a transaction or series of related transactions that, directly or indirectly, voluntarily, involuntarily or by operation of law: (i) results in the sale, merger, conveyance, sharing, subdivision, assignment, transfer, pledge, gift, encumbrance or alienation of any interest in this Agreement or the right to use the System or any portion or components; (ii) involves the offer to sell securities of a Franchisee that is a business entity pursuant to a transaction subject to registration under federal or state securities laws or by private placement pursuant to a written offering memorandum; (iii) results in a Change of Control; or (iv) results in a disposition of a substantial portion of the assets of the CBW or Franchisee outside the ordinary course of business. Transfer includes, for example, without limitation: (a) an order dissolving the marriage of a Franchisee that is an individual and transferring all or a portion of that Franchisee’s interest; (b) the issuance of additional equity or voting interests of a business entity resulting in a Change of Control; (c) a financial restructuring or recapitalization that, if foreclosed upon, would result in a Change of Control; or (d) the death or Incapacity of Franchisee, if an individual, or any person owning enough equity or voting interests of a business entity to result in a Change of Control.

## TERMS

### 1. GRANT OF LICENSE

1.1. Grant. Subject to the terms and conditions of this Agreement, for the Initial Term defined below, CBW grants to Franchisee, and Franchisee accepts, a license to develop and operate a single Franchised Business using the Marks and System within the Authorized Territory identified in Attachment A to this Agreement. Franchisee shall provide the Products and Camp Services solely from the Camp Site (the “**License**”).

1.2. No Right to Transfer or Sublicense. The License is specific to Franchisee, and Franchisee may not Transfer the License or any portion of it without express written consent from CBW. Franchisee does not have the right to subfranchise or sublicense any of its rights under this Agreement. Franchisee also does not have the right to lease or sublease space at the Camp Site or within the Authorized Territory to any third party. Franchisee has no right to Transfer an undeveloped Authorized Territory or any portion thereof at any time. All of Franchisee’s Transfer rights provided in this Agreement are conditioned upon, among other things, the Franchised Business being open and operating at the time of proposed Transfer.

1.3. Territorial Restriction. The License is specific to the Camp Site and Authorized Territory and subject to CBW’s reservation of rights in Section 1.6 and 1.7 below. Franchisee may not move the Franchised Business to an alternative camp site or another territory without CBW’s prior written approval. Franchisee shall operate and advertise only within the Authorized Territory. This Agreement does not grant Franchisee any rights regarding other territories, nor does it provide Franchisee with an option to purchase additional territories or franchises.

1.4. Restrictions on Products & Services. The License is limited to the offer and sale of approved Products and Services within the Authorized Territory. Nothing in this Agreement authorizes Franchisee to offer or sell unapproved products or services or gift cards, or to offer or sell the Products or Services via mail order, catalog (or comparable methods), or online. Further, Franchisee may not, directly or indirectly, sell Products or Services to consumers or third parties for further distribution through another trade method or channel.

1.5. CBW’s Right to Modify. CBW expressly reserves the right to add to, subtract from, revise, modify or change the System or any part thereof from time to time, and Franchisee agrees to promptly accept and comply with any such addition, subtraction, revision, modification or change at Franchisee’s expense, subject to the terms of Section 6.7(e).

1.6. CBW’s Reservation of Rights. Franchisee expressly acknowledges that CBW retains all rights not specifically granted to Franchisee in this Agreement, including but not limited to the right to:

a. establish and operate, or grant others the right to establish and operate businesses anywhere within or outside of the Authorized Territory selling similar or identical Products and Services as Franchisee under a different name, trademark or service mark than the Marks,

including without limitation through brick and mortar stores or through alternative channels of distribution such as wholesalers, retail outlets, mail order, catalog, or via the Internet;

b. offer or grant others the right to offer the Products or Services under the Marks within or outside the Authorized Territory through channels of distribution not licensed to Franchisee in this Agreement, including but not limited to wholesalers, retail outlets, mail order, catalog, or via the Internet;

c. market anywhere within or outside the Authorized Territory or on the Internet in any way CBW deems appropriate, including use of all websites, domain names, URLs, social media sites, directory addresses, metatags, linking, advertising and co-branding and other arrangements. Franchisee may not independently market on the Internet or buy or use any domain name, address, locator, link, metatag or search technique with words or symbols similar or identical to the Marks or otherwise establish a presence on the Internet without CBW's prior written approval;

d. acquire, be acquired by, merge, affiliate with or otherwise engage in any transaction with another business (whether competitive or not), with units within or outside of the Authorized Territory, and to do the following, regardless of their proximity to Franchisee's Camp Site or the actual or threatened impact on Franchisee's Franchised Business: (i) establish, acquire, operate or license units under the newly acquired or merged system or trademarks; (ii) convert units from the acquired or merged system to the Camp Bow Wow® brand; or (iii) require that Franchisee convert its Franchised Business to the newly acquired or merged system or brand, at Franchisee's cost;

e. limit the scope of the License for any individual Product or Service if Franchisee or any of its officers, directors, shareholders, employees, agents, members, Affiliates, owners or Principals is not in compliance with this Agreement or any other agreement(s) with CBW;

f. establish and operate, or grant others the right to establish and operate a Franchised Business in any of the following "**Non-Traditional Location(s)**" located inside or outside the Authorized Territory: sporting stadium or similar sports venue, hotel or resort, amusement park or other tourist attraction, casino, corporate campus, hospital or other healthcare facility, college, university or other educational facility, airport, public transportation facility, or co-branded location. However, if the owner of the Non-Traditional Location agrees to consider a franchise in the space, and it is within the Authorized Territory, then subject to the conditions below, CBW will grant Franchisee a 30-day right of first negotiation to acquire the right to establish and operate a Franchised Business at the Non-Traditional Location. If: (i) the owner of the Non-Traditional Location elects not to offer Franchisee the right (CBW has no obligation or duty to make them offer Franchisee the right); (ii) Franchisee does not reach an agreement during the 30-day negotiation period; (iii) Franchisee or any of its officers, directors, shareholders, employees, agents, members, Affiliates, owners or Principals is not then in compliance under this or any agreement with CBW; (iv) Franchisee does not meet the then-current requirements for additional franchised units; (v) Franchisee fails to sign the then-current franchise agreement for the additional location within 30 days of receipt; or (vi) Franchisee elects not to pursue the non-traditional location, then CBW or an Affiliate of CBW has the right to establish and operate the business at

the Non-Traditional Location, or the owner of the Non-Traditional Location may establish and operate the business itself (directly or indirectly);

g. establish and operate, and grant others the right to establish and operate, Franchised Businesses using the System and Marks anywhere outside the Authorized Territory;

h. enter into agreements with other franchisees or licensees that may contain provisions, conditions, and obligations that differ from those contained in this Agreement, without affecting the terms and conditions of this License; and,

i. engage in any other activity not expressly prohibited in this Agreement.

## 2. TERM

2.1. Initial Term. The Agreement and License granted shall commence on the Effective Date and shall continue for ten (10) years from the date Franchisee's Franchised Business opens, subject to termination as set forth in this Agreement (the "**Initial Term**").

2.2. Renewal. If CBW is offering franchises in the state where the Camp Site is located at the time of renewal, then upon expiration of the Initial Term, Franchisee may renew the Agreement for two (2) additional 10-year terms (each a "**Renewal Term**," and together with the Initial Term, the "**Term**") if Franchisee satisfies the following conditions to CBW's satisfaction prior to the expiration of the Initial Term or first Renewal Term, as applicable:

a. Franchisee, along with its owners and Principals, has been in compliance with this Agreement and any other agreement(s) with CBW or its Affiliates throughout the Term and is not in default at the time of renewal;

b. Franchisee provides CBW with written notice of intent to renew at least six (6) but no more than twelve (12) months before expiration of the Initial Term or first Renewal Term, as applicable (or if Franchisee plans to relocate the Camp Site, no less than eighteen (18) months before expiration). FAILURE TO PROVIDE PROPER NOTICE SHALL BE CONSIDERED AN ELECTION NOT TO RENEW;

c. Franchisee satisfies all payment obligations to CBW, CBW's Affiliates, Franchisee's vendors, and all customers;

d. Franchisee demonstrates to CBW's satisfaction that Franchisee's Real Estate Documents provide Franchisee the right to continue providing Camp Services from the Camp Site throughout the Renewal Term. If Franchisee is unable to show this to CBW's satisfaction, Franchisee shall secure a substitute location prior to renewal by following the process set out in Section 6.1(b);

e. Franchisee upgrades the Camp Site to CBW's then-current standards and specifications, including all computers and systems;

- f. Franchisee provides proof that it has obtained and maintained all licenses and permits necessary to continue operating the Franchised Business;
- g. Franchisee completes CBW's then-current training requirements at Franchisee's expense;
- h. Franchisee provides CBW with any reasonably requested financial information;
- i. Franchisee executes a new personal guarantee;
- j. Franchisee executes a general release of all claims Franchisee may have against CBW, its Affiliates, and their past, present, and future officers, directors, members, shareholders, agents and employees, in a form satisfactory to CBW;
- k. Franchisee pays CBW a renewal fee in the amount of 50% of the then-current Initial Franchise Fee (the "**Renewal Fee**") (Franchisee shall not be required to pay the initial franchise fee stated in the new franchise agreement, but must instead pay the Renewal Fee);
- l. Throughout the Initial Term, Franchisee has participated in and supported the operational, training, marketing, and other brand initiatives recommended, required, or provided by CBW, to CBW's satisfaction;
- m. Franchisee agrees to any reasonable requests by CBW to re-define the Authorized Territory if CBW determines at renewal that the existing Authorized Territory contains two or more markets as determined by CBW's then-current territory mapping policy; and
- n. Franchisee executes CBW's then-current form of Franchise Agreement, which will supersede this Agreement and may contain terms that differ materially, including without limitation requiring payment of additional or different fees to CBW and adjusting, redefining or reducing the Authorized Territory (as provided in clause 2.2(m)). IN CBW'S SOLE DISCRETION, FRANCHISEE MAY BE DEEMED TO HAVE IRREVOCABLY DECLINED TO RENEW IF IT FAILS TO EXECUTE AND RETURN TO THE CBW THE THEN-CURRENT FRANCHISE AGREEMENT, PERSONAL GUARANTEE, OR RELEASE REQUIRED BY THIS SECTION 2 WITHIN THIRTY (30) DAYS AFTER THEIR DELIVERY TO FRANCHISEE.

2.3. Franchise Disclosure Document ("FDD") Delays. If CBW is in the process of revising, amending, or renewing its FDD (or its registration to sell franchises in the state where the Camp Site is located or the Franchisee is domiciled) or, under applicable State law, cannot lawfully offer Franchisee its then-current franchise agreement at the time Franchisee delivers notice of intent to renew, CBW may, in its sole discretion, offer to extend the Initial Term on a calendar month-to-month basis for up to one (1) year from the expiration of this Agreement. If, after one year, CBW still cannot lawfully offer its then-current franchise agreement, but CBW intends to continue

franchising in the State and Franchisee has satisfied all of the conditions to renewal, the parties may extend this Agreement for the remainder of the Renewal Term.

2.4. Non-Renewal & Expiration. If any renewal condition is not timely satisfied, and Franchisee continues to accept the benefits of this Agreement after the expiration date, CBW may: (i) treat this Agreement as expired, and Franchisee's continued operation as a violation of CBW's rights; or (ii) offer Franchisee a short extension of the Initial Term (the "Extension Period") and charge Franchisee a penalty equal to \$1,000 on the day immediately following the missed renewal deadline plus a daily penalty of \$100 per day until such time as all renewal conditions are satisfied to CBW's satisfaction. The daily penalty shall apply beginning the second day after the missed renewal deadline. Franchisee agrees that CBW is entitled to ACH the foregoing penalties in the same manner as it collects Royalty Fee payments. Penalties shall be in addition to, and not in lieu of, any other remedy available to CBW. All obligations of Franchisee shall remain in full force and effect during the Extension Period as if the Agreement had not expired. If either party elects not to renew the License or the Extension Period expires without timely completion of any of the renewal conditions, this Agreement and the License will expire without further notice from CBW. Franchisee will remain obligated to comply with all provisions of this Agreement which expressly or by their nature survive expiration, termination, or transfer of this Agreement.

### 3. **BANKING, FEES AND PAYMENT**

3.1. Banking. Franchisee must maintain a separate bank account for depositing all Net Revenue generated by the Franchised Business and must deposit all revenue into this bank account within three (3) days of receipt by Franchisee.

3.2. Fees. In consideration for the License, Franchisee shall pay CBW the following fees in U.S. Dollars ("USD").

a. *Initial Franchise Fee*. The Initial Franchise Fee set forth in Attachment A to this Agreement, via lump sum via cashier's check, money order or wire transfer at the time Franchisee executes this Agreement (the "**Initial Franchise Fee**"). The Initial Franchise Fee is non-refundable upon receipt;

b. *Royalties*. So long as Franchisee is in Good Standing (as defined below), Franchisee agrees to pay CBW, in the manner provided below, a continuing monthly royalty fee of 3.5% of the Franchised Business's Net Revenue for all Products and Services provided in or through the Franchised Business ("**Royalty Fee**") for the first twelve (12) months that the Franchised Business is open. Additionally, the minimum monthly royalty ("**Minimum Monthly Royalty**") described below will be waived for the first twelve (12) months of the Franchised Business's operation so long as Franchisee is in Good Standing (as defined below). Beginning the thirteenth (13<sup>th</sup>) month of operation through the end of the term of this Agreement or earlier if Franchisee is not in Good Standing, Franchisee shall pay CBW a Royalty Fee equal to the greater of (i) 7% of Net Revenue for all Products and Services provided in or through the Franchised Business, or (ii) the Minimum Monthly Royalty from the table below, if 7% of Franchisee's Net Revenue for the month is less

than the amounts outlined in the table. The monthly Royalty Fee is paid semi-monthly (as outlined below); however, the calculation of the Royalty Fee is performed monthly.

<b>Months of Operations</b>	<b>Minimum Monthly Royalty</b>
0 – 6	\$0
7 – 12	\$1,500
13 – 18	\$1,750
19 – 24	\$2,000
25+	\$2,500

If Franchisee has not secured a Camp Site by the Premises Deadline or opened by the Operations Deadline, and CBW elects to extend the Premises Deadline and/or Operations Deadline in its sole discretion (which will not waive its right to terminate this Agreement), the Minimum Monthly Royalty is \$2,500 per month during the extension period. CBW has the sole authority to waive the Minimum Monthly Royalty during any extension period and has no obligation to impose this uniformly. The Minimum Monthly Royalty may be charged in addition to any Default Fee or Daily Fee that CBW assesses.

i. The Royalty Fee for the 1<sup>st</sup> through the 15<sup>th</sup> of each month is payable on the 25<sup>th</sup> of that month, and the Royalty Fee for the 16<sup>th</sup> through the end of the month is payable on the 10<sup>th</sup> of the following month. CBW has the right to change the frequency of Royalty Fee due dates at any time. Franchisee shall not subordinate its obligation to pay the Royalty Fee (or any other fee due under this Agreement) to any other obligation.

ii. Except as set forth below, if any sales, income, excise, use, privilege or similar tax or assessment is imposed or levied on CBW by any taxing authority based on the payment of Royalty Fees by Franchisee under this Agreement, Franchisee must, in addition to all payments due to CBW, pay such tax, levy or assessment directly or reimburse CBW for the payment of such amount. This provision does not apply to any federal or Colorado income taxes imposed on CBW, or those state taxes that CBW can take as a credit against its federal or Colorado income taxes.

iii. Franchisee must be in “Good Standing” (as defined in this Subsection) to be eligible for the lower 3.5% Royalty Fee each month and waiver of the Minimum Monthly Royalty Fee during the first twelve (12) months the Franchised Business is open. If Franchisee is not in “Good Standing” at any time during these twelve (12) months, the monthly Royalty Fee will increase to the greater of 7% or the Minimum Monthly Royalty from the table above effective immediately, in addition to all other remedies available to us. The term “Good Standing” means that Franchisee does not owe any Royalty Fees, Advertising Fund Fees, Technology Fees, or any other monetary obligations to CBW for more than thirty (30) days, and Franchisee will follow all other obligations under the Agreement and any other agreement with CBW, including timely reporting of Gross Sales. Franchisee is not in “Good Standing” if Franchisee makes partial payments to CBW but still has amounts outstanding for more than thirty (30) days.

c. *Technology Fee (“Technology Fee”)*. Franchisee shall pay a monthly fee for access to and use of technology tools and systems required to stay competitive, improve operations, and protect the brand, including but not limited access to our proprietary point-of-sale software, Data Dawg and our client access applications. Currently, this fee is \$250.00 per month, but CBW reserves the right to change the Technology Fee at any time upon notice to Franchisee. CBW also reserves the right to require that Franchisee submit payment to a third party, or that Franchisee start using a third-party point-of-sale or other software and paying the associated fees at any time. The terms and conditions for use and access to CBW’s current point-of-sale software can be found in Attachment G to this Agreement, which Franchisee is required to sign prior to accessing the software. We are in the process of transitioning our system from "Data Dawg" software to Gingr Pet-Care software. All new franchised locations are required to use Gingr Pet-Care software as their point-of-sale software. Some existing franchised locations may continue to use Data Dawg during the transition period until they are migrated to Gingr Pet-Care software. Nothing in this Agreement requires CBW to continue providing or supporting Data Dawg, Gingr Pet-Care, or any future proprietary point-of-sale software.

d. *Relocation Fee*. If Franchisee elects to relocate the Camp Site or Authorized Territory at any point during the Term, Franchisee shall submit information about the proposed Camp Site to CBW for written approval pursuant to the terms set forth in Section 6.1(b), and shall simultaneously pay CBW a \$20,000 Relocation Fee. CBW may continue to collect the Advertising Fund Fee, Royalty Fee, Technology Fee, or any other fee due to CBW during any relocation period. Further, CBW may require Franchisee to continue spending the Local Advertising Expense and/or to spend the Camp Launch Advertising to promote the opening of the new Camp Site location. Royalty Fees during this period will be the greater of (i) the monthly average of Royalty Fees paid by Franchisee during the immediately preceding 12 months of operations, or (ii) the Minimum Monthly Royalty. Advertising Fund Fees during this period will be based on the monthly average of Royalty Fees paid by Franchisee during the immediately preceding 12 months of operations. If Franchisee is forced to relocate due to a force majeure event as defined in Section 20.9, Franchisee will not be required to pay the \$20,000 Relocation Fee or the Advertising Fund Fee, Royalty Fee, Technology Fee, or any other fee due to CBW during the relocation period, unless Franchisee fails to re-open within 12 months, in which case CBW may elect to terminate this Agreement upon written notice. However, CBW may still require Franchisee to continue spending the Local Advertising Expense or to spend the Camp Launch Advertising to promote the opening of the new Camp Site. Franchisee shall de-identify the original Camp Site pursuant to CBW’s then-current de-identification requirements, at Franchisee’s sole cost.

e. *Default Fee*. The then-current amount(s) that CBW may charge upon Franchisee’s Default under this Agreement, whether such Default(s) arise from or relate to the same occurrence or Section of this Agreement. The Default Fee is payable via ACH immediately upon demand, if Franchisee or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors violate any provision of this Agreement or fail to comply with a mandatory standard or procedure. The Default Fee is in addition to, and not in lieu of, any rights CBW has under this Agreement (including termination for Defaults as set forth in this Agreement). As of the date of this Agreement, the Default Fee is \$250 for Franchisee’s first Default and \$500 for any subsequent Default within 12 months, whether such Default(s) arise from or relate to the same

occurrence or Section of this Agreement. However, these amounts are subject to change at any time. CBW may elect, in any given instance of Default, to charge the Default Fee and/or the Daily Fee in lieu of issuing a formal Default, at CBW's sole discretion.

f. *Daily Fee.* The then-current amount that CBW may charge Franchisee for each day that Franchisee or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors remain out of compliance with the Franchise Agreement or any mandatory standard or procedure. The Daily Fee is payable via ACH immediately upon 24 hours' notice, and may be charged until Franchisee cures any applicable Default. The Daily Fee is in addition to, and not in lieu of, any rights CBW has under this Agreement (including termination for Defaults as set forth in this Agreement). As of the date of this Agreement, the Daily Fee is \$100, but that amount is subject to change at any time.

g. *Project Management Fee.* Franchisee must pay Franchisor a project management fee (the "Project Management Fee") of \$5,000 to assist with design, service bids, bid process, service management and a total of up to two (2) construction site assistance visits from us including our travel and living expenses. If Franchisee requires more than two (2) construction site assistance visits or requires any visit to be longer than two (2) days, it will pay CBW's then-current site assistance fee (the "Site Assistance Fee"), which is currently \$500 per day, plus any travel and living expenses incurred by CBW. The Project Management Fee will be invoiced within 30 days of signing the lease or prior to commencement of any design, service bids, bid process, or service management work. The Site Assistance Fee will be invoiced prior to opening, within 30 days of incurring the underlying cost or expense. Both fees are due in full within five (5) days of when CBW invoices Franchisee, are deemed fully earned by CBW once paid, and are non-refundable.

h. *Other Fees.* Franchisee shall pay all additional fees described in or contemplated by this Agreement, or any attachments or addenda to this Agreement and the FDD, pursuant to the terms and conditions identified for each fee, whether specifically identified in this Section or not.

### 3.3. Payment.

a. *ACH Form.* Prior to beginning interior construction, or as otherwise required by CBW, Franchisee shall also execute CBW's then-current ACH form attached as Exhibit M to the FDD. The ACH authorization shall remain in effect for the entire Term, and Franchisee shall promptly notify CBW of any changes to the information on the ACH form within three (3) days of any such change. Franchisee will submit all fees and payments due to CBW under this Agreement via automated clearing house ("ACH") or other similar means, using CBW's approved computer system, or otherwise pursuant to the Operations Manual. Franchisee must make the funds available for withdrawal no later than the due date for payment.

b. *Corrective Payments/Deposits.* Franchisee shall have three (3) days after a debit is initiated to dispute any amount debited for Royalty Fees, Advertising Fees, or any other fees owed by Franchisee to CBW under this Agreement, by providing an accurate Net Revenue report for the relevant period. Failure to do so will be deemed acceptance of the amount debited. If at any time

CBW discovers that an amount debited was less than the actual amount due for the relevant period, CBW may immediately debit the balance. If CBW debited more than was due to CBW for the relevant period, CBW will credit the excess to the next payment of Royalty Fees and Advertising Fund Fees due from Franchisee. Nothing in this Section 3.3(b) is intended to excuse Franchisee's obligation to timely and accurately report Net Revenue for any period.

c. *Late Payments.* If any payment is not received by CBW by the applicable due date, Franchisee will be in default of this Agreement and subject to termination under Section 14. Franchisee will pay, upon demand, interest of 18% per annum or the maximum amount permitted under applicable law, whichever is less, beginning from the date of non-payment or underpayment until the debt is paid in full. In addition, Franchisee must pay a late fee of \$100. CBW's right to collect interest and penalties are in addition to, and not in lieu of, any other remedies CBW may have.

d. *Partial Payments.* If Franchisee makes a partial payment on any amount Franchisee owes CBW under this Agreement or otherwise, CBW may accept and deposit or cash such check or payment without prejudice to CBW's right to recover the balance due or pursue any other remedy CBW may have under contract or law. No endorsement or statement on any partial payment will be construed as acknowledgement of payment in full or an accord and satisfaction, regardless of what the endorsement or statement says. No payments made to CBW by Franchisee may be reduced because of any tax, charge or assessment Franchisee is required to pay.

e. *Application of Payments.* If Franchisee makes a payment against any overdue amounts owed to CBW, CBW may apply such payment as CBW sees fit. CBW may also offset any amounts it owes Franchisee, if any, by the amount Franchisee owes CBW, or, at CBW's option, pay any of Franchisee's trade creditors out of any sum otherwise due to Franchisee.

f. *Withholding Payments.* Franchisee shall not withhold or set off any payment due to CBW on the premise of alleged non-performance by CBW.

#### **4. ACCOUNTING, RECORDS, REPORTS, AND AUDITS**

4.1. Required Accounting System & Form. Franchisee's accounting and recording system must reflect each operational aspect of the Franchised Business. Franchisee shall use the accounting system required by CBW, if any, and otherwise agrees to present its data in a form and manner acceptable to CBW. Franchisee agrees to provide any uniform reports or statistics required by CBW, and to use the chart of accounts required by CBW, as updated from time to time.

4.2. Books & Records. Franchisee must keep its financial books and Camp Records as CBW may direct from time to time in the Manual or otherwise, including the retention of all invoices, order forms, payroll records, cash register tapes, check records, bank deposit receipts, sales tax records, refunds, cash disbursements, journals and general ledgers. Franchisee shall keep the books and Camp Records separate from the books and records of any unrelated business or personal activity, and shall maintain original, full, and complete records and backups.

4.3. Financial Statements. Franchisee shall prepare current, complete, and accurate records and financial statements concerning all financial, marketing and other operating aspects of the Franchised Business and shall submit them to CBW by the deadlines stated in the Operations Manual or otherwise communicated to Franchisee, which may be updated from time to time. These records include but are not limited to: (i) tax returns; (ii) bank statements; (iii) bank reconciliations; (iv) profit and loss statements; (v) balance sheets; (vi) cash flow statements; and, (vii) any other reports reasonably requested by CBW to evaluate or compile research and performance data on any operational aspect of the Franchised Business. Each report must include the financial results for the immediately preceding reporting period, and cumulative information for the calendar year-to-date. Franchisee hereby certifies that the information it provides in any records or reports will be true and correct and that it will not omit any material fact that is necessary to make the information accurate and not misleading. If Franchisee fails to provide any of the required reports when due, Franchisee shall be in Default and CBW shall have the right to charge the Default Fee and/or the Daily Fee until the required reports are provided in the requested format.

4.4. Document Retention & Auditing. Franchisee agrees to keep all records and reports for the greater of: (i) seven (7) years from the date the records are created, or (ii) as otherwise dictated by Federal or State law, regardless of whether this Agreement is then in effect. CBW or its authorized representative has the right to request, receive, inspect, copy, and audit any records arising from or relating to the Franchised Business, whether referred to in this Section 4 or not, wherever they may be located, including, without limitation, to evaluate, remotely or on the Camp Site, Franchisee's compliance with its obligations regarding Customer Information. Franchisee must fully cooperate with CBW in connection with its exercise of the audit rights. If any inspection or audit uncovers a deficiency in any fees paid or owed to CBW under this Agreement, Franchisee shall immediately pay the deficiency. If the deficiency is 1% or more, Franchisee shall also reimburse CBW for the cost of the inspection or audit including travel, lodging, meals, salaries, and other expenses of the inspectors or auditors.

4.5. CBW's Rights. At all times during and after expiration, cancellation, or termination of this Agreement, CBW has the right to retrieve financial, customer, vendor, inventory and any other operational information for the Franchised Business, and may use, transfer, copy, analyze, or publish the same as it deems necessary or appropriate. CBW may collect such information through CBW's required computer system or through other lawful methods at any time, in any manner, and Franchisee hereby grants CBW the authority to do so. Franchisee also authorizes CBW to make reasonable inquiries of Franchisee's bank, suppliers, and trade creditors concerning the Franchised Business and hereby authorizes such businesses and persons to provide CBW the information and copies of documents requested. Franchisee will further comply with CBW's reasonable requests for additional information relating to the Franchised Business not reflected in this Section.

## **5. SERVICES AND ASSISTANCE**

5.1. Pre-Opening Assistance. CBW will offer the following services and assistance before Franchisee begins operations:

- a. making a representative reasonably available to Franchisee via telephone or via e-mail during normal business hours;
- b. designating the Authorized Territory;
- c. providing general advice regarding the selection of a Camp Site and CBW's general prototype design and construction specifications;
- d. reviewing Franchisee's Real Estate Documents prior to approving the Camp Site (Note: CBW's review is limited to ensuring there are no terms that would prevent Franchisee from performing its obligations under this Agreement. Franchisee is advised and encouraged to have its own counsel review and negotiate the terms of its Real Estate Documents);
- e. providing Franchisee a list of required and approved suppliers and approved equipment, fixtures, furnishings, signs, products, materials, and supplies necessary to build out the Camp Site and begin operations;
- f. conducting the Initial Camp Services Training program for Franchisee (all owners must attend) and Franchisee's Manager at a location designated by CBW. Unless CBW agrees otherwise in writing, Franchisee and its Manager must complete the Initial Camp Services Training Program to CBW's satisfaction prior to beginning operations. Franchisee shall be responsible for the cost of all travel, lodging, wages, meals and expenses it incurs in attending the Initial Camp Services Training Program.
- g. conducting an on-site training program for Franchisee at the Camp Site immediately prior to the commencement of operations;
- h. granting Franchisee access to the Operations Manual. Franchisee may provide the Operations Manual, or portions thereof, to Franchisee's employees who need access to perform their jobs, but only to the extent they need it, and only if they sign a non-disclosure agreement. Franchisee is responsible for its Personnel's use of the Operations Manual and for compliance with CBW's expected level of confidentiality for the same;
- i. providing Franchisee with access to CBW's intranet and learning management systems (collectively the "Intranet Systems"). Franchisee is responsible for all activity on its account, and must promptly notify CBW if any access information is lost or stolen, or if any Personnel who has been granted access to the Intranet Systems leaves Franchisee's employ for any reason. Nothing in this section guarantees that CBW will maintain an intranet or learning management system, but if it does, CBW shall grant Franchisee access to it;
- j. providing Franchisee with a website on CBW's domain. Franchisee shall be responsible for updating such website with Franchised Business specific information and will maintain and update the same at least in accordance with CBW's policies, specifications and standards. Franchisee's website may only be accessed through CBW's domain, and Franchisee

agrees not to link to, create a splash page for, or otherwise refer to the website without prior written approval from CBW.

5.2. Ongoing Assistance. CBW will offer the following services and assistance after Franchisee begins operations:

a. making a representative reasonably available to Franchisee via telephone or via e-mail during normal business hours;

b. furnishing general guidance through printed, filmed, or streamed material; via web, video, or telephone conference; via live meeting; through refresher training programs; or in any other manner deemed appropriate by CBW on (i) methods, specifications, standards, and operating procedures used in the Franchised Business; (ii) new developments and techniques in advertising, management, and operations; and, (iii) developing and implementing local advertising and promotional programs.

c. testing, developing, and designing new Products, Services, operational methods, programs, or other items for use in the System, in CBW's sole discretion. Franchisee will pay any fees associated with training for new Products, Services, operational methods, programs, or other items, and must offer or sell the same per CBW's requirements, as updated from time to time.

d. maintaining the Advertising Fund, as set forth in Section 6.10 below; and,

e. conducting evaluations at Franchisee's Camp Site and providing feedback and guidance on operational standards and practices. Franchisee may reasonably request additional assistance at any time, and CBW will make reasonable efforts to provide such additional assistance, subject to the availability of its personnel. If CBW provides additional assistance, CBW may charge Franchisee a fee.

5.3. Level of Assistance. CBW is not obligated to provide any services or assistance to Franchisee's particular level of satisfaction. Unless material, CBW's failure to provide any particular service, either initial or continuing, will not excuse Franchisee from performing its obligations under this Agreement.

5.4. Availability. All training is subject to the availability of CBW or its agents. Training may not be provided in contiguous time periods, and additional training will be at Franchisee's cost. Any training provided to Franchisee's Personnel is limited to training regarding the delivery of approved Products and Services in a manner that reflects the standards of the System. Franchisee is, and will remain, the sole employer of its employees at all times, including during all training programs, and Franchisee is solely responsible for all employment decisions and actions related to its employees. Franchisee is solely responsible for ensuring that its employees receive adequate training.

**6. FRANCHISEE'S DUTIES AND OBLIGATIONS.** Franchisee acknowledges and agrees that Franchisee's obligations set forth in this Agreement are reasonable and necessary for the

operation of the Franchised Business and to maintain uniformity throughout the System. Franchisee shall strictly adhere to the standards and specifications set forth in this Agreement and any revisions or amendments to the same.

6.1. Development of the Camp Site: Franchisee shall diligently develop the Franchised Business on the Camp Site and use its best efforts to market, promote, and provide all of the Products and Services.

a. *Financing Deadline*. By the earlier of 6 months after the Effective Date or 15 days prior to executing the Real Estate Documents, Franchisee must provide proof of adequate financing (the “**Financing Deadline**”). If Franchisee will finance all or a portion of the costs necessary to begin operations, Franchisee must submit a description of the proposed financing and any other information and materials CBW may require for CBW’s review and approval. CBW will approve or deny the proposed financing within 14 days of receipt of the information requested. If CBW does not respond within 14 days, the financing is deemed disapproved. If approved, Franchisee will promptly take the steps necessary to secure the financing. Franchisee will not grant any lender a security interest in the Marks, or any material or equipment incorporating the Intellectual Property, except as provided in Section 7. Franchisee will maintain sufficient working capital as may be required by the Operations Manuals to comply with its obligations under this Agreement. CBW reserves the right to verify that Franchisee’s working capital meets CBW’s minimum requirement prior to approving Franchisee’s opening. If Franchisee’s working capital prior to opening is insufficient, CBW may require Franchisee to obtain additional funding to meet the minimum threshold prior to approving Franchisee’s opening. If Franchisee fails to comply with the Financing Deadline, or loses financing prior to commencing operations, CBW may (i) require Franchisee to pay the Default Fee and Daily Fee or the Minimum Monthly Royalty until Franchisee satisfies the requirements of this Section 6.1(b), or (ii) terminate the Agreement pursuant to Section 14. In the event Franchisee’s financing documents expire, or CBW grants Franchisee an extension to develop, CBW reserves the right to request proof of adequate financing prior to approving any such change.

b. *Premises Deadline*. No later than 12 months after the Effective Date (the “**Premises Deadline**”), Franchisee shall secure a Camp Site by executing appropriate Real Estate Documents pursuant to the following procedure: (i) Franchisee shall attend regular Real Estate calls with the Real Estate Department and any designated Real Estate Brokers on the established schedule in order to evaluate site opportunities within their Site Selection Map; (ii) Franchisee will identify a proposed Camp Site and provide CBW a description of the proposed site and any information or materials CBW may require for review; (iii) CBW will use reasonable best efforts to preliminarily approve or deny the proposed site in writing within thirty (30) days of receipt of the information Franchisee provides. CBW may approve or disapprove a site based on such factors as it deems appropriate. If CBW does not respond within thirty (30) days, the site is deemed disapproved; (iv) if CBW preliminarily approves the Camp Site, Franchisee shall submit a copy of the proposed final version of the Real Estate Documents for review and approval; (v) CBW will use reasonable best efforts to provide Franchisee final written approval or disapproval of the Real Estate Documents within thirty (30) days. If CBW does not respond within thirty (30) days, the Real Estate Documents are deemed disapproved; (vi) If CBW approves the Real Estate Documents,

Franchisee shall promptly enter the Real Estate Documents as approved and will not alter or amend them after that date without the written consent of CBW; (vii) Franchisee shall provide a copy of the fully executed Real Estate Documents to CBW within 5 days of execution.

i. Preliminary and final approval from CBW will be in writing. Franchisee will not rely on oral representations from CBW or its representatives. Approval of a Camp Site by CBW is subject to zoning approval and satisfaction of other state and local requirements. If CBW disapproves the Camp Site for any reason, Franchisee will locate an alternative Camp Site and will submit it for approval following the process identified above.

ii. If CBW disapproves the Real Estate Documents based on their terms, Franchisee may negotiate the terms of the same until CBW approves them, in its sole discretion. However, no opportunity to negotiate the terms of the documents will extend the Premises Deadline.

iii. If Franchisee fails to meet the Premises Deadline, CBW may, in its sole discretion: (i) extend the Premises Deadline; (ii) require Franchisee to pay the Default Fee and Daily Fee and the Minimum Monthly Royalty until Franchisee begins to provide Camp Services; (iii) modify the License by rescinding Franchisee's right to provide Camp Services; or (iv) terminate this Agreement pursuant to Section 14.

c. *Construction Deadline.* Within 120 days of executing the Real Estate Documents (the "**Construction Deadline**"), Franchisee must: (i) obtain architectural and working drawings from an approved architect and submit and receive approval for the same from CBW (and Franchisee's Landlord, if applicable); (ii) obtain all permits, licenses, and entitlements necessary to begin construction (with the exception of the certificate of occupancy which must be obtained on or before the Operations Deadline); and (iii) start construction on the Camp Site using CBW's approved and required suppliers. During build out, Franchisee must comply with the directives provided in the Manuals and all applicable laws and ordinances, building codes, permit requirements, and the Americans with Disabilities Act. Franchisee must also follow CBW's then-current pre-opening process and participate in regularly scheduled calls with CBW's designated representatives, and provide any updates, documents, photos, plans, and schedules upon request. If Franchisee fails to attend its scheduled calls, fails to follow CBW's pre-opening process, or fails to provide information and documents as requested, Franchisee shall be in Default under this Agreement. If Franchisee does not start construction by the Construction Deadline, does not follow CBW's then-current pre-opening process, or does not complete build out to CBW's satisfaction, CBW may: (i) delay the opening date and/or require Franchisee to pay the Default Fee and Daily Fee or the Minimum Monthly Royalty until Franchisee satisfies the build out requirements and begins operations, regardless of whether CBW issues a formal notice of Default; (ii) extend the Operations Deadline; (iii) modify the License by rescinding Franchisee's right to provide Camp Services; or, (iv) terminate this Agreement pursuant to Section 14.

d. *Operations Deadlines.*

i. **Camp Services.** Franchisee shall begin providing Camp Services from the Camp Site by the date that Franchisee receives written approval from CBW to open, but in no event more than 18 months after the Effective Date (the “**Operations Deadline**”). Between 30 and 60 days prior to the Operations Deadline, Franchisee and Franchisee’s Manager must complete the Initial Camp Services Training to CBW’s satisfaction. Franchisee is prohibited from providing Camp Services until it has met all pre-opening requirements established by CBW as may be updated from time to time, and Franchisee has received written permission from CBW to begin. Franchisee shall begin providing Camp Services on the approved opening date designated by CBW, but may begin accepting deposits (with CBW’s consent) prior to opening. If Franchisee fails to meet the Operations Deadline, either by failure to satisfy any pre-opening requirement or failure or refusal to open on the designated opening date, CBW may: (i) delay the opening date and require Franchisee to pay the Default Fee and Daily Fee and the Minimum Monthly Royalty until Franchisee satisfies the pre-opening requirements and begins operations; (ii) extend the Operations Deadline; (iii) modify the License by rescinding Franchisee’s right to provide Camp Services; or, (iv) terminate the Agreement in accordance with Section 14. If Franchisee chooses not to open on the designated opening date, and CBW elects to exercise its option under 6.1(d)(i)(i) above, Franchisee understands and acknowledges that CBW will push Franchisee’s opening date to the back of the opening queue, and Franchisee waives any claims of loss, harm, or damages due to the delay.

ii. **Dog Training Services.** Dog Training Services are optional. If Franchisee elects to offer them, Franchisee shall satisfy all conditions to providing Dog Training Services to CBW’s satisfaction prior to offering them for sale. Franchisee is prohibited from providing Dog Training Services until it receives written permission from CBW to begin. If at any time during the Term Franchisee loses its certified dog trainer, for any reason, Franchisee must stop providing Dog Training Services until another qualified trainer completes the then-current required training program and CBW provides Franchisee with written permission to resume Dog Training Services.

e. *Minimum Monthly Royalties for Failure to Meet Deadlines.* CBW’s decision to have Franchisee pay the Minimum Monthly Royalty in this Section 6.1 will not preclude CBW from exercising any of its other rights under this Agreement, including without limitation the right to charge the Default Fee or Daily Fee or terminate the Agreement.

6.2. **Compliance with Laws & Regulations.** Franchisee must comply with all applicable federal, state, and local laws, ordinances, rules, zoning regulations and other requirements including but not limited to: (i) laws and regulations applicable to the provision of Services and the sale of Products; (ii) all consumer protection laws and regulations; (iii) all employment laws; and, (iv) all data privacy and cybersecurity laws. Franchisee shall obtain and maintain all required business licenses and permits and shall comply with all zoning and state and local ordinances. Franchisee shall promptly pay all debts, assessments, charges, taxes and other obligations arising in connection with the Franchised Business when due. Franchisee acknowledges and agrees that it is solely responsible for independently investigating all applicable laws and regulations to ensure compliance, and that it cannot rely on CBW to inform or advise Franchisee on the same.

6.3. Compliance with System Standards. CBW has the right to add to and otherwise modify the Operations Manuals from time to time. Franchisee shall strictly comply with the Operations Manuals and all present and future standards, specifications, processes, policies, procedures and requirements of CBW, however communicated, including all directives, modifications, clarifications, and changes made regarding the operation of the Franchised Business and use of the Marks, including but not limited to the following. Any required standards exist to protect our interests in the System and the Marks and not for the purpose of establishing any control or duty to take control over those matters that are reserved to Franchisee. The required standards generally will be set forth in the Manual as defined in Definition 20 or other written materials. The Manual also will include guidelines or recommendations in addition to required standards. In some instances, the required standards will include recommendations or guidelines to meet the required standards. Franchisee may follow the recommendations or guidelines or some other suitable alternative, provided Franchisee meets and complies with the required standards. In other instances, no suitable alternative may exist. In order to protect CBW's interests in the System and Marks, CBW reserves the right to determine if Franchisee is meeting a required standard and whether an alternative is suitable to any recommendations or guidelines.

a. *Customer Service.* Franchisee will use its best efforts to ensure customer satisfaction. Franchisee and its Personnel shall use good faith in dealing with customers, potential customers, vendors, and creditors, and shall respond to conflicts professionally, promptly, and in a manner that promotes the values and the goodwill of the System. Franchisee agrees to take such actions as CBW may deem necessary, in CBW's sole discretion, to resolve customer disputes.

b. *Approved or Required Equipment Supplies.* Franchisee shall use only signs, furnishings, supplies, fixtures, equipment and inventory that comply with CBW's then-current standards and specifications which CBW establishes from time to time. If CBW changes its standards and specifications, Franchisee shall make any such change within 30 days of written notice to Franchisee, at Franchisee's expense.

c. *Approved or Required Suppliers.*

i. Franchisee acknowledges and agrees that preservation of the System and the goodwill associated therewith depends upon uniformity and consistency across locations. Franchisee agrees to purchase architectural and construction management services, inventory items and merchandise, marketing materials, displays, signage, furniture, fixtures, equipment, supplies, computer hardware and software, and other equipment only from CBW or CBW's required or approved suppliers as specified from time to time in the Operations Manuals and otherwise, even if similar items or services can be obtained elsewhere at a lower cost. All Products and Services purchased from approved suppliers must be used solely in connection with the Franchised Business, and not for any competitive business purpose.

ii. If Franchisee wants to use an unapproved item or supplier, Franchisee shall submit a request for CBW to review the item or supplier in the manner and form then-required by CBW. CBW may require that Franchisee provide, at Franchisee's cost, a sample of the item, and/or information about the business and contact information of the supplier, if applicable, and

the then-current review fee, which is currently \$500. If CBW incurs any costs while testing or reviewing the product or supplier, CBW may require Franchisee to reimburse it for such costs, regardless of whether the item or supplier is ultimately approved. CBW has absolute discretion to approve or deny any item or supplier for any reason. CBW may also revoke its approval for particular Products, Services, items or suppliers at any time, in its sole discretion. Upon receiving notice of the revocation, Franchisee shall stop using the Product, Service, item or supplier, as applicable.

iii. CBW or any of its Affiliate(s) may be one of several, or the only, approved supplier of any item or service, and they have the right to realize a profit on any items that they supply to Franchisee. CBW also has the right to receive payments from suppliers on account of their dealings with Franchisee and other franchisees and to use all amounts CBW receives without restriction (unless instructed otherwise by the supplier). CBW may require or allow Franchisee to use custom, private label, or proprietary goods or services, including but not limited to pet food, toys, and other Products.

iv. Franchisee recognizes that failure to pay System suppliers when due may interfere with the suppliers' willingness to do business with the System or to offer their goods or services on less favorable credit terms. Accordingly, Franchisee agrees to pay all undisputed amounts owed to System suppliers when due.

6.4. Abiding by CBW's Product and Service Requirements. Franchisee shall offer for sale all Products and Services that CBW prescribes, and only those Products and Services that CBW prescribes, in the manner and for the period specified by CBW. Franchisee shall not provide any Service or Product outside the Authorized Territory unless approved by CBW in writing in advance.

a. *Offering All Services and Products.* Franchisee must offer for sale on a continuing basis all required Services and Products, and any new Services or Products introduced into the System at the time and in the manner required by CBW. CBW will provide Franchisee with at least 30 days' prior written notice of any new required Service or Product. Franchisee must acquire, install, market and use all equipment, products, supplies, tools and other items necessary to offer for sale the Services or Products at the time and in the manner required by CBW.

b. *Offering Unapproved Services and Products.* Franchisee shall not offer or sell unapproved Products and Services. Franchisee may not offer any other products or services for sale, rent, or lease without having received CBW's prior written authorization.

c. *Inventory.* Franchisee will maintain sufficient levels of inventory to meet customer demand, or as otherwise specified in the Operations Manual.

d. *Quality Assurance.* CBW reserves the right to ensure the nature and quality of Products and Services offered by Franchisee conform to CBW's current standards. CBW may do the following at any time, with or without notice to Franchisee: (i) send someone to inspect Franchisee's Franchised Business; (ii) monitor Franchisee's Franchised Business via webcam; (iii) hire a mystery shopper to inspect the Franchised Business or use the Products and Services and to

record his or her experience and report back to CBW; or (iv) any other action deemed appropriate or necessary to protect the System, in CBW's sole discretion. Franchisee will cooperate with CBW's inspections, and hereby authorizes CBW and its representatives, at any time, with or without notice, to enter the Camp Site or other locations where Products are sold or Services are rendered and conduct an inspection of the Franchised Business and Franchisee's operations to verify compliance, including but not limited to: inspecting the Camp Site, Camp Records, data stored on business computers and point-of-sale cash systems, files, and any other items reasonably deemed relevant to compliance, and to observe operations, take pictures, discuss policies and practices with Franchisee's Personnel, and discuss CBW's standards, policies, and requirements with Personnel. Franchisee, on behalf of itself and, as applicable, its directors, officers, managers, employees, consultants, representatives and agents, hereby waives any claim that inspections or recordings for purposes of this Section 6.4(d) violate any person's right of privacy. Evaluations and inspections are intended to ensure compliance, not to exercise control over Franchisee's day-to-day operations or to assume or relieve any of Franchisee's responsibilities under this Agreement.

e. *Pricing.* CBW may provide suggestions to Franchisee in determining prices, however, as of the Effective Date, Franchisee may establish its own prices to meet competition and adapt to market conditions. Franchisee agrees to offer all advertised specials, programs, or promotional events as required by CBW from time to time. CBW, however, reserves the right to establish prices, both minimum and maximum for the Services and Products you offer at or from the Franchised Business. Any such modification will be in writing.

#### 6.5. Participation.

a. *Operating the Franchised Business.* Franchisee or its Manager must devote full time efforts to the management and operation of the Franchised Business.

b. *Attending Conferences.* Franchisee must attend all mandatory conferences (up to a maximum of 2 per year) at Franchisee's cost. If Franchisee is an entity, the Majority Owner must attend in order for Franchisee to satisfy this requirement. If Franchisee has more than one franchise agreement with CBW, Franchisee will cause at least one person representing each franchise agreement (in addition to Franchisee or its Majority Owner, as applicable) to attend each mandatory conference. If Franchisee (or its Majority Owner, as applicable) fails to attend a mandatory conference, Franchisee may be required to make up the program, if possible, at a time and place designated by CBW, and may be charged the conference registration fee plus a penalty of up to \$3,000 USD.

c. *Trade Organizations.* Franchisee shall join any trade organizations or associations required by CBW and shall bear all costs of membership.

#### 6.6. Technology.

a. Franchisee shall use CBW's required software, point-of-sale system, database management, and intranet system as the exclusive means for tracking and maintaining customer, vendor and lead information, and for such other uses as prescribed by CBW.

b. Franchisee acknowledges and understands that computer systems are vulnerable to, among other things, viruses, bugs, power disruptions, Internet access and content failures, and attacks by hackers and other unauthorized intruders. CBW does not guarantee that the information or communication systems supplied by CBW or its suppliers are immune from such problems or attacks. Franchisee is solely responsible for protecting itself from these problems and agrees to take reasonable steps to secure its systems through, among other things, firewalls, encryption, access code protection, antivirus systems, cybersecurity insurance, and backup systems.

c. Franchisee is solely responsible for payment card industry ("PCI") compliance, and for compliance with all laws applicable to hardware, software, information processing, communication systems or other technology used in operation of the Camp Site, including all data protection, cybersecurity, security, abandoned property, and escheat laws. Franchisee shall take reasonable steps to verify that its Personnel, vendors, customers, and agents comply with the same and shall hold CBW harmless from any and all applicable claims and liabilities. Franchisee must also use CBW's required merchant services provider, payment processor, and must purchase an approved payment terminal that is compatible with CBW's required equipment and providers.

d. Franchisee will use its assigned Camp Bow Wow® email address for all business-related communications, including but not limited to communication with CBW. Franchisee shall check the email account at least once per day and agrees that CBW may communicate any mandatory System updates and changes to the Operations Manual, including changes to policies and standards, via e-mail.

e. Franchisee must use the email, communication, and technology systems we designate (including, without limitation, Google Workspace or any successor system) in connection with the operation of the Franchised Business. All such systems are part of the System Standards and are subject to our standards and requirements. To the fullest extent permitted by applicable law, you acknowledge and agree that:

- i. any email accounts, communications, data, or information created, transmitted, received, or stored using system-approved or system-required technology platforms are business records of the Franchised Business and the system;
- ii. you and your employees, agents, and representatives have no expectation of privacy with respect to such communications or data when using these systems; and
- iii. we and our affiliates may, at any time and without further notice (except as required by applicable law), access, monitor, review, copy, disclose, or retain such communications and data for purposes of supporting the system,

ensuring compliance with this Agreement, protecting the Marks and system, and complying with legal or regulatory obligations.

You must ensure that all employees and users of the system-approved technology platforms are informed of, and agree to comply with, this provision. Notwithstanding the foregoing, we will exercise our rights under this Section in accordance with applicable privacy, data protection, and employment laws. Nothing in this Agreement is intended to limit any rights you or your personnel may have under applicable law that cannot be waived by contract.

6.7. Camp Site.

a. Franchisee shall use only approved equipment, tools, inventory, signage, supplies and uniforms and only in the manner and during the period specified by CBW.

b. Franchisee shall keep the Camp Site clean, neat and sanitary and everything related to the Franchised Business in good condition.

c. Franchisee shall repair, refinish, repaint, replace, and otherwise remodel the Franchised Business, including without limitation, the signs, furnishings, fixtures, decor, and any other tangible part or property of the Franchised Business at Franchisee's sole expense as reasonably directed by CBW. If Franchisee fails or refuses to repair, replace, or maintain any such item according to the timeline established by CBW to accomplish the same, CBW has the right, in addition to all other remedies, to enter the Camp Site and complete the required repair, maintenance or corrective work or replace the non-conforming property with conforming property on Franchisee's behalf, at Franchisee's cost. CBW shall have no liability to Franchisee for the work performed, and Franchisee shall pay all of CBW's costs to supervise, perform and inspect the work, including but not limited to all labor, materials, transportation, lodging, meals, contractor fees, and other direct expenses plus a 25% surcharge, all of which shall be due and payable upon receipt of invoice.

d. Franchisee shall not make any alterations to the Franchised Business or Camp Site without prior written consent from CBW. All alterations must strictly conform to CBW's specifications and requirements.

e. From time to time as CBW requires, Franchisee shall modernize, refurbish, or replace the premises, equipment, signage, furnishings, finishes, vehicles, and other related items to conform to the then-current standards and specifications for new Camps.

6.8. Personnel. No employee of Franchisee will be deemed to be an employee of CBW for any purpose whatsoever, and nothing in any aspect of this Agreement, the Operations Manual, or the System in any way shifts any employee or employment responsibility from Franchisee to CBW. Franchisee alone is responsible for hiring, firing, training, maintaining working conditions, setting hours and for supervising all employees. Franchisee expressly agrees, and will never contend otherwise, that CBW's right to certify certain of Franchisee's employees, or to train or

require re-training based on brand standards, does not directly or indirectly give CBW the power to hire, fire, or control any such employee.

a. All Personnel must wear CBW-approved uniforms and be clean and neat in appearance.

b. CBW strongly recommends that Franchisee perform a background check on each individual it hires. CBW also strongly recommends and that Franchisee ask managerial personnel to sign the then-current non-disclosure and non-competition agreement, and all non-management personnel be asked to execute the then-current non-disclosure agreement, in the form made available by CBW. Franchisee shall confirm that any individuals performing Dog Training Services are bonded and insured in the amount and manner required by CBW from time to time.

c. All Personnel that will have access to all or a portion of the Operations Manual must sign the then-current form of non-disclosure agreement prior to being granted access.

6.9. Training. References to training required of “Franchisee” below include *all* owners of the Franchisee, if Franchisee is a business entity, including but not limited to the Majority Owner. Any training provided by CBW to any of Franchisee’s employees will be limited to training or guidance regarding the delivery of approved services to customers in a manner that reflects the customer standards of the System. Franchisee is, and will remain, the sole employer of its employees at all times, including during all training programs, and Franchisee is solely responsible for all employment decisions and actions related to its employees. Franchisee is solely responsible for ensuring that its employees receive adequate training.

a. *Initial Camp Services Training*. Unless CBW agrees otherwise in writing, Franchisee and its Manager must complete the Initial Camp Services Training Program to CBW’s satisfaction, in its sole discretion, prior to beginning operations. Franchisee shall be responsible for the cost of all travel, lodging, wages, meals and expenses it incurs in attending the Initial Camp Services Training Program. Each subsequent owner or Manager must also successfully complete the Initial Camp Services Training Program to CBW’s satisfaction, unless CBW agrees otherwise in writing.

b. *Dog Training Program*. Franchisee’s designated Personnel must complete the then-current training requirement for dog trainers in order to qualify to provide Dog Training Services.

c. *Ongoing Training*. Franchisee and/or its Personnel may be required to participate in ongoing, supplemental or repeat training programs, at any time as required by CBW, at Franchisee’s cost. This includes but is not limited to the Initial Camp Services Training Program, the Dog Trainer Certificate Program, and additional or repeat training required in response to an inspection of Franchisee’s Franchised Business, whether in-person or remote.

d. *Additional Training*. At all times, Franchisee shall maintain sufficient technological skills to meet its obligations under this Agreement and the Operations Manual. If Franchisee does not have sufficient skills to meet any of its obligations, CBW may require that Franchisee attend

appropriate, relevant third-party training, at Franchisee's expense. CBW may also require Franchisee to participate in training to provide new Products and Services.

6.10. **Marketing.** All marketing shall be performed in strict accordance with CBW's requirements and specifications.

a. *Marketing Fees and Expenses.*

i. **Marketing Platform Fee.** Beginning when the website is launched, which is after the Real Estate Documents are signed, Franchisee shall pay the then-current Marketing Platform Fee to CBW or its designee each month.

ii. **Camp Launch Advertising.** Between the Effective Date and ninety (90) days after you begin operations (the "**Camp Launch Period**"), Franchisee shall spend \$15,000 in public relations, advertising, marketing and promotion with the vendor(s) and in the manner directed by CBW (the "**Camp Launch Advertising**").

iii. **Local Advertising Expense.** Within ninety (90) days after you begin operations, Franchisee shall spend at least 3% of Net Revenue per month on local advertising for Camp Services in the Authorized Territory (the "**Local Advertising Expense**"). New Camps will have the monthly required amount set based on sales after ninety (90) days of operation and will then be calculated again at the end of the calendar year to commence April 1st. At any time, CBW may elect to collect the Local Advertising Expense in the same manner as the collection of Royalty Fees, for dispersal to local advertising or media placements. CBW may also request, and Franchisee agrees to promptly furnish, an accounting of the previous month's Local Advertising Expense. CBW may also require Franchisee to allocate all or a portion of the Local Advertising Expense with vendors and in the manner required by CBW. As of the date of this Agreement, CBW requires that Franchisee allocate 2% to local digital media advertising with our approved vendor(s), and CBW reserves the right to increase, modify, or change these required allocations at any time upon notice to Franchisee.

iv. **Advertising Fund Fee.** In addition to the Local Advertising Expense, Franchisee shall pay CBW a non-refundable monthly fee for an Advertising Fund (as defined below). Currently the fee is 1% of Net Revenue, but CBW reserves the right to increase the fee at any time during the current term to an amount not to exceed 3% of Net Revenue ("**Advertising Fund Fee**"). CBW may also increase the Advertising Fund Fee for any Renewal Term. Franchisee must remit the Advertising Fund Fee on the 10<sup>th</sup> and 25<sup>th</sup> of each month via ACH or any other method or schedule established by CBW.

b. *Community Marketing Coordinator.* Franchisee must hire a Community Marketing Coordinator when Franchisee begins construction on the Camp Site, and must retain a Camp Scout throughout the remainder of the Term. The Camp Scout must devote at least 40 hours per week to the Camp Scout functions until Franchisee's Net Revenue is greater than or equal to its losses ("**Breakeven**"). Once Franchisee achieves Breakeven, and for the remainder of the Term, the Community Marketing Coordinator must devote at least 20 hours a week to such functions. If

Franchisee is not at Breakeven at any time during the Term, CBW may require Franchisee to cause the Community Marketing Coordinator to devote additional time to the Franchised Business's marketing efforts.

c. *Materials.*

i. **Brand Standards.** Franchisee shall ensure that all marketing and promotional materials, signs, advertisements, web pages, social media presence and any other related materials shall meet the then-current brand standards and specifications, as updated from time to time. Franchisee shall maintain an adequate supply of marketing materials as required by CBW.

ii. **Availability and Ordering.** CBW may make certain approved materials available for ordering through an online store or through a third-party vendor. Franchisee agrees to order any such materials through the approved channel, and not to duplicate the materials or otherwise circumvent the approved method of ordering.

iii. **Approval.** Franchisee will only use CBW-approved advertising materials and placements. If CBW does not provide certain types of print or other advertising materials, Franchisee may develop such materials for its own use, at its own cost, but must first submit prototypes, examples, proofs or other such samples of these materials to CBW for approval before use. If Franchisee fails to obtain written approval, and the materials are later deemed unusable by CBW in its sole discretion, Franchisee is solely responsible for the cost of replacing the materials with an approved version, and will do so within three (3) business days of receipt of notice from CBW. CBW shall use reasonable best efforts to approve or disapprove Franchisee's self-generated advertising materials in writing within 14 days after Franchisee submits such requests and materials for review. If CBW does not respond within 14 days, the materials are denied.

d. *Territorial Restrictions.* Except as otherwise explained below, all of Franchisee's marketing shall be performed solely within the Authorized Territory.

i. If Franchisee wants to advertise or promote its Franchised Business in a territory that is not then-owned by CBW or another Franchisee or licensee, Franchisee must seek prior written permission from CBW. If CBW believes such advertising or promotion will impact the broader local service area, Franchisee may be required to invite all neighboring franchisees to participate. CBW may deny any request to market outside the Authorized Territory for any reason, at any time.

ii. If Franchisee wants to use mass media marketing, such as radio, television, newspaper or other similar format that is distributed or broadcasted outside of the Authorized Territory, Franchisee shall notify all of the neighboring franchisees whose territories are in the distribution area at least two (2) weeks prior to the launch, and shall invite those franchisees to participate. All such notifications must be sent to CBW's marketing team as well. Franchisee may ask the other franchisees who participate to share an equal amount of the cost. The only exception to this rule is if Franchisee is using mass media to market an event that it is hosting within the

Authorized Territory, in which case Franchisee must get prior written approval from CBW at least two (2) weeks prior to purchasing the campaign, but Franchisee does not have to invite other franchisees to participate. If CBW does not respond to Franchisee's request for approval within five (5) business days, it is denied.

e. *Regional Cooperative.* CBW may establish and require Franchisee to participate in a regional advertising cooperative (“**Regional Co-op**”). CBW will establish the geographic boundaries of the Regional Co-Op, and may adjust the same at any time upon notice to Franchisee. CBW may also merge, sub-divide, or dissolve Regional Co-Ops in its sole discretion. If established, Franchisee agrees to direct its Local Advertising Expense to the Regional Co-Op. If CBW or one of its Affiliates owns a Camp Bow Wow® location in a Regional Advertising Co-op's market, CBW or its Affiliate will contribute to the Regional Advertising Co-op at the same rate that the franchisees in the Regional Advertising Co-op contribute. CBW will provide standard governing rules that the members of the Regional Co-Op may modify (in part), with prior approval from CBW. Members of the Regional Co-Op will elect their own leadership and each Regional Co-Op shall manage its own expenses. The Regional Co-Op must prepare and submit monthly and annual financial statements in a form and manner specified by CBW. All materials used or created by the Regional Co-Op are subject to the same restrictions and guidelines as any other advertisement, including the requirement for pre-approval, and the Regional Co-Op shall assign any rights in the materials it creates to CBW, without compensation, so CBW and other franchisees may use them.

f. *Customer Loyalty Program.* Subject to applicable state law, Franchisee shall participate in any customer loyalty program sponsored by CBW, at Franchisee's cost. Advertising to promote the loyalty program shall count toward Franchisee's Local Advertising Expense, but the cost of rewards given shall not. Franchisee agrees to advertise the program consistent with the stated terms and conditions, using only materials created by or approved by CBW in advance, and failure to do so shall constitute a Default under this Agreement. Franchisee shall indemnify and hold CBW harmless from any claims, debts, obligations, actions, or liabilities arising from Franchisee's improper advertisement of the program. CBW reserves the right to unilaterally and retroactively change or alter the loyalty program terms and conditions as they apply to Franchisee, or to cancel the program outright.

g. *Advertising Fund.* Advertising Fund Fees are placed into the “**Advertising Fund.**” The Advertising Fund is intended to maximize general brand recognition, and CBW has sole discretion in determining how to spend the money in the Advertising Fund. CBW may use the Advertising Fund to develop, prepare, and place advertising in any medium for use by franchisees generally, on behalf of the entire System, or on behalf of a particular region which may or may not include Franchisee or Franchisee's Authorized Territory. CBW is not required to spend the Advertising Fund or the Advertising Fund Fees paid by Franchisee on Franchisee's behalf or for its benefit. The Advertising Fund will not be used principally for the solicitation of franchisees, but CBW may use it for public relations, general recognition of the brand, creation and maintenance of a website (a portion of which will be intended to solicit potential franchisees), and to include mention of the franchise opportunity in any advertisement placed or materials created with the Advertising Fund. The Advertising Fund will cover, among other things, advertising,

public relations, website development and maintenance, creative development, market research, promotion, marketing incentive programs being offered by CBW to franchisees from time to time, customer loyalty programs, including but not limited to incentives for franchisees to participate in loyalty programs, marketing products and services provided by CBW, outside vendors, marketing agencies, and administration costs of the Advertising Fund, including but not limited to salaries, overhead, and administrative, accounting, auditing, collection and legal costs and expenses. Upon written request, Franchisee may review an unaudited annual financial statement of the Advertising Fund, which will be available annually no later than 120 days after the end of CBW's fiscal year. If any portion of the Advertising Fund is not used by the end of any given fiscal year, the unused portion will carry over into the Advertising Fund for the following fiscal year.

i. CBW may modify or terminate the Advertising Fund at any time. If CBW terminates it, any remaining balance in the fund will be spent as provided for above or returned to Franchisee on a pro-rata basis, at CBW's discretion.

ii. With the exception of CBW's gross negligence, CBW shall have no direct or indirect liability for the management, maintenance, direction, administration, or use of the Advertising Fund. The parties' rights and obligations with respect to the Advertising Fund are governed solely by this Agreement, and neither this Agreement or the Advertising Fund create a trust, fiduciary relationship, or similar arrangement.

h. *Participation.* Franchisee shall fully participate in all marketing and promotional campaigns, contests, special offers, customer loyalty programs, and other programs, whether national, regional, or local in nature (including the introduction of new Products or Services) prescribed by CBW from time to time, at Franchisee's cost. Franchisee may choose to honor discount or payment coupons, gift certificates, or other authorized promotional offers of CBW at Franchisee's sole cost, but honoring such promotions shall not decrease or serve as a credit toward Franchisee's Local Advertising Expense or Advertising Fund Fee.

i. *False or Misleading Advertisements.* Franchisee shall not use any advertising, labeling, packaging, or other materials that are false or misleading.

j. *Marketing a Relocation or Transfer.* In its sole discretion, CBW may require Franchisee to spend the Camp Re-Launch Advertising or a portion thereof during the Camp Launch Period, to market and promote the new location.

6.11. Updating Information. Franchisee shall inform CBW of any changes in ownership, corporate governance, legal structure, notice address, succession planning, and any other changes that may affect or alter the nature of the parties' relationship or obligations under this Agreement within thirty (30) days of such change. Upon request by CBW, Franchisee agrees to promptly provide a list of all legal and beneficial owners of Franchisee, including their names, ownership percentages, and current contact information for each. CBW reserves the right to require any owners being added after mutual execution of this Agreement, no matter how small their proposed ownership percentage, to go through the same verification and approval process as then-required

of all new franchisee candidates, and to deny the addition of any such owner in CBW's sole discretion.

6.12 Customer Information. Franchisee may only use Customer Information for the purpose of operating the Franchised Business to the extent permitted under this Agreement, including the Operations Manuals, during the term hereof and subject to such restrictions as CBW may from time to time impose, and in compliance with all data privacy, security and other applicable laws. "Customer Information" means any contact information (including name, address, phone and fax numbers, and e-mail addresses), sales and payment history, and all other information about any customer, including any personal information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household. As used in this Agreement, the term "customer" refers to any person or entity (i) included on any marketing or customer lists Franchisee develops or uses; (ii) who has purchased or purchases Services or Products at the Franchised Business; or (iii) whom Franchisee solicits to purchase any Services or Products at or from the Franchised Business. CBW owns all Customer Information and may use the Consumer Information as CBW deems appropriate, including sharing it with CBW's affiliates.

Without limiting the foregoing, Franchisee agrees to comply with applicable law in connection with Franchisee's collection, storage and Franchisee's use and CBW's use of such Customer Information, including, if required under applicable law, obtaining consents from customers to CBW's and its affiliates' use of the Customer Information. Franchisee must comply with all laws and regulations relating to data protection, privacy and security, including data breach response requirements ("Privacy Laws"), as well as data privacy and security policies, procedures and other requirements CBW may periodically establish. Franchisee must notify CBW immediately of any suspected data breach at or in connection with the Franchised Business. Franchisee must fully cooperate with CBW and its counsel in determining the most effective way to meet CBW's standards and policies pertaining to Privacy Laws within the bounds of applicable law. Franchisee is responsible for any financial losses it incurs or remedial actions that it must take as a result of breach of security or unauthorized access to Customer Information in Franchisee's control or possession.

If any federal or state Privacy Law applies to the operation of the Franchised Business, whenever and to the extent Franchisee operates as a "Service Provider," "Contractor," a data processor, or in a similar capacity under any federal or state Privacy Law, Franchisee represents and warrants that:

- (1) Except for the purpose of operating the Franchised Business in accordance with this Agreement, including the Operations Manuals, Franchisee will not retain, use, combine or disclose any Customer Information;
- (2) Franchisee will not sell, share, make available or otherwise disclose any Customer Information to any third party for valuable consideration or for the purpose of performing cross-context behavioral advertising, targeted advertising, or profiling, as those terms are defined under applicable Privacy Laws;

- (3) Franchisee will not retain, use, or disclose Customer Information outside of the direct business relationship between Franchisee and CBW;
- (4) Franchisee will delete any Customer Information upon CBW's request unless Franchisee can prove that such request is subject to an exception under applicable law;
- (5) If Franchisee receives a Customer Information data request (e.g., a request to delete Customer Information) directly from a consumer (e.g., a California resident under the CCPA (as defined below), or a resident of another jurisdiction under other applicable Privacy Law), Franchisee shall inform CBW of that request within one business day and cooperate with CBW to ensure that the consumer receives an appropriate and timely acknowledgement and response. As an example, currently under the California Consumer Privacy Act ("CCPA"), as revised by the California Consumer Privacy Rights Act ("CPRA") Cal. Civ. Code § 1798.100, et seq., and any related regulations, an acknowledgement is typically required within 10 business days and a final response is required within 45 calendar days;
- (6) Franchisee will implement reasonable security procedures and practices appropriate to the Customer Information Franchisee collects, retains, uses or discloses, in order to protect it from unauthorized or illegal access, including following minimum requirements that may be set forth in the Operations Manual;
- (7) Franchisee will cooperate with CBW to the extent necessary to assist CBW with conducting required data protection assessments or other similar assessments under applicable Privacy Laws, responding to Customer Information data requests, responding to requests or inquiries from government authorities, or if CBW seeks to ensure that Franchisee has collected, retained, used, or disclosed Customer Information consistent with Privacy Laws and this Agreement, including but not limited to providing CBW with requested compliance documents, or allowing CBW or its designee to assess, audit, or test your privacy and security controls at least annually;
- (8) Franchisee will cooperate with CBW to stop or remediate any unauthorized use of Customer Information, including verifying that Franchisee no longer retains or personal information that a consumer has asked to delete under applicable Privacy Laws; and
- (9) Franchisee will notify CBW immediately if CBW determines Franchisee cannot meet its obligations under Privacy Laws or this Agreement regarding your collection, retention, use, or disclosure of Customer Information.

Franchisee certifies that it understands the restrictions in Paragraphs (1) – (9) of this section and will comply with them. Franchisee also acknowledges and agrees that CBW may modify these restrictions from time to time by written notice to Franchisee, by issuing updates to CBW's standards and policies pertaining to Privacy Laws, including by adding other similar restrictions that may be required under other state or federal Privacy Laws, and Franchisee agrees to comply

with the same. Franchisee also agrees to execute any addenda that CBW may determine are required to conform this Agreement to new or changed Privacy Laws.

To the extent that Franchisee engages another person to collect, use, sell, share, store, disclose, analyze, delete, modify, or to otherwise perform any processing of Customer Information for the purpose of operating the Franchised Business (a “Subprocessor”), Franchisee will notify CBW of such engagement, which shall be governed by a written contract that includes the same restrictions as in Paragraphs (1) – (9) of this section and imposes reasonable confidentiality obligations and privacy and security controls on the Subprocessor.

6.13. Ethical Business Conduct. Franchisee agrees to adhere to good business practices, observing high standards of honesty, integrity, fair dealing and ethical business conduct and good faith in all business dealings with customers, vendors, its employees, CBW’s corporate employees, and all other Camp Bow Wow® franchisees. Franchisee must not engage in deceptive, misleading or unethical practices or conduct that may have a negative impact on the reputation and goodwill associated with the Marks.

**7. SECURITY INTEREST.** To secure Franchisee’s performance under this Agreement, Franchisee hereby grants to CBW a security interest in and to all of the furniture, fixtures, assets, equipment, signage, and realty (including all of Franchisee’s interests under any real property and personal property leases) used to operate the Franchised Business, together with all similar property now owned or hereafter acquired. If Franchisee defaults under this Agreement, CBW may exercise its right as a secured creditor in addition to CBW’s other rights under this Agreement and the law. This Agreement shall be deemed a Security Agreement and Financing Statement and may be filed in any county and/or state to protect CBW’s interest. Franchisee agrees to execute such other documents as CBW may reasonably request in order to document, perfect and record the same. Except with CBW’s prior written consent, which it shall not unreasonably withhold, Franchisee will not grant any person or business entity a security interest in Franchisee’s tangible or intangible assets of the Franchised Business. Franchisee agrees to execute such other documents as CBW may reasonably request in order to document, perfect, and record this security interest.

**8. INTELLECTUAL PROPERTY.** Franchisee acknowledges and agrees that:

8.1. Ownership. Franchisee acknowledges that CBW (or its Affiliate) is the exclusive owner of all right, title and interest, together with all the goodwill of the Intellectual Property, and that Franchisee has no interest in the Intellectual Property beyond the non-exclusive License granted herein. Franchisee further acknowledges that the Intellectual Property is a valuable asset of CBW, and that CBW has the right to use the Intellectual Property in any manner it wishes at any time. Any goodwill established by Franchisee’s use of the Intellectual Property will inure to the exclusive benefit of CBW. Franchisee will not, during or after the Term, dispute, contest or challenge, directly or indirectly, the validity or enforceability of the Intellectual Property or CBW’s ownership of the same, nor will it represent that it has any right, title or interest in the Intellectual Property other than as expressly granted by this Agreement. At CBW’s request, during or after the Term, Franchisee shall cooperate in confirming, perfecting, preserving, and enforcing CBW’s rights in the Intellectual Property by, for example, executing and delivering such documents as

CBW reasonably requests for any such purpose, or providing any other assistance deemed necessary by CBW. CBW MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE USE, EXCLUSIVE OWNERSHIP, VALIDITY OR ENFORCEABILITY OF THE INTELLECTUAL PROPERTY.

8.2. Use. Franchisee's right to use the Intellectual Property is derived solely from this Agreement. Franchisee may only use the Intellectual Property in its operation of the Franchised Business and only in compliance with this Agreement, the then-current brand standards guide, and the Operations Manual, as updated from time to time. Any unauthorized use of the Intellectual Property by Franchisee will constitute a breach of this Agreement and an infringement of CBW's (or its Affiliate's) rights in and to the Intellectual Property.

8.3. Limitations on Use. Without limiting the generality of any other Section in this Agreement, Franchisee shall not:

- a. transfer or otherwise pledge, encumber or attempt to dispose of the Intellectual Property;
- b. use any Marks, portion of any Marks, derivatives, or similar marks as part of a corporate or trade name. Franchisee will obtain such fictitious or assumed name registrations as may be required by CBW or under applicable law;
- c. make any changes or amendments to the Marks, nor use them with any prefix, suffix or other modifying words, terms, designs or symbols;
- d. use any Marks or portions of any Marks online or on social media (including social networking sites, blogs, image sharing sites and any other form of Internet-based communication) or as part of a domain name or any other similar electronic address maintained on the Internet or otherwise without prior written consent from CBW, and if consent is granted, only in compliance with CBW's guidelines;
- e. use any Marks, portion of any Marks, or derivatives or modified versions of any Marks on any employment or human resources forms, hiring paperwork, payroll checks, or any other document relating thereto;
- f. use any Marks or any derivatives or similar marks in connection with the sale of any unauthorized Products or Services or in any manner not explicitly authorized in writing by CBW;
- g. during the Term or after, register or apply to register any trademarks, service marks, copyrighted works, patents, or other form of intellectual property derivative of or confusingly similar to the Intellectual Property, anywhere in the world; or,

h. do anything that would dilute, tarnish, or harm the reputation of the System or the goodwill associated with the Intellectual Property, nor counsel, procure or assist anyone else to do the same.

8.4. Franchisee's Covenants. Franchisee shall:

a. safeguard and maintain the reputation and prestige of the System and the Intellectual Property, and adopt and implement all reasonable procedures, safeguards, or training programs CBW may require from time to time to prevent unauthorized use or disclosure of any Intellectual Property;

b. use the Intellectual Property only in lettering, logos, print, forms and formats which have been pre-approved by CBW pursuant to this Agreement;

c. promptly follow instructions regarding the Intellectual Property in the Operations Manual and otherwise given by CBW from time to time;

d. notify CBW immediately, but in no case in more than 3 days after receiving notice of any claim, demand or cause of action based upon or arising from any attempt by any other person or business entity to use the Intellectual Property or any colorable imitation thereof. Upon receipt of timely notice, CBW will have the sole right, but not the duty, to defend or settle any such action;

e. cooperate with CBW, execute all documents, and take all actions as may be desirable or necessary in the opinion of CBW's counsel, to carry out any defense or prosecution undertaken by CBW relating to the Intellectual Property; and,

f. If CBW determines that use of the Intellectual Property will infringe or potentially infringe upon the rights of a third party, or CBW decides to modify or discontinue use of the Intellectual Property or any portion of it, for any reason, then upon notice from CBW, Franchisee shall immediately terminate or modify its use of the Intellectual Property in the manner prescribed by CBW. CBW may require Franchisee to use one or more additional or substitute trade names, trademarks, service marks or other commercial symbols or copyrighted materials. If the change is due to CBW's determination of a third party's superior rights, then CBW shall reimburse Franchisee for the tangible cost of compliance with this requirement (such as the cost of new signage, printing new letterhead and business cards), but Franchisee will have no rights of damages, offset, or termination, and CBW will have no further liability or obligation whatsoever.

8.5. Legal Actions Relating to the Intellectual Property.

a. CBW has the sole right to contest or bring action against any third party regarding the third party's use of any of the Intellectual Property. CBW will control all actions but not be obligated to take any action.

b. CBW may apply to register or register any trademarks, patents, or copyrights with respect to the Services, Products, Copyrighted Materials, and any other products or services. Failure by CBW to obtain or maintain any such application or registration is solely CBW's decision, and not a breach of this Agreement.

8.6. Copyrighted Materials. All Copyrighted Materials created by Franchisee or any other person or entity retained or employed by Franchisee are works made for hire within the meaning of the United States Copyright Act and are property of CBW, who is entitled to use and license others to use the same unencumbered by moral rights. To the extent the Copyrighted Materials are not works made for hire or rights to the same do not automatically accrue to CBW, Franchisee hereby represents and warrants that Franchisee or the author of such Copyrighted Materials is the sole creator and owner of the same, and irrevocably assigns the entire right, title and interest in perpetuity throughout the world to CBW. To the extent such assignment is impermissible under applicable law, Franchisee grants CBW an exclusive, perpetual, royalty-free license to use, modify, distribute, derive and sublicense the same. If necessary, Franchisee shall obtain and provide any other assignments necessary to ensure CBW's rights under this Section.

8.7. Improvements. During or after the Term, if Franchisee or Franchisee's Personnel conceive of or develop any improvements to the Intellectual Property, System, Products, Services, or any portion of the same, or any new trade names, methods of operation, trade or service marks, logos, symbols, advertising or promotional ideas, inventions, or know-how related to the System (collectively "**Improvements**" and each an "**Improvement**"), Franchisee will fully disclose the Improvement(s) exclusively to CBW. Franchisee hereby assigns to CBW, all right, title and interest in and to the Improvements, including the right to grant sublicenses to any such Improvement. To the extent that such assignment is not permissible under applicable law, Franchisee hereby provides a worldwide, exclusive, perpetual and royalty-free right to use, and sub-license the use of the Improvements. CBW has full discretion and no obligation to use the Improvements. Even if CBW elects not to use them, the Improvements constitute Confidential Information and Franchisee agrees to protect them as such in perpetuity.

8.8. Crisis Situations. In the interest of protecting the Camp Bow Wow® brand, Marks and the System, CBW has the sole and absolute right to determine a response, including what steps will be taken and what communications will be made, in instances of a Crisis, and Franchisee agrees to comply with and implement CBW's directions in response to a Crisis. "**Crisis**" means an event or development that negatively impacts the Camp Bow Wow® brand in such a way that CBW determines may cause substantial harm or injury to the Marks, System, reputation or image.

## 9. INSURANCE AND INDEMNITY.

9.1. Insurance. As soon as Franchisee has secured a Camp Site, and prior to beginning construction, Franchisee shall purchase and at all times maintain insurance policies in at least such amounts and on such terms as required by the Operations Manual, by Franchisee's landlord or mortgage company, as applicable, and by state and federal law, from an insurance company acceptable to CBW. Coverage must include, at a minimum, comprehensive general liability, business interruption, combined single limit, automobile (if a vehicle will be used for business

purposes), unemployment, workers compensation, bodily injury, all-risk property damage, cybersecurity, coverage against any other claims of any person, employee, independent contractor, customer, agent, and any additional coverage required by Franchisee's landlord or mortgage company, as applicable, and by state and federal law. CBW may change the insurance requirements at any time, and Franchisee agrees to comply with the changes within 30 days. CBW does not represent or warrant that the minimum insurance coverage it requires is sufficient for all of Franchisee's needs. Franchisee is solely responsible for staying abreast of state and federal law requirements.

a. All insurance policies must insure CBW and its officers, directors, shareholders, employees, independent contractors, agents, members, Affiliates and all other parties designated by CBW as additional insureds. The policies must also stipulate that CBW will receive 30-day prior written notice of any change or cancellation and must contain a waiver of subrogation in CBW's favor. Within 10 days of the policy being issued, Franchisee must provide CBW with copies of the policy, a certificate of insurance showing the additional insureds as required, or other proof of insurance acceptable to CBW. The same must also be provided after any of these events: (i) policy renewal; (ii) upon any change or addition to, or replacement of coverage. Certificates of insurance must be signed by a person authorized to bind the insurer, and all certificates and endorsements are subject to CBW's approval. CBW may require Franchisee to provide complete, certified copies of all insurance policies at any time.

b. All insurance policies must also require the insurance company to provide and pay for attorneys to defend any legal actions, lawsuits, or claims brought against Franchisee and any of the additional insureds.

c. If Franchisee fails to obtain or maintain the required insurance, CBW may, but is not required to, purchase insurance on Franchisee's behalf, and Franchisee agrees to reimburse CBW for the full cost of the insurance plus a, 18% service charge within 5 days of receipt of an invoice for the same.

d. Obtaining and maintaining the required insurance policies shall not relieve Franchisee of its indemnification obligations under this Agreement or otherwise.

9.2. **Indemnity.** During the Term and after the termination or expiration of the Term, Franchisee shall indemnify CBW and its Affiliates and their respective officers, directors, shareholders, employees, agents, members, and independent contractors, and hold them harmless against all claims, demands, losses, damages (including punitive damages), costs, suits, judgments, penalties, expenses (including reasonable attorneys' fees and amounts paid in settlement or compromise) and liabilities of any kind, whether or not ultimately determined to be meritorious (and including damages suffered by Franchisee or any of its property) (collectively, "**Damages**") for which they are held liable, or which they incur (including attorney and client costs, travel, investigation, and living expenses of employees and witness fees) in any litigation, proceeding, or enforcement action as a result of or arising out of:

- a. Franchisee's operation of the Franchised Business, including the use, condition, construction, equipping, decorating, or maintenance of the Camp Site and other Camp facilities, and the provision of Products and Services;
- b. Franchisee's breach of this Agreement, or any other Agreement between Franchisee or any of its officers, directors, shareholders, employees, agents, members, Affiliates, owners or Principals and CBW, or any breach of any Real Estate Documents or other instrument by which Franchisee holds the right to occupy the Camp Site;
- c. any injury to or loss of property of any person at the Camp Site or on the premises;
- d. Franchisee's taxes, liabilities, costs and expenses;
- e. any negligent or willful act or omission of Franchisee, its Personnel, agents, servants, contractors or others for whom it is, in law, responsible;
- f. any advertising or promotional material distributed, broadcasted or in any way disseminated by Franchisee or on its behalf, unless such material has been produced, or approved in writing, by CBW;
- g. libel, slander or any other form of defamation by Franchisee or by any of Franchisee's Principals against CBW, the System or any franchisee; and
- h. any claims brought in connection with Franchisee's operation of the Franchised Business, including without limitation any claims of Franchisee's Personnel, clients or governmental authority.

Notwithstanding the requirements above, as between Franchisee and CBW, Franchisee is solely responsible for the safety and well-being of its Personnel and customers. CBW shall not be deemed a joint employer with Franchisee for any reason. However, if CBW incurs any cost, liability, loss or damage resulting from any actions or omissions of Franchisee or its Personnel, including any that relate to any party making a finding of joint employer status, Franchisee will fully indemnify CBW for its costs, liability, loss and damage.

**10. RELATIONSHIP.** Franchisee is an independent contractor and is not an agent, legal representative, subsidiary, servant, partner, joint venturer, or employee of CBW for any purpose. CBW is not a fiduciary to Franchisee. In all dealings with third parties, including without limitation, employees, governmental entities, suppliers, customers, and the public, Franchisee will conspicuously identify the Franchised Business as an independently owned and operated franchise location, and will place any notices that CBW may require in the Camp Site and on all forms, advertisements, materials, communications, and filings as directed. Each party shall file its own taxes, maintain its own insurance, comply with its own regulatory requirements, and maintain its own employment records and payroll reports, and neither party is liable for the debts or obligations of the other. CBW has no liability for any taxes levied upon Franchisee, Franchisee's property, the Camp Site, or the Franchised Business. Franchisee has no authority to create or assume any

contracts, agreements, warranties, representations or obligations in CBW's name or on behalf of CBW, and Franchisee shall not hold itself out as an agent, employee, subsidiary, servant, partner or joint venturer of CBW.

## **11. RESTRICTIVE COVENANTS.**

11.1. Acknowledgements. Franchisee acknowledges and agrees that:

a. CBW has invested significant time and resources in the development and promotion of the System and the Intellectual Property, and that it would take a substantial amount of time, capital, and human resources to develop a similar system.

b. CBW would not enter into this Agreement with Franchisee or provide Franchisee with any information regarding the System, operational know-how, or Confidential Information unless Franchisee agreed to strictly comply with the terms of this Agreement, including the restrictive covenants set forth below and in Attachment E to this Agreement.

c. Franchisee's entire knowledge of the operation of the Franchised Business, the System, and the concepts and methods of promotion franchised hereunder, that it has now or obtains in the future, is derived from CBW's Confidential Information and Intellectual Property.

d. Franchisee's breach of this Section 11 or Attachment E would threaten immediate and substantial irreparable injury to CBW. Consequently, notwithstanding anything to the contrary in this Agreement, CBW has the right to, without prior notice to Franchisee, obtain immediate injunctive relief without limiting any other rights or remedies and without posting a bond.

e. The parties have attempted in this Section 11 to restrict Franchisee and all other Restricted Parties (as defined below) only the extent necessary to protect CBW from unfair competition. The covenants in this Section 11 are independent of the other covenants and provisions of this Agreement. If any provision in this Section 11 is void or unenforceable under Texas law, but would be enforceable as written or as modified under the laws of the state where the Camp Site is located, the parties agree that such state law shall govern any dispute concerning or involving the construction, interpretation, validity or enforcement of the provisions of this Section 11, but only with respect to those subjects. The parties agree that CBW may modify the scope of any void or unenforceable covenant in this Section 11 to conform it to applicable state law. Franchisee agrees to be bound by any modified covenant as if originally stated in this Agreement.

f. THE LICENSE GRANTED UNDER THIS AGREEMENT WILL PROVIDE FRANCHISEE WITH ACCESS TO CBW'S CONFIDENTIAL INFORMATION AND TRADE SECRETS. FRANCHISEE'S ACCESS TO THE SAME CONSTITUTES VALUABLE CONSIDERATION FOR THIS SECTION 11. FRANCHISEE FURTHER ACKNOWLEDGES AND AGREES THAT EXPIRATION, TERMINATION, NON-RENEWAL OR TRANSFER OF THE FRANCHISED BUSINESS SHALL BE DEEMED A SALE OF THE BUSINESS FOR PURPOSES OF ENFORCEMENT OF THE COVENANTS CONTAINED IN THIS SECTION

11. FRANCHISEE REPRESENTS THAT IT POSSESSES SKILLS AND ABILITIES OF A GENERAL NATURE AND HAS OTHER OPPORTUNITIES TO EXPLOIT THOSE SKILLS DURING THE PERIOD IT IS RESTRICTED FROM COMPETING PURSUANT TO THIS SECTION 11.

11.2. Non-Disclosure. During the Term and in perpetuity after termination, expiration, non-renewal or Transfer of this Agreement, neither Franchisee, Franchisee's Affiliates, Franchisee's Managers, or, if Franchisee is an entity, Franchisee's guarantors, officers, directors, owners, partners, managers, trustees, members, beneficiaries, or Principals; nor any immediate family member if any such individuals have access to the Confidential Information and Trade Secrets (collectively the "**Restricted Parties**") shall: (i) use the Confidential Information or Trade Secrets in any other business or capacity or for their own benefit; or (ii) make unauthorized copies or derivatives of any portion of the Confidential Information or Trade Secrets. The Restricted Parties shall: (iii) maintain the absolute confidentiality of the Confidential Information and Trade Secrets; and (iv) adopt and implement all reasonable procedures CBW periodically requires to prevent unauthorized use or disclosure of the Confidential Information or Trade Secrets, which may include but is not limited to requiring Personnel, Managers, training class attendees, Franchisee's spouses and family members who have access to the Confidential Information and Trade Secrets to execute and submit nondisclosure agreements (in a form acceptable to CBW) to CBW. Franchisee may disclose the Confidential Information in judicial or administrative proceedings to the extent Franchisee is legally compelled to do so, but only if Franchisee has notified CBW prior to disclosure and afforded CBW the opportunity to obtain a protective order or other satisfactory assurance of confidential treatment for the Confidential Information in CBW's sole discretion. Franchisee shall use its best efforts to limit disclosure to the extent necessary to comply with the judicial or administrative order.

11.3. Non-Competition.

a. *Definition*. For purposes of this Section 11.3, "**Competing Business**" means any business that offers the same or similar Products or Services as the Franchised Business, or any other products or services authorized by CBW or offered for sale by System franchisees during the Initial Term or any Renewal Term(s) of this Agreement.

b. *During the Term*. During the Term, Franchisee, its guarantors, shareholders, members, partners and other owners, officers and directors, and each of their immediate family members ("Franchisee Parties"), shall not, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person or business entity, own; maintain; engage in; be employed by; act as an officer, director, or principal of; consult for; advise; lend money to; lease real estate, assets, or equipment to; extend credit to; take a security interest in; grant a promissory note to; guarantee the debts or obligations of; or have any other interest in any Competing Business or business that grants franchises or licenses to operate Competing Businesses; Prior to or at the same time of Franchisee's association with all Franchisee Parties, Franchisee shall cause all Franchisee Parties to execute and provide CBW with the then-current Non-Disclosure and Non-Competition Agreement (current from is attached hereto as Attachment E).

c. *After the Term.* Upon expiration, termination, non-renewal, or Transfer, regardless of the cause, and for a period of 2 years after the effective date of the same, the Franchisee Parties shall not, directly or indirectly, for themselves or through, on behalf of, or in conjunction with any other person or business entity:

i. own; maintain; engage in; be employed by; act as an officer, director, or principal of; consult for; advise; lend money to; lease real estate, assets, or equipment to; extend credit to; take a security interest in; grant a promissory note to; guarantee the debts or obligations of; or have any other interest in any Competing Business or business that grants franchises or licenses to operate Competing Businesses: (i) within the Authorized Territory; (ii) within a 50-mile radius of the Authorized Territory; (iii) within 50 miles of any CBW or Affiliate-owned territories; or (iv) within 50 miles of any other franchisee's authorized territory; or

ii. solicit business from customers of Franchisee's former Franchised Business or any other Franchised Business in the System or contact any of CBW's suppliers, vendors or customers for any competitive purpose.

Notwithstanding the foregoing, in the event one of the Franchisee Parties sells, Transfers, relinquishes, or otherwise has its respective interest in and to Franchisee and/or the Franchised Business terminated, canceled, or removed by the other Franchisee Parties for any reason prior to the end of the Term, then the noncompete obligations set forth above apply to that specific separating Franchisee Party and the two year noncompete period begins to run at the time the separating Franchisee Party begins to comply with its noncompete obligations.

d. *Failure to Comply.* If any of the Franchisee Parties refuses to voluntarily comply with his or her obligations, the 2-year period described above will begin upon entry of a court order enforcing this Section 11 and will be tolled for any period of noncompliance. Franchisee agrees that the existence of any claim it may have against CBW, whether or not arising from this Agreement, will not constitute a defense to Franchisor's enforcement of these covenants.

e. *Spouses and Significant Others.* Franchisee's spouse or significant other, or if Franchisee is an entity, each owner's spouse or significant other, shall be required to sign the then-current Non-Disclosure and Non-Competition Agreement, regardless of whether such individual is a signatory to this Agreement.

f. *Exceptions.* Nothing in this Section 11 is intended to prevent Franchisee or a member of Franchisee's family from owning 5% or less of the stock of a Competing Business that is subject to the U.S. Securities and Exchange Act of 1934, provided that neither Franchisee nor any member of Franchisee's family is involved in the management or operation of the Competing Business and does not serve that business in any capacity other than as a shareholder.

## **12. ASSIGNMENT AND TRANSFER.**

12.1. By CBW. CBW may freely assign or Transfer all or any part of its assets, including without limitation the Intellectual Property, without liability to Franchisee. CBW may also freely

assign or Transfer all or a part of CBW's interest in, and rights and obligations under, this Agreement. Franchisee expressly waives any claims, demands, or damages against CBW arising from or related to any such Transfer.

12.2. By Franchisee. Franchisee acknowledges that the License is personal to Franchisee (or its owners, if Franchisee is a Business Entity) and that CBW has entered into this Agreement in reliance upon CBW's perception of the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of Franchisee (or its owners, if Franchisee is a Business Entity). Accordingly, neither Franchisee nor any partner, member, or shareholder thereof shall voluntarily or involuntarily, directly or indirectly: sell, pledge, assign, Transfer, gift, convey, mortgage, share, subdivide, sub-franchise, or encumber any interest in (including, without limitation, in the event of the death of Franchisee or one of its Principals): (i) this Agreement or any portion of it; (ii) the Franchised Business or Camp Site; (iii) the assets, equipment, and inventory used in operation of the Franchised Business; or (iv) any stock, member, equity or voting interest in Franchisee, in whole or in part, without the prior written approval of CBW and compliance with this Section 12. Franchisee does not have the right, under any circumstances, to Transfer the Authorized Territory prior to opening the Franchised Business. Any unauthorized Transfer, by operation of law or otherwise, including any assignment by a trustee in bankruptcy, or any attempt to do so, will be deemed null and void and will constitute a material default under this Agreement and provide CBW the right to terminate this Agreement immediately, CBW's sole discretion, in addition to any other remedies that may be available to CBW.

a. *Transfer to an Affiliated Entity*. Notwithstanding anything to the contrary in this agreement, if Franchisee is an individual, CBW will consent to a Transfer of Franchisee's right, title, and interest in and to this Agreement to a business entity which is at least 70% owned and controlled by Franchisee (provided that such Transfer shall in no way release Franchisee from any liability under this Agreement), subject to franchisee's compliance with the following conditions and any other conditions which may be prescribed by CBW from time to time:

- i. Franchisee must be in full compliance with this Agreement;
- ii. Franchisee and the assignee must provide CBW with an executed copy of the assignment document in a form satisfactory to CBW, pursuant to which the assignee assumes all of Franchisee's obligations under and right, title and interest in and to this Agreement, and specifies the exact ownership percentages under the assignee entity;
- iii. No shares or interest in the assignee shall be issued to any individuals not currently party to this Agreement, either directly or indirectly, voluntarily or involuntarily, by operation of law or otherwise, without CBW's prior written consent. If Franchisee wants to add any new owners in conjunction with this Transfer, all new owners must meet and comply with CBW's then-current requirements for similarly situated franchisees, to CBW's satisfaction;
- iv. Contemporaneously with the Transfer, the assignee must provide an updated personal guarantee on CBW's then-current form of guarantee (similar to Attachment B to this Agreement) and each owner of the assignee entity must sign the then-current Nondisclosure

and Noncompetition Agreement (similar to Attachment E) and Acknowledgement Addendum (Similar to Attachment C to this Agreement).

v. The articles of incorporation, partnership agreement, operating agreement, shareholder agreement, or bylaws of the assignee shall provide that its business is confined exclusively to the operation of the Franchised Business pursuant to this Agreement, and that the issuance and Transfer of any shares, membership interest, partnership interest or other interest is restricted by the terms of this Agreement. They shall also provide that upon dissolution of the entity or transfer or change of any interest for any reason whatsoever, CBW shall be notified of the same and shall have the opportunity to approve the form and content of any such changes before they occur. Copies of the governing documents must be furnished to CBW upon request.

b. *Transfer to a Third Party.*

i. **Right of First Negotiation.** If at any time Franchisee decides to Transfer the Franchised Business to any party that is not an Affiliate of Franchisee, then prior to offering it to any third parties, Franchisee shall grant CBW a right of first negotiation to purchase the Franchised Business. CBW shall have 30 days after receipt of notice from Franchisee to submit a letter of intent (“**LOI**”). If CBW submits an LOI, Franchisee agrees to negotiate with CBW exclusively and in good faith for sixty (60) days following its receipt of the LOI. If the parties are unable to agree on the terms of the sale in that 60-day window, or if CBW declines to submit an LOI, Franchisee shall be free to offer the Franchised Business for sale to qualified third parties, subject to the terms and conditions of Transfer in this Agreement and CBW’s Right of First Refusal (defined below).

ii. **Requirements of Transfer.** If (i) CBW declines to exercise its right of first negotiation; or (ii) CBW exercises its right of first negotiation but the parties are unable to agree upon the terms of the sale after negotiating in good faith for 60 days; then subject to Franchisor’s Right of First Refusal (defined below), Franchisee may sell the Franchised Business to a qualified third party (the “**Transferee**”), subject to CBW’s approval and Franchisee and Transferee’s strict compliance with the following conditions:

12.2.b.ii.1. Franchisee, Franchisee’s Affiliates, Franchisee’s Personnel or Managers, and, if Franchisee is an entity, Franchisee’s officers, directors, owners, partners, managers, trustees, members, beneficiaries, and Principals must be in full compliance with this Agreement and any other agreement with CBW and must be current on all payments to CBW and any third-party creditors;

12.2.b.ii.2. Transferee must attend CBW’s then-current form of “Join the Pack Days” or “Discovery Days,” and must demonstrate to CBW’s satisfaction, in its sole discretion, that it, he or she: (i) meets all of CBW’s then-current requirements for becoming a franchisee regarding experience, personal reputation, and financial health; (ii) is willing and able devote full time and best efforts to operate the Franchised Business pursuant to the Operations Manual; (iii) aligns with CBW’s values for the System; (iii) is not a competitor of CBW, directly or indirectly, or subject to any non-competition agreement that would prohibit the transferee from

becoming a franchisee; and (iv) meets any other conditions that CBW may reasonably require of similarly situated franchisees;

12.2.b.ii.3. Prior to finalizing the Transfer, Franchisee and the Transferee must provide a copy of all related and required lease documentation to the designated CBW Representatives for review and written approval; if documents are approved in writing, all fully executed lease related documents must be submitted within five (5) days of the Transfer;

12.2.b.ii.4. Prior to signing, Franchisee must submit to CBW a final and negotiated copy of the binding purchase agreement (or similar document of Transfer) for CBW's review and written approval. CBW may require the parties to make changes to the documents in its sole discretion to: (i) protect CBW's interest in this Agreement; (ii) to ensure that Franchisee's and Transferee's obligations under this Agreement are met; (iii) to ensure the terms are not so burdensome as to prevent Transferee from successfully operating the Franchised Business after the Transfer; and, (iv) to protect customer relationships and the goodwill associated with the Intellectual Property;

12.2.b.ii.5. If the Transferee is to finance any part of the sale price, Transferee shall provide CBW with any reasonably requested information regarding the proposed financing, and such financing must be approved by CBW in its sole discretion;

12.2.b.ii.6. Franchisee or, if Franchisee is an entity, Franchisee's officers, directors, owners, partners, managers, trustees, members, beneficiaries, or Principals and Franchisee's Affiliates must execute a mutual termination agreement and general release of CBW and its officers, directors, agents, employees and Affiliates in a form acceptable to CBW;

12.2.b.ii.7. Franchisee or Transferee must upgrade the Camp Site and any vehicles or equipment used to provide any other Products or Services to CBW's then-current standards and specifications;

12.2.b.ii.8. Transferee must execute the then-current form of franchise agreement, including all exhibits and attachments thereto, which will supersede this Agreement and may contain provisions substantially different from those in this Agreement, including without limitation higher fees and expenses. Transferee's franchise agreement will be for a full initial term, not for the remainder of Franchisee's Term. Transferee must also execute all other documents then-used by CBW to grant franchises or as may be reasonably requested by CBW;

12.2.b.ii.9. Transferee (and if it is an entity, all of its owners) and transferee's Manager must complete the next available Initial Camp Services Training and pay any related training fees;

12.2.b.ii.10. Franchisee or Transferee shall pay CBW a transfer fee that is either the greater of (i) fifty percent (50%) of the then-current initial franchise fee, or (ii) two percent (2%) of the total gross sales price for the Franchised Business, capped at one hundred percent (100%) of the then-current Initial Franchise Fee. You must also reimburse us for any

broker fees and other out-of-pocket expenses we incur in connection with the transfer (the “**Transfer Fee**”). If Franchisee requests and Franchisor assists Franchisee in selling its Franchised Business by listing the Franchised Business on Camp Bow Wow’s established broker networks, then Franchisee must also pay franchisor a Resale Consulting Fee of \$15,000 (the “**Resale Consulting Fee**”). If Transferee is a Majority Owner, child, parent, sibling or spouse of Franchisee, no Transfer Fee shall be owed. However, all other conditions of Transfer apply;

12.2.b.ii.11. CBW, in its sole discretion, may require Transferee to spend \$8,000 - \$10,000 to conduct a re-grand opening event and/or to advertise, market and promote the new ownership, even if the Franchised Business remains in full operation pending the Transfer (“Camp Re-Launch Advertising”); and,

12.2.b.ii.12. Franchisee must comply with all post-termination obligations and restrictions, and Franchisee and Transferee must satisfy any other conditions reasonably imposed on the Transfer by CBW, given the circumstances.

*c. Transfer due to Death or Incapacity.*

i. If a Transfer occurs due to the death or Incapacity of Franchisee, or if Franchisee is a business entity, any person owning enough interest to result in a Change of Control, the spouse, heirs, executor or personal representative of the deceased or incapacitated person, or the Franchisee’s remaining shareholders, members, partners or owners, as applicable (collectively, “**Successor**”) shall have 90 days from the date of death or Incapacity to: (i) qualify to become a franchisee apart from the deceased or incapacitated person; (ii) Transfer the deceased or incapacitated person’s interest to a qualified third-party pursuant to the Transfer requirements set forth in Section 12; or (iii) provide valid legal proof that the deceased or incapacitated person’s interest will be Transferred to heirs or legatees who are members of the deceased or incapacitated person’s immediate family and who would otherwise qualify as Transferees, and the Transferees satisfy all applicable conditions of Transfer in Section 12. In any event, the Successor must satisfy all conditions to Transfer and obtain CBW’s consent. If Successor is unable to meet these requirements within 90 days, CBW may terminate this Agreement. Successor must also complete the following intermediate steps according to the timelines indicated below. Failure to complete any step by the given deadlines in Sections 12.2(c)(ii) and (c)(iii) below shall allow CBW to terminate this Agreement immediately, even if the 90-day period contemplated by this Section has not yet expired.

ii. Successor shall notify CBW of the death or Incapacity within two (2) business days of the same, and shall provide, no later than five (5) business days after death or Incapacity: (1) name and contact information that CBW may use for Successor during business hours, (2) Successor’s interim operating plan, including but not limited to any plans relating to hours of operation, services being offered, staffing, accounts payable, etc. that may affect the Franchised Business’s ability to remain open and in good standing under this Agreement, (3) a copy of the death certificate or official documentation confirming Franchisee’s Incapacity, and, (4) in the event of Franchisee’s death, a copy of any applicable will, trust, or other estate documents. In the event no such documents have been located, Successor may submit a written

statement representing that no such documents have yet been located accompanied by a timeline and plan to pursue probate.

iii. Beginning on the date Successor notifies CBW of the death or Incapacity, Successor shall participate in scheduled weekly status update calls with a representative of CBW. On such calls, Successor shall provide CBW with information regarding its business operations, its current efforts to meet the 90-day deadline established in Section 12.2(c)(i), and provide any relevant documentation requested by CBW, including but not limited to copies of probate filings, documents establishing Successor's right, title and interest in and to the business, and any other documents reasonably requested by CBW. At any time, CBW may require that Successor complete training and/or participate in additional calls.

iv. If Successor requests access to any Franchisee accounts, including but not limited to Franchisee's CBW email, Data Dawg, webcam, vendor, financial, or other records or accounts, CBW may grant or deny access in its sole discretion. If access is granted, CBW may require Successor to first agree to a non-disclosure and/or a non-competition agreement, a Data Dawg or Gingr Pet-Care software adoption agreement, and any other agreements necessary to protect CBW's System and Intellectual Property, in CBW's discretion.

d. *Operation of the Franchised Business Pending Transfer.* Franchisee or Successor, as applicable, shall keep the Franchised Business fully operational and compliant pending the consummation of any Transfer. If Franchisee or Successor is unwilling or unable to do so, CBW may, but is not obligated to, temporarily operate the Franchised Business for its sole benefit until such time as the Transfer is finalized and Transferee has taken over operations or require that Franchisee or Successor enter a management agreement with CBW's designee, at Franchisee or Successor's sole cost, as applicable.

e. *Sale to a Competitor.* Notwithstanding anything to the contrary in this Agreement, if Franchisee or Successor, as applicable, attempts to sell the Franchised Business or any assets used in operation of the Franchised Business to a third-party who will not use them as a franchisee or licensee for a Franchised Business operating under the System, CBW's Right of First Refusal (defined below) shall endure indefinitely, and CBW shall have the right to match any related Purchase Offer less any amounts allocated to goodwill, the customer list, any assets explicitly owned or assigned to CBW under this Agreement, or the value of the business as a going concern. CBW shall also have the right to seek a third-party valuation and/or appraisal. If CBW's valuation or appraisal differs from the amounts allocated in the Purchase Offer by 10% or more, the parties agree to follow the purchase price procedures outlined in Section 13.1(a), below.

f. *CBW's Assets.* Nothing in this Agreement grants Franchisee or Successor the right to sell, or purport to sell, assets that are considered CBW's property, including but not limited to the Intellectual Property, the customer list, the Operations Manual, or the Confidential Information.

g. *No Waiver.* CBW's consent to any Transfer under this Section shall not constitute a waiver of any claims it may have against Franchisee or Successor.

**13. RIGHT OF FIRST REFUSAL AND OPTION.** Immediately upon expiration, termination, or non-renewal of this Agreement, for any reason, or upon Franchisee's receipt of a Purchase Offer (defined below), CBW shall have the option (the "**Option**") or Right of First Refusal, as applicable, to purchase all of Franchisee's rights, title and interest in and to the Franchised Business (together with and including all real or personal property, leasehold improvements and other assets used by the Franchisee in the Franchised Business and at the Camp Site) pursuant to the following terms and conditions (the "**Right of First Refusal**").

13.1. Upon Expiration, Termination, or Non-Renewal. CBW will issue an LOI to exercise its Option as soon as practicable following the effective date of expiration, termination, or non-renewal of the Agreement, but in no event more than 60 days following the effective date of the same. The purchase price shall be the amount a willing buyer would pay and a willing seller would accept for the purchase and sale of comparable property, both having reasonable knowledge of the relevant facts and being free from duress and coercion (the "**Fair Market Value**"), less all amounts due to CBW under this Agreement or any other agreement between CBW and Franchisee (and, if Franchisee is an entity, any agreements between CBW and any of Franchisee's officers, directors, shareholders, agents, members, Affiliates, owners or Principals). In determining the Fair Market Value of the assets, CBW and Franchisee will not include any value for goodwill, the franchise rights granted by this Agreement, or participation in the network of Camp Bow Wow Franchised Businesses. If the parties cannot agree on the Fair Market Value within 60 days of Franchisee's receipt of CBW's LOI, the parties shall each select an independent third-party MAI appraiser, each of whom must have at least 5 years of relevant experience in the area where the Camp Site is located. The two appraisers shall submit their appraisals to Franchisee and CBW simultaneously. If the appraisals differ by 10% or less, the average of the two appraisals shall be the Fair Market Value. If the appraisals differ by 11% or more, the two appraisers shall appoint a third independent third-party MAI appraiser with at least 5 years of relevant experience. If the third appraiser's value is between the other two appraisers' respective values, the third appraiser's value shall be the Fair Market Value. If the third appraiser's value is less than the lower or more than the higher of the first two appraisers' values, then the closest two of the three values shall be averaged to establish the Fair Market Value. Each party shall pay the costs of its own appraiser and, if appointed, half of the cost of the third appraiser.

13.2. Upon Receipt of a Purchase Offer. If at any time Franchisee obtains a bona fide, arm's length, executed, written offer to purchase some or all of the Franchised Business (together with and including all real or personal property, leasehold improvements, or other assets used in the Franchised Business) (a "**Purchase Offer**"), Franchisee shall submit an exact copy of the Purchase Offer to CBW, fully disclosing the purchaser, within 5 days of receipt. All Purchase Offers must be expressly subject to CBW's Right of First Refusal. CBW will notify Franchisee of its intent to exercise its Right of First Refusal within 30 days of CBW's receipt of the Purchase Offer. Franchisee shall immediately notify the party that presented the Purchase Offer that CBW has decided to exercise its Right of First Refusal, and shall thereafter exclusively negotiate with CBW in good faith. The purchase price shall be the price specified in the Purchase Offer, less: (i) all amounts due to CBW under this Agreement or any other agreement between CBW and Franchisee (and, if Franchisee is an entity, any agreements between CBW and any of Franchisee's officers, directors, shareholders, agents, members, Affiliates, owners or Principals); (ii) the cost of

a business valuation and an appraisal on the Franchised Business, if any; and, (iii) any amounts intended to inflate the Purchase Offer to obtain a higher purchase price from CBW, with no verifiable, legitimate justification for the same. Franchisee shall bear the burden of proving the legitimacy of all amounts in the Purchase Offer. CBW may substitute cash for any other form of consideration specified in the Purchase Offer or pay the full purchase price at closing, even if the Purchase Offer contained different terms. In no event shall CBW be required to perform any obligations of the proposed transferee which are merely incidental to the transfer, such as employment agreements in favor of certain individuals, broker or finders' fees to be paid by the proposed transferee to Franchisee, etc. If at any time prior to consummating the transaction CBW determines, for any reason in its sole discretion, that it no longer wishes to exercise its Right of First Refusal, Franchisee may sell the Franchised Business to the party that initially presented the Purchase Offer (but not at a lower price or upon more favorable terms than in the Purchase Offer), so long as the conditions to Transfer in Section 12.1(b)(ii) are satisfied; or to any approved third party, subject to CBW's Right of First Refusal and so long as the conditions to Transfer in Section 12.2(b)(ii) are satisfied.

13.3. Attorney Fees; Documentation. Except as otherwise mutually agreed upon in writing, for purposes of this Section 13 each party will bear its own attorneys' fees, if any, and fees of other advisors or consultants. If CBW elects to exercise its Option or Right of First Refusal under this Section 13, CBW will prepare the definitive agreement(s) documenting the transaction, which will be on terms customary for this type of transaction (including representations and warranties, covenants, conditions, and indemnification).

13.4. Operation of the Franchised Business Pending Transfer. Immediately upon delivery of CBW's intent to exercise its Right of First Refusal, or at any time thereafter pending the consummation of the transaction, CBW or its designee may take possession of the Franchised Business and operate and develop it for the exclusive benefit of CBW or its designee.

**14. DEFAULT.** Upon occurrence of any of the following events (each a "**Default**"), immediately upon written notice to Franchisee, CBW has the right to: (i) limit Franchisee's License, (ii) suspend performance of some or all of CBW'S obligations under this Agreement, (iii) charge Franchisee the then-current Default Fee, (iv) charge Franchisee the then-current Daily Fee, and/or (v) subject to applicable State law, terminate this Agreement. CBW may choose to enforce one or more of the above-listed remedies simultaneously or consecutively, and all such remedies are in addition to and not in lieu of any other rights and remedies afforded to CBW by this Agreement or by law.

14.1. Franchisee, or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors:

a. becomes insolvent, makes an assignment for the benefit of creditors, or voluntarily files a petition for bankruptcy, insolvency or reorganization;

b. attempts to sell, Transfer, or otherwise dispose of any interest in Franchisee or the Franchised Business in violation of Section 12;

c. violates any Section of this Agreement or the Operations Manual(s) relating to the Intellectual Property, Confidential Information, or Trade Secrets, or discloses the contents or any part of the Operations Manual(s), Confidential Information, or Trade Secrets to an unauthorized party;

d. violates the non-competition covenants in this Agreement or Attachment E to this Agreement;

e. misuses, misappropriates, or makes unauthorized use of CBW's proprietary software;

f. "abandons" the Franchised Business, which for purposes of this Agreement means any conduct that indicates a desire or intent to cease development of the Franchised Business as required pursuant to Section 6.1, close the Franchised Business or discontinue providing any material Product or Service for a period of 2 or more consecutive days without CBW's prior approval;

g. is convicted of a felony or a crime involving moral turpitude, pleads no contest to a felony charge, or engages in any criminal conduct or misconduct in operation of the Franchised Business or otherwise;

h. conducts itself in a manner that, although not criminal, has the potential to impair the goodwill or reputation of the System or the Intellectual Property, in CBW's sole discretion;

i. receives 2 or more notices of default from CBW during any consecutive 12-month period (whether or not the notices relate to the same or different defaults and whether or not any such default is cured);

j. understates Net Revenue by 1% or more on 3 or more occasions, unless Franchisee demonstrates that the understatement was an error;

k. contests the validity of, or CBW's ownership of, the Intellectual Property;

l. fails to meet the Financing Deadline, Premises Deadline, Construction Deadline, Operations Deadline or any incremental deadline imposed by CBW to ensure that Franchisee will meet any of the above deadlines;

m. defaults under any other agreement with CBW or any of CBW's Affiliates, or threatens material breach of any such agreement, and fails to cure the same within the cure period specified by the applicable agreement;

n. violates any law, ordinance, or regulation applicable to the Franchised Business and fails to comply within the timeframe identified by the issuing authority (within 1 day if the violation involves a threat to health or safety) or, if no formal notice of violation was issued, within

3 days of when Franchisee should have reasonably been on notice that it was in violation (within 1 day if the violation involves a threat to health or safety);

o. operates the Franchised Business in a manner that presents a health or safety hazard to customers, their pets, Personnel, or the public, in CBW's sole discretion;

p. defaults under any lease, mortgage, loan, deed, Real Estate Documents or any other agreement with CBW, its Affiliates, or any third party related to the Franchised Business, and fails to cure such default within any applicable cure period;

q. takes any assets or property of the Franchised Business, or any employee tax withholdings, FICA, insurance or benefits for personal use, or fails or refuses to timely pay its Personnel pursuant to applicable laws;

r. fails or refuses to timely submit any report, financial statement, tax return, incident report or other information required by this Agreement or the Operations Manual(s) on 2 or more occasions during any 12-month period regardless of whether CBW provides Franchisee with a warning or notice of default for each late report;

s. sells or offers any unauthorized product or service, or engages in any unauthorized business or practice under the Marks or under a name that is similar to the Marks;

t. fails, refuses, or neglects to obtain CBW's consent or approval as required by this Agreement;

u. is required to pay the Minimum Monthly Royalty defined in Section 3.2(b) for 4 or more months in any consecutive 12-month period;

v. breaches any other provision of this Agreement or the Operations Manual(s) and fails to cure the default within the applicable cure period identified by CBW (if any). If Franchisee believes that a reasonable person acting diligently could not cure the default within the prescribed cure period, Franchisee may request additional time. CBW may require Franchisee to show good faith effort to cure within the prescribed cure period when considering an extension at Franchisee's request;

w. A trustee or receiver is appointed for Franchisee and the appointment is not vacated within 60 days;

x. An involuntary petition in bankruptcy, insolvency, or reorganization is filed against Franchisee and is not dismissed within 60 days;

y. CBW discovers that Franchisee or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors: (i) made a material misrepresentation or omission or committed fraud in the franchise application or during the

franchise sales process; or (ii) makes, or has made, any fraudulent or material misrepresentation or omission in connection with this Agreement or the Franchised Business;

z. CBW discovers material facts or information about Franchisee or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors relating to that respective party's character, business acumen, professional reputation, or values that was not known by or disclosed to CBW prior to signing the Franchise Agreement, and that, if known, would have prevented CBW from selling Franchisee a license to develop and operate a Franchised Business;

aa. A material judgment or series of judgments which together are material are entered against Franchisee or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors and remains unsatisfied for 30 days or more, or execution is levied against the Franchised Business or any property used in operation of the Franchised Business and is not discharged within 5 days;

bb. An animal is injured or killed as a result of Franchisee's or its Principals', officers', directors', shareholders', members', managers', general partners,' Personnel's or guarantors' negligent or willful violation of any System policy, standard, practice, or directive, provided that a default shall not be issued under this paragraph if the injury or death is caused by Personnel who knowingly violate policies or procedures established and enforced by Franchisee to prevent such occurrences;

cc. Any government action is taken against Franchisee that imposes an obligation on CBW that, in CBW's sole judgment, is uneconomical, not in the CBW's best interest, or would result in CBW having an unintended relationship or obligation; or,

dd. Franchisee receives three (3) or more Defaults, which, by their very nature are incurable, during the Term.

14.2. Upon occurrence of any of the following events (each a "**Default**"), immediately upon notice to Franchisee and expiration of a 15-day cure period, CBW has the right to: (i) limit Franchisee's License, (ii) suspend performance of some or all of CBW'S obligations under this Agreement, (iii) charge Franchisee the then-current Default Fee, (iv) charge Franchisee the then-current Daily Fee, and/or or, (v) subject to applicable State law, terminate this Agreement. CBW may choose to enforce one or more of the above-listed remedies simultaneously or consecutively, and all such remedies are in addition to and not in lieu of any other rights and remedies afforded to CBW by this Agreement or by law. This Section shall apply if Franchisee, or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors:

a. fails to strictly comply with the then-current Operations Manual(s) or any System standard, procedure, practice, rule, process, directive, or requirement as may be communicated by CBW from time to time;

b. fails to adhere to the insurance requirements in this Agreement and the Operations Manual(s);

c. fails or refuses to pay, or has insufficient funds to pay, any amounts owed to CBW on the date payment is due;

d. fails to obtain or maintain any licenses, variances, certifications, or permits necessary to operate the Franchised Business from the Camp Site; or,

e. a guarantor fails or refuses to deliver current financial statements to CBW within 10 days of being requested.

14.3. Upon occurrence of any of the following events (each a “**Default**”), immediately upon notice to Franchisee and expiration of a 30-day cure period, CBW has the right to: (i) limit Franchisee’s License, (ii) suspend performance of some or all of CBW’S obligations under this Agreement, (iii) charge Franchisee the then-current Default Fee, (iv) charge Franchisee the then-current Daily Fee, and/or, (v) subject to applicable State law, terminate this Agreement. CBW may choose to enforce one or more of the above-listed remedies simultaneously or consecutively, and all such remedies are in addition to and not in lieu of any other rights and remedies afforded to CBW by this Agreement or by law. This Section shall apply if Franchisee, or any of its Principals, officers, directors, shareholders, members, managers, general partners or guarantors:

a. fails to satisfy any training requirement imposed by CBW;

b. uses an unapproved vendor or supplier when CBW has designated an approved or required vendor or supplier for the same;

c. makes an unauthorized change to the Camp Site or other equipment or materials used in the operation of the Franchised Business; or,

d. fails to staff the Franchised Business sufficiently or fails, in CBW’s sole discretion, to adequately supervise the day-to-day operations of the Franchised Business.

If Franchisee is in Default, CBW has no obligation to perform or comply with its obligations under this Agreement or any other agreement between the parties until Franchisee cures the Default to CBW’s satisfaction. CBW has the right but not the obligation to undertake and perform any of Franchisee’s obligations under this Agreement and to be reimbursed upon demand for its costs and expenses of doing so, plus interest. CBW shall have the right, but not the obligation, to enter the Camp Site and exercise complete authority over the Franchised Business operations and all Products and Services offered through the Franchised Business until CBW determines, in its sole discretion, that Franchisee has cured the Default(s) and is capable of compliance with this Agreement and the Operations Manual(s). If CBW exercise this right, Franchisee shall reimburse CBW for all reasonable costs and expenses of doing business, including but not limited to costs associated with payroll, insurance, utilities, advertising, marketing, rent, mortgage payments, supplies, the cost of CBW’s personnel and their travel, food, and lodging, and pay us the then-

current daily management fee. During any such period, Franchisee's Personnel will remain solely Franchisee's employees, and Franchisee's insurance shall be the sole applicable insurance policy. Franchisee shall also indemnify and hold CBW and CBW's employees and representatives harmless from and against any fines, claims, suits, or proceedings that arise out of the period of CBW's operation of the Franchised Business. CBW has the right to retain all profit realized during CBW's operation of the Franchised Business.

## **15. TERMINATION OR EXPIRATION.**

### **15.1. Termination by CBW.**

a. *Effect of Termination.* Upon termination, Franchisee shall not be relieved of any of its obligations, debts, or liabilities under this Agreement. CBW's right to terminate this Agreement is in addition to, and not in lieu of, any other rights and remedies available to CBW at law, in equity, or otherwise, all of which are cumulative.

b. *Cross-Default and Termination.* If Franchisee, or if Franchisee is an entity, any of its officers, directors, Principals, managers, shareholders, members, owners, or partners (for purposes of this Section 15.1, "**Cross-Defaulting Parties**") is party to another agreement with CBW, a default under this Agreement shall constitute a default under that agreement and vice versa. If this Agreement is terminated or cancelled for any reason, CBW may, at its option, terminate any or all such other agreements that exist between CBW and the Cross-Defaulting Parties. Likewise, should any other agreement between CBW and the Cross-Defaulting Parties be terminated or cancelled for any reason, CBW may, at its option, terminate this Agreement. If there is more than one Franchisee, all Franchisees' liability is joint and several, and a breach by one Franchisee shall be deemed a breach by all. Notwithstanding the foregoing, CBW's right to terminate under Section 14 of this Agreement is hereby limited to instances where at least 2 defaults have been issued at a single franchised location.

15.2. Termination by Franchisee. Provided Franchisee is in compliance with this Agreement, Franchisee may terminate this Agreement only for "Good Cause" (defined below), by providing CBW with written notice specifying the alleged default with particularity and providing CBW with a minimum of 60 days to cure the default. If the default cannot reasonably be cured within 60 days, Franchisee must provide CBW with additional time as is reasonable under the circumstances. Failure to give timely notice of default shall constitute a waiver of the alleged default. For purposes of this Section 15.2, "Good Cause" means that CBW has committed a material and substantial breach of this Agreement and it has not cured the breach within the time period allowed by this Agreement. Franchisee's written notice of termination under this Section shall not excuse Franchisee from performing its obligations under this Agreement during the cure period, or entitle Franchisee to any refund of amounts paid to CBW or its Affiliates. Any attempt by Franchisee to terminate this Agreement without good cause or without following the procedures outlined above is a Default under this Agreement and such termination shall be void.

## **16. POST-EXPIRATION, POST-TERMINATION, AND POST-TRANSFER OBLIGATIONS.** Upon expiration, termination, non-renewal, or Transfer of this Agreement, for

any reason, Franchisee shall fully and completely comply with all of the following obligations, to CBW's satisfaction.

16.1. Immediately:

- a. stop operating the Franchised Business and offering any Products or Services;
- b. pay all unpaid amounts owed to CBW or any of its Affiliates;
- c. remove all Marks or other System-identifying items from the Camp Site and any other locations where Services are provided. If Franchisee fails to do this to CBW's satisfaction, CBW or its designee may enter the Camp Site or other applicable location and remove such items without being guilty of trespass and without paying for any such items of personal property.
- d. amend or terminate any application or registration of any d/b/a, fictitious name, business name, or any other filing containing any of the Marks, so as to delete the Marks and all references to the System. If franchisee has not completed this within 30 days of expiration or termination, Franchisee irrevocably appoints CBW as Franchisee's attorney-in-fact to execute such directions and authorizations as may be necessary to accomplish it, acknowledging that CBW has a valid legal interest in protecting the System;
- e. refrain from identifying itself or any business, directly or indirectly, as a current franchisee or licensee of CBW or its Affiliates, or from stating that Franchisee or any business is approved, endorsed or trained by CBW;
- f. refrain from using any Mark, any colorable imitation thereof, or any indicia of Franchised Business in any manner for any reason, or using any trade name, trademark, service mark, or other commercial symbol that suggests a connection or association with CBW or its Affiliates;
- g. stop using all signs, structures, advertisements, brochures, social media pages, telephone listings, fax numbers, email addresses, website listings, and any other forms of promotion and return all of these materials and any Products or Services associated with the System to CBW or its designee;
- h. return the Manual(s), the Customer List, all records, files, instructions, agreements, Confidential Information, Trade Secrets and any other materials provided by or made available by CBW or created by a third party for Franchisee relating to the Franchised Business (all of which Franchisee acknowledge to be CBW's property and not subject to any purchase options under Section 13) Franchisee shall not, under any circumstances, keep a copy of any portion of the Manual, Confidential Information, or any Trade Secrets;
- i. cancel or assign all telephone numbers, fax numbers, websites, URL's, domain names, social media pages, review site listings, telephone listings, and title to any other online or virtual business directory listing and notify all service providers and listing agencies of the transfer;

j. provide CBW with the Option or Right of First Refusal to purchase set forth in Section 13;

k. comply with the restrictive covenants in this Agreement and in Attachment E;

l. comply with all indemnification covenants in this Agreement;

m. comply with the inspection rights granted to CBW in Section 4 (for a period of 6 years after termination or expiration);

n. terminate any vendor relationship established through Franchisee's association with CBW; and,

o. comply with any other obligations reasonably imposed by CBW to protect its interest in the System and the Intellectual Property.

16.2. Within 5 calendar days:

a. pay all unpaid amounts owed to Franchisee's landlord(s) (if applicable), any System suppliers, and any other creditors; and,

b. refund all outstanding customer credits, services, and packages.

16.3. If, at the time of expiration, termination, non-renewal, or Transfer, CBW is the lender under any loan agreement with Franchisee or the holder of any promissory note or security interest relating to the Franchised Business, such loan, note, or security interest will accelerate and become immediately fully due and payable upon the effective date of expiration, termination, non-renewal, or Transfer. If the terms of the applicable loan agreement, promissory note, or security interest agreement conflict with the terms of this Agreement, the terms of this Agreement will control.

16.4. Termination, expiration, non-renewal, or Transfer of this Agreement will not affect, modify, or discharge any claims, rights, causes of action or remedies which CBW may have against Franchisee, whether they arise before or after termination, expiration, or Transfer. In any proceeding where the validity of termination, expiration, or non-renewal is at issue, CBW is not limited to the reasons listed in any notice of expiration, non-renewal, or termination given to Franchisee. CBW's rights are cumulative, and exercising or enforcing any right or remedy hereunder shall not preclude CBW from exercising or enforcing any other rights or remedies granted by this Agreement or by law.

16.5. All obligations of either party which expressly or by their nature survive expiration, termination, non-renewal, or Transfer of this Agreement will continue in full force and effect notwithstanding expiration, termination, non-renewal, or Transfer. The sections that survive expiration, termination, non-renewal, and Transfer include, but are not limited to, Sections 2, 4, 8, 9, 11, 12, 13, 16, 18, 19, 20, and 21.

16.6. IN THE EVENT THE TERMS OF THIS AGREEMENT REGARDING TERMINATION, EXPIRATION, OR NON-RENEWAL ARE INCONSISTENT WITH APPLICABLE STATE OR FEDERAL LAW, SUCH LAW SHALL GOVERN FRANCHISEE'S RIGHTS REGARDING TERMINATION, EXPIRATION, OR NON-RENEWAL OF THIS AGREEMENT.

**17. CONDEMNATION AND CASUALTY.**

17.1. Franchisee shall immediately give CBW notice of any lease default or termination, mortgage default or foreclosure, condemnation of any part of the Camp Site, or proposed taking of any portion of the Camp Site through eminent domain.

17.2. If any portion of the Camp Site is to be condemned or taken through eminent domain, Franchisee may relocate the Camp Site within the Authorized Territory or elsewhere with CBW's prior written approval, so long as CBW approves the new site and Franchisee follows CBW's then-current relocation and buildout procedures. If Franchisee opens at the new location within 1 year of closing the old Camp Site, the new Camp Site will be deemed to be the Camp Site under this Agreement. If, for any reason, Franchisee does not open at the new Camp Site within 1 year of closing the old Camp Site, CBW may terminate this Agreement immediately upon notice to Franchisee.

17.3. If the Camp Site is damaged, Franchisee will ensure that the damage is promptly repaired to CBW's then-current standards and specifications. If the damage or repair requires Franchisee to close the Franchised Business, stop offering any Service or Product, or relocate the Camp Site, Franchisee will immediately notify CBW in writing and will re-open or resume offering the suspended Product or Service as soon as practicable (but in any event less than 1 year after closing the Camp Site), giving CBW 30 days' advance notice of the re-opening date. If Franchisee does not re-open (either from the old Camp Site or the new Camp Site, as applicable) within 1 year, CBW may, in its sole discretion, limit the License or terminate this Agreement immediately upon written notice to Franchisee.

17.4. Neither the Initial Term nor the Term will be extended by any period of closure or business interruption under this Section 17 unless due to force majeure, in which case Section 20.9 shall apply.

**18. NOTICES.** Except as otherwise stated below, notices under this Agreement shall be delivered: (a) personally; (b) via reputable courier services, charges pre-paid; or (c) via first-class registered or certified mail, postage pre-paid, using the contact information below. CBW may also deliver any notice to Franchisee via email. Either party may update its contact information below by giving notice in writing to the other party.

<b>To CBW:</b>	<b>To Franchisee:</b>
----------------	-----------------------

Camp Bow Wow Franchising, Inc. c/o Propelled Brands Franchising, LLC Attn: Legal Department legalnotices@propelledbrands.co m 2542 Highlander Way Carrollton, TX 75006	_____
	Attn: _____
	_____
	Email: _____

Notices under this Section will be effective: (a) on the date of hand delivery, if applicable; or, upon the earlier of (b) the other party’s receipt, (c) if mailed, 3 business days after dispatch, or (d) if sent via overnight courier, 1 business day after dispatch. Notices sent by CBW via email will be effective as of the date and time stamp recorded on the sent email.

**19. DISPUTE RESOLUTION.** Subject to the exceptions contained in Section 19.3, this dispute resolution provision is mandatory and applies to, governs and provides the exclusive method for resolving any and all disputes and claims by and against CBW, Franchisee and their respective Affiliates, successors, owners, managers, officers, directors, employees, Personnel, agents, Person(s) in Privity (defined below), and representatives. The scope of this mandatory dispute resolution provision consists of all claims arising out of or relating to this Agreement, its terms, the parties’ dealings with one another under this Agreement, the parties’ dealings with one another generally, or of alleged violation of any applicable law or regulation (a “**Dispute**”). This dispute resolution provision will survive the termination or expiration of this Agreement. For purposes of this Section, “**Person(s) in Privity**” include but are not limited to, Franchisee’s spouses and other family members, heirs, executors, representatives, successors and assigns.

19.1. 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 Dallas, Texas, 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. Notwithstanding the foregoing agreement to mediate, CBW shall have the right, at its election, to seek, in arbitration or a court of competent jurisdiction, the issuance of injunctive and other equitable relief to protect and enforce its rights under this Agreement without

waiting for completion of mediation and without waiving mediation. Completion of mediation shall be a condition precedent to initiation of an arbitration proceeding.

19.2. Arbitration. If the parties are unable to reach resolution of any Dispute through mediation as provided in Section 19.1 above, any Dispute shall be governed and exclusively resolved by final and binding arbitration administered by the American Arbitration Association. Subject to this Section 19.2, 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.

19.3. Exceptions to Mandatory Arbitration Requirement. CBW, in its sole discretion, is permitted to pursue claims in a court of competent jurisdiction located in the State of Texas that involve (a) Franchisee's misuse of any of the Intellectual Property or the System, business concept or any issue involving injunctive relief against Franchisee or any issues related to disclosure or misuse of Confidential Information, Trade Secrets or patents; and (b) CBW's enforcement of its rights under this Agreement and any agreement attached hereto.

19.4. Arbitration Procedures.

a. *Hearing locale.* The arbitration hearing will be held at the offices of the American Arbitration Association in Dallas, Texas, 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 180 days of the date the demand for arbitration (or other initiating document) is submitted to the American Arbitration Association.

b. *Arbitrator.* The arbitration hearing will be conducted by a single arbitrator who has a minimum of five (5) years of experience in franchise law. 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.

c. *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 Dallas, Texas.

d. *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 4 hours per deposition, and (2) depositions of experts, if any, limited to 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 30 days of receipt of the request.

e. *Prevailing Party Rights.* The prevailing party in any arbitration or action in court to confirm or enforce an arbitration award shall be entitled to collect from the other party or parties all costs, expenses, and reasonable attorneys' fees incurred in connection with or relating to the action (including, but not limited to such costs, expenses, and attorneys' fees on appeal and in an effort to collect or enforce a judgment or decree) in addition to any other relief to which it is entitled.

19.5. 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 CBW and Franchisee or any Person in Privity with or claiming through, in the right of or on behalf of Franchisee or CBW.

19.6. The parties agree that all proceedings, whether in mediation, arbitration, or litigation, will be conducted on an individual, not a class-wide basis, and that any proceeding between Franchisee, its Principals or guarantors, and CBW, its Affiliates or Personnel may not be consolidated with any other proceeding between CBW and any other person or Business Entity.

19.7. NEITHER CBW NOR ITS AFFILIATES, SUPPLIERS, VENDORS, LICENSORS OR AGENTS WILL BE LIABLE TO FRANCHISEE OR ANY THIRD PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, OR SIMILAR DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

19.8. CBW's officers, directors, shareholders, agents and employees are express third party beneficiaries of the provisions of this Agreement, including the dispute resolution provisions set forth in this Section 19, each having authority to specifically enforce the right to mediate or arbitrate claims asserted against such person(s) by Franchisee.

19.9. If CBW makes a decision based upon its reasonable business judgment, neither a mediator, arbitrator nor a judge shall substitute his or her judgment for the judgment so exercised by CBW. The fact that a mediator or judge might reach a different decision than the one made by CBW is not a basis for finding that CBW made its decision without the exercise of reasonable business judgment. CBW's duty to exercise reasonable business judgment in making certain decisions does not restrict or limit CBW's right under this Agreement to make other decisions based entirely on CBW's sole discretion as permitted by this Agreement. CBW's sole discretion means that CBW may consider any set of facts or circumstances that it deems relevant in rendering a decision.

19.10. In the event of termination or cancellation of this Agreement prior to the end of the Initial Term, for any reason (other than a lawful termination by Franchisee), the parties agree that

CBW is entitled to collect damages for lost future profits and contributions to the Advertising Fund, in addition to all other remedies and damages available to CBW at law or in equity, and the arbitrator shall have the authority to award the same in addition to any other relief, damages, costs, and fees (“Early Termination Damages”). For the avoidance of doubt, the parties agree that this provision shall apply in the event of termination precipitated by Franchisee’s Default under this Agreement. Early Termination Damages shall be calculated as follows: If we terminate the Franchise Agreement because of your breach, then within 30 days following such termination, you agree to pay us an amount equal to the greater of (i) the average monthly royalty fees and advertising contributions that you owed to us for the past 24 months multiplied by the lesser of 36 or the number of months remaining in the Term, or (ii) the average monthly royalty fees and advertising contributions paid by all Camp Bow Wow Franchised Businesses who have operated for the past 24 months multiplied by the lesser of 36 or the months remaining in the Term. If you have not operated the Franchised Business for 24 months prior to the termination of the Franchise Agreement, the Early Termination Damages will be calculated by using the average monthly royalties and advertising contributions by all Camp Bow Wow Franchised Businesses who have operated for the past 24 months multiplied by 36.

## **20. MISCELLANEOUS.**

20.1. Choice of Law and Venue. Subject to CBW’s federal trademark rights under the Lanham Act and the parties’ rights under the Federal Arbitration Act, the parties expressly consent to personal jurisdiction and venue in the State of Texas and agree that such courts will have exclusive jurisdiction and venue over any issues not subject to arbitration, and that Texas law will apply.

20.2. Scope of Rights. Where this Agreement grants CBW a certain right, that right is absolute, and CBW may exercise that right without limitation or review. CBW has the right to, among other things, operate, administer, develop, manage, and change the System in any manner that is not specifically and expressly precluded by this Agreement.

20.3. Counterparts. 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.

20.4. Severability. If any term of this Agreement 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 Agreement shall remain in full force and effect.

20.5. Failure to Act; Customs; Waiver. CBW’s failure, neglect, or delay in enforcing or exercising any of its rights under this Agreement shall not affect or diminish CBW’s right to strictly enforce each provision of this Agreement at any time, whether at law, in equity, for injunctive relief or specific performance, or otherwise. None of CBW’s customs, usage, or practices with regard to this Agreement or to its agreements with other franchisees or licensees precludes the strict enforcement of this Agreement according to its terms. CBW’s waiver of performance of any

provision of this Agreement shall not constitute a waiver of CBW's right to enforce that provision in the future. CBW's acceptance of payment from Franchisee after an event of Default shall not constitute a waiver of the Default or of CBW's rights relating to the Default. No waiver shall be binding unless in writing and signed by the party waiving.

20.6. Entire Agreement. This Agreement, 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 Agreement, the License, the System, or Franchised Business. Nothing in this Agreement or any related agreement is intended to disclaim the representations made by CBW in the Franchise Disclosure Document (including its exhibits).

20.7. Headings. The headings in this Agreement are for reference only, and do not define or limit the contents of the section or subsection.

20.8. Time is of the Essence. Time is of the essence with respect to every provision of this Agreement.

20.9. Force Majeure. Except as provided below, 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; government ordered shutdown that covers our Camp Services; or act of God. In any such event, performance will be delayed only so long as the event is in progress. Unless CBW agrees otherwise in writing, a force majeure event will not affect or change Franchisee's obligation to pay Royalty Fees, Advertising Fund Fees, and, if applicable, the Local Advertising Expense when due. CBW, in its sole discretion, may elect but is not required to waive any such fees or expenses for the period of delay or any shorter period CBW deems appropriate.

20.10. Further Actions. Franchisee 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 Agreement. With regard to the Marks, Franchisee hereby irrevocably appoints CBW as its attorney-in-fact and empowers it to execute such instruments for and in Franchisee's name, even during Franchisee's Incapacity, to give full effect to Sections 8.1, 8.4, and 8.7 of this Agreement.

20.11. Binding Effect. This Agreement is binding upon, and shall inure to the benefit of, the successors, assigns, heirs and personal representatives of the parties.

20.12. Personal Liability. Fulfillment of CBW's obligations is CBW's sole responsibility, and none of CBW's agents, representatives, employees, or individuals associated with CBW will be personally liable to Franchisee for any reason.

20.13. Modifications. This Agreement can only be modified or amended by written agreement signed by both parties. No oral representation made to Franchisee is binding unless it is memorialized in a writing signed by both parties. Notwithstanding, Franchisee acknowledges and agrees that CBW may modify the System, the Manual(s), System standards and specifications, and

any marketing or operating techniques unilaterally under any conditions and to the extent CBW deems appropriate to protect, promote, or improve the Marks or System. Franchisee covenants to accept and implement any such modifications at its own cost. CBW may also unilaterally reduce the scope of Franchisee's covenants under this Agreement upon notice to Franchisee. Upon receipt of notice, Franchisee will comply with the covenants as modified.

20.14. Delegation. CBW has the right to delegate performance of any or all of its obligations under this Agreement to third parties, agents, independent contractors or affiliates. Franchisee hereby agrees to any such delegation and acknowledges that it is not a third-party beneficiary of any agreement between CBW and the party to whom any obligations or duties are delegated.

20.15. Jointly Drafted. This Agreement 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 CBW, it being recognized that both parties have been advised to seek legal counsel prior to entering this Agreement and have had the opportunity to contribute to the terms and conditions in this Agreement.

20.16. Attorneys' Fees. The prevailing party in any action at law or in equity to enforce this Agreement or any rights under this Agreement shall be entitled to collect from the other party or parties all costs, expenses, and reasonable attorneys' fees incurred in connection with or relating to the action (including, but not limited to such costs, expenses, and attorneys' fees on appeal and in an effort to collect or enforce a judgment or decree) in addition to any other relief to which it is entitled.

20.17. Disclaimer. THE SYSTEM, PRODUCTS, SERVICES, INTELLECTUAL PROPERTY, CONFIDENTIAL INFORMATION, OPERATIONS MANUAL(S), SUPPORT SERVICES, AND ANY RELATED PRODUCTS OR SERVICES ARE PROVIDED "AS IS" AND "AS-AVAILABLE," WITH ALL FAULTS, AND WITHOUT WARRANTIES OF ANY KIND. CBW DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, QUIET ENJOYMENT, QUALITY OF INFORMATION, AND TITLE/NON-INFRINGEMENT. ALL PRODUCTS AND SERVICES OF THIRD-PARTY PROVIDERS ARE PROVIDED AS-IS, WITHOUT WARRANTIES OF ANY KIND. NO ORAL OR WRITTEN INFORMATION OR ADVICE GIVEN BY CBW OR ITS AUTHORIZED REPRESENTATIVES SHALL CREATE ANY OTHER WARRANTIES OR IN ANY WAY INCREASE THE SCOPE OF CBW'S OBLIGATIONS UNDER THIS AGREEMENT.

## **21. ACKNOWLEDGEMENTS, REPRESENTATIONS, AND WARRANTIES.**

21.1. Franchisee's Acknowledgements. Franchisee acknowledges that:

a. the System may evolve or change over time and CBW may impose changes to the System. CBW cannot predict the nature or extent of future changes or the amount of Franchisee's future investment to adopt future changes;

b. CBW does not warrant or guarantee that Franchisee will be able to secure the financing required to develop and operate a Franchised Business;

c. the License is being granted in reliance upon the information supplied by Franchisee to CBW;

d. other franchisees may operate under different forms of franchise agreements, and consequently, CBW's rights and obligations with respect to other franchisees may differ materially;

e. franchisee is not signing in reliance on any parent, shareholder, owner, director, officer, agent or employee of CBW remaining with CBW in that capacity;

f. the submission of this Agreement to Franchisee does not constitute an offer;

g. this Agreement and any corrections, changes, amendments, attachments, or modifications will only become binding on CBW when executed or initialed by CBW's authorized representative; and,

h. if Franchisee is an entity, it is a material obligation that it remain duly organized and in good standing for the Term.

21.2. Franchisee's Representations and Warranties. Franchisee represents and warrants that:

a. the statements Franchisee made in connection with its application for this franchise were, to the best of its knowledge, true when made and true as of the date of this Agreement, with no material omission of information or fact that would make the information disclosed misleading;

b. no assets, property, or interest owned by Franchisee or any individual who is an owner of Franchisee or a guarantor of Franchisee's obligations are now, or are subject to being, "blocked" under any anti-terrorism laws, and neither Franchisee nor any guarantor of Franchisee's obligations is otherwise in violation of any laws, including but not limited to anti-terrorism laws. Franchisee shall cooperate and assist with CBW's efforts to comply with anti-terrorism laws. Any violation of, or blocking of assets under, anti-terrorism laws is a material breach of this Agreement, and grounds for immediate termination.

21.3. Mutual Representations and Warranties. Each party represents and warrants that it has full authority to sign and execute this Agreement and that the person signing has obtained all consents necessary from any applicable partners, officers, managers, members or shareholders.

IN WITNESS, WHEREOF, the parties have executed this Agreement as of the

Effective Date.

**FRANCHISEE:**

\_\_\_\_\_,

**a**

\_\_\_\_\_

Signed:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

**CBW:**

**CAMP BOW WOW FRANCHISING,**

**INC.,**

**a Delaware corporation**

Signed:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

*[Signature Page to Franchise Agreement]*

**ATTACHMENT A  
TO FRANCHISE AGREEMENT**

**CAMP SITE AND AUTHORIZED TERRITORY ADDENDUM**

CBW and Franchisee have entered into a “Franchise Agreement” for the development and operation of a Franchised Business, and hereby supplement its terms via this “**Addendum**” as follows:

**1. Authorized Territory.** The “**Authorized Territory**” shall be known as \_\_\_\_\_, as defined by the following polygons: \_\_\_\_\_.

**2. Acknowledgement.** CBW’s approval of the Authorized Territory does not constitute a recommendation or endorsement of the Authorized Territory, Franchisee’s eventual Camp Site, or the viability or success of the Franchised Business. CBW makes no representation or warranty that Franchisee will be able to locate a Camp Site within the Authorized Territory or obtain zoning approval or any other entitlements necessary to open and operate a Franchised Business within the Authorized Territory. Franchisee agrees that CBW has complied with its obligation to provide Franchisee with the criteria for a Camp Site.

**3. Initial Franchise Fee.** The Initial Franchise Fee is \$ \_\_\_\_\_ USD.

**4. Miscellaneous.** Except as amended in this Addendum, the terms of the Franchise Agreement are ratified and confirmed. All capitalized terms that are not defined in this Addendum have the meaning assigned to them in the Franchise Agreement. In the event of a conflict between the Franchise Agreement and this Addendum, the terms of this Addendum shall control.

IN WITNESS, WHEREOF, the parties have executed this Addendum as of the date the last party signs below.

**FRANCHISEE:**

\_\_\_\_\_,  
a \_\_\_\_\_

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CBW:**

**CAMP BOW WOW FRANCHISING, INC.,  
a Delaware corporation**

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTACHMENT B  
TO FRANCHISE AGREEMENT**

**GUARANTY AND ASSUMPTION OF OBLIGATIONS**

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is as of the date that certain Franchise Agreement (the “Agreement”) is signed by us as described below.

By (list each guarantor):

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In consideration of, and as an inducement to, the execution of that certain Agreement on this date by Camp Bow Wow Franchising, Inc. (“us,” “we,” or “our”), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including extensions) and afterward as provided in the Agreement, that \_\_\_\_\_ (“Franchisee”) will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements.

Each of the undersigned consents and agrees that: (1) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (2) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; (5) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may from time to time grant to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or its principals, and for so long as we have any cause of action against Franchisee or its principals; and (5) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising because of the undersigned's execution of, and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we shall be entitled to reimbursement of our costs and expenses, including, but not limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', 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 the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above-listed costs and expenses we incur.

Subject to the arbitration obligations above and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between us and the undersigned, must be commenced in state or federal court of general jurisdiction in Dallas, Texas, and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled.

**IN WITNESS WHEREOF**, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

**Signatures of Each Guarantor**

**Percentage of Ownership Interest in Franchisee**

\_\_\_\_\_

\_\_\_\_\_ %

\_\_\_\_\_

\_\_\_\_\_ %

\_\_\_\_\_

\_\_\_\_\_ %

**ATTACHMENT C  
TO FRANCHISE AGREEMENT**

**COLLATERAL ASSIGNMENT OF TELEPHONE NUMBERS, TELEPHONE LISTINGS, INTERNET ADDRESSES, AND SOCIAL MEDIA PAGES**

Upon expiration, termination, or non-renewal of that certain “Franchise Agreement” executed by and between Camp Bow Wow Franchising, Inc., a Delaware corporation (“CBW”) and \_\_\_\_\_, a \_\_\_\_\_ (“Franchisee”) and for value received, Franchisee hereby assigns the following to CBW: (1) all telephone numbers and regular, classified, or other telephone directory listings; (2) all Internet addresses, URLs, websites, domain names; (3) all social media pages, including but not limited to Facebook, Instagram, YouTube, Pinterest, X formerly known as Twitter, Tumblr, Snapchat, LinkedIn, Yelp, Google+, image-sharing sites, blogs, and any other information-sharing site or page on the Internet; and, (4) all email addresses, text messages or other form of wireless or computer-generated communication or messaging; wherever located, associated with CBW’s trade and service marks and used from time to time in connection with the operation of the Franchised Business (collectively, the “Assigned Items”).

This assignment is for collateral purposes only. Unless CBW notifies the telephone company, social media sites, listing agencies, Internet service provider, etc. that it intends to effectuate this Assignment, CBW has no liability or obligation of any kind whatsoever arising from or in connection with this Assignment. If CBW exercises its right to assume any or all of the Assigned Items, Franchisee shall have no further right, title or interest in and to the Assigned Items, but shall remain liable to all providers for past due amounts or all other amounts owed through the effective date of the assignment.

Franchisee acknowledges and agrees that as between Franchisee and CBW, upon expiration or termination of the Franchise Agreement, CBW shall have the sole right to and interest in the Assigned Items. Franchisee hereby appoints CBW as its attorney-in-fact to direct all applicable providers (including but not limited to telephone providers, Internet Service Providers, social media providers, etc.) to assign the Assigned Items to CBW, and execute any documents and take any actions necessary to effectuate the Assignment.

Immediately upon expiration, termination, or non-renewal of the Franchise Agreement, Franchisee shall notify the applicable providers to assign the Assigned Items to CBW. If Franchisee fails to do so within 3 business days of the effective date of expiration or termination, CBW has the right to direct the providers to effectuate this Assignment. **THE PARTIES EXPRESSLY AGREE THAT PROVIDERS MAY ACCEPT THIS ASSIGNMENT, THE FRANCHISE AGREEMENT, AND/OR CBW’S WRITTEN DIRECTION AS CONCLUSIVE PROOF OF CBW’S EXCLUSIVE RIGHTS IN AND TO THE ASSIGNED ITEMS AND THAT THE ASSIGNMENT SHALL BE EFFECTIVE IMMEDIATELY UPON THE PROVIDER’S RECEIPT OF SUCH NOTICE FROM CBW OR FRANCHISEE.** If any provider requires the parties execute such provider’s assignment form or other documentation necessary for the provider to assign the Assigned Items, CBW’s execution of such forms or documentation on behalf of Franchisee shall effectuate Franchisee’s consent and agreement to the Assignment.

*Space Intentionally Left Blank*

Franchisee agrees to perform such acts and execute and deliver such documents as may be necessary to assist in or accomplish the Assignment described in this Addendum.

**FRANCHISEE (ASSIGNOR):**

\_\_\_\_\_,  
a \_\_\_\_\_

Signed:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

**CBW (ASSIGNEE):**

**CAMP BOW WOW FRANCHISING,  
INC.,  
a Delaware corporation**

Signed:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

**ACCEPTED AND AGREED TO BY (ON  
BEHALF OF PROVIDER):**

\_\_\_\_\_  
(Company Authorized Representative):

\_\_\_\_\_  
Printed Name of Representative

\_\_\_\_\_  
Printed Name of Company

\_\_\_\_\_  
Date

*[Signature Page to Collateral Assignment of Telephone Numbers, Telephone Listings, Internet  
Addresses, and Social Media Pages]*

**ATTACHMENT D  
TO CAMP FRANCHISE AGREEMENT  
STATE-SPECIFIC ADDENDA TO FRANCHISE AGREEMENT**

**RIDER TO STATE ADDENDUM  
TO CAMP BOW WOW®  
FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND MULTI-UNIT  
DEVELOPMENT AGREEMENT**

FOR THE FOLLOWING STATES ONLY: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND,  
MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA,  
WASHINGTON, WISCONSIN

This Rider to State Addendum to CAMP BOW WOW® Franchise Disclosure Document (“FDD”), Franchise Agreement and Development Agreement is entered into by and between Camp Bow Wow Franchising, Inc., 7577 West 103<sup>rd</sup> Avenue, Unit 209, Westminster, Colorado 80021 (“CBW,” “we” or “us”) and \_\_\_\_\_ (“Franchisee” or “you”).

A. This Rider is being signed because you are a resident of one of the states listed in the heading of this Rider (the “Applicable Franchise Registration State”) or a non-resident who is acquiring franchise rights permitting the location of one or more CAMP BOW WOW® businesses in the Applicable Franchise Registration State.

B. We and you have contemporaneously herewith entered into a Franchise Agreement or Multi-unit Development Agreement (each, the “Agreement”) and wish to amend the Agreement as provided herein.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Agreement is hereby amended as follows:

1. The following language is hereby added to the end of the FDD and Agreement: “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.”

2. Except as provided in this Rider, the Agreement remains in full force and effect in accordance with its terms. This Rider shall be effective only to the extent that the jurisdictional requirements of the franchise law of the Applicable Franchise Registration State are met independently without reference to this Rider.

**FRANCHISEE:**

\_\_\_\_\_,  
a \_\_\_\_\_

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CBW:**

**CAMP BOW WOW FRANCHISING, INC.,  
a Delaware corporation**

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF CALIFORNIA**

This Addendum pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything that may be contained in the body of the Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The Franchise Agreement contains a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
2. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 and following).
3. The Franchise Agreement requires application of the laws of the State of Texas. This may not be enforceable in the State of California.
4. The Franchise Agreement requires you to sign a general release of claims if Franchisee 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 3100 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).
5. California Business and Professions Code Sections 20000 through 20043, the California Franchise Relations Act, provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
6. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

\_\_\_\_\_  
Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF ILLINOIS**

This Addendum pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Section 2 of the Franchise Agreement is amended by adding the following:

**2.2 Illinois Law.** Your rights upon non-renewal may be affected by Illinois law, 815 ILCS 705/19 and 705/20.

2. Section 15 of the Franchise Agreement is amended by adding the following:

**15.1 Illinois Law.** The conditions under which your franchise can be terminated may be affected by Illinois law, 815 ILCS 7051/19 and rule 200.608.

3. Section 20.1 of the Franchise Agreement is deleted in its entirety, and in its place is added:

**20.1** This Agreement shall be interpreted under the laws of the State of Illinois except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 *et seq.*). Litigation governed by the Illinois Franchise Disclosure Act will take place in the State of Illinois. Any provision in the Franchise Agreement that designates jurisdiction, limitation on actions, or venue in a forum outside the State of Illinois is amended to state that Illinois law governs the franchise relationship.

The governing law clause contained in the Franchise Agreement may not be enforceable under Illinois law. This governing law clause shall not be construed to negate the application of the Illinois Franchise Disclosure Act in all situations to which it is applicable.

In all other respects, the Franchise Agreement will be construed and enforced according to its terms. Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

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Franchisee Initials

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Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF INDIANA**

This Addendum applies to Indiana residents and to franchises to be located in the State of Indiana and is for the purpose of complying with Indiana statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The parties expressly agree that to the extent any provision in the Franchise Agreement that conflicts with the Indiana Deceptive Practices Act (the “Indiana Act”), the parties hereby amend the Franchise Agreement to the extent necessary to cause the Franchise Agreement to conform to the Act.

2. The parties expressly agree that (i) no general release given by Franchisee under any the Franchise Agreement shall operate to release, assign, waive or extinguish any liability arising under the Indiana Act; (ii) no provision in the Franchise Agreement shall limit Franchisee’s right to sue in court for violations of the Indiana Act; (iii) no provision in the Franchise Agreement which is intended to prevent Franchisee from relying on any statement or representation made before Franchisee signs the Franchise Agreement shall be applied or extend to statements contained in the Disclosure Document delivered to Franchisee before Franchisee’s execution of the Franchise Agreement; and (iv) no provision which is found to be a liquidated damages provision under Indiana law shall be enforceable against Franchisee.

3. Notwithstanding anything to the contrary contained in the Franchise Agreement, Franchisee shall have no duty to indemnify Franchisor for any liability that Franchisor may sustain as a result of Franchisee’s proper reliance on or use of any of the procedures or materials furnished by Company or for liability solely attributable to Franchisor’s negligence.

In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

\_\_\_\_\_  
Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF MARYLAND**

This Addendum applies to Maryland residents and to franchises to be located in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Any provision in the Franchise Agreement, including Sections 2, 14 and 15, or in the Statement of Franchisee, that constitutes a general release of claims is amended to provide that, pursuant to COMAR 02.02.08.161, 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.

2. The Franchise Agreement is amended to provide that Franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The Franchise Agreement is amended to provide that any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the date of the Franchise Agreement.

4. Section 3.2(a) of the Franchise Agreement is amended to add the following: The Maryland Securities Commissioner has required a financial assurance. Therefore, we have posted a surety bond, which is on file with the Maryland Securities Division.

5. Section 21 of the Franchise Agreement is amended to provide that these representations are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

6. 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.).

7. The Statement of Franchisee is amended to provide that all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

8. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

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Franchisee Initials

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Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF MINNESOTA**

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Franchisor will undertake the defense of any claim of infringement by third parties involving the CAMP BOW WOW® Mark and Franchisee will cooperate with the defense in any reasonable manner prescribed by Franchisor with any direct cost of such cooperation to be borne by Franchisor.

2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of the Franchise Agreement.

3. Nothing in the Franchise Agreement can abrogate or reduce any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. In addition, Minn. Stat. § 80C.21 and Minn. rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota.

4. Minnesota Rule 2860.4400D prohibits Franchisors from requiring franchisees to assent to a general release. The Franchise Agreement is modified accordingly, to the extent required by Minnesota law.

5. If the Franchise Agreement requires that Franchisee must consent to Franchisor obtaining injunctive relief, the Franchise Agreement shall be amended to provide that, pursuant to Minn. Rule 2860.4400J, Franchisee cannot give such consent; provided, however, nothing shall prevent Franchisor from applying to a forum for injunctive relief.

6. If the Franchise Agreement contains a limitations period for bringing claims against Franchisor which is shorter than the limitations period provided under the Minnesota Act, the Franchise Agreement shall be modified to conform to the Minnesota Act.

7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (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.

8. In all other respects, the Franchise Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

Camp Bow Wow – 2026 FDD  
Exhibit B – Franchise Agreement

\_\_\_\_\_  
Franchisor Initials

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**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF NORTH DAKOTA**

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The Sections of the Franchise Agreement requiring that Franchisee sign a general release, as a condition of renewal and or assignment, may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.

2. The Franchise Agreement and Nondisclosure and Non-Competition Agreement contain a covenant not to compete which may not be enforceable under North Dakota law.

3. The section of the Franchise Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

4. The sections of the Franchise Agreement relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

5. The section of the Franchise Agreement requiring franchisees 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.

6. Section 18.7 of the Franchise Agreement that requires Franchisee to consent to a waiver of exemplary and punitive damages shall not be enforceable in North Dakota.

7. The sections of the Franchise Agreement requiring Franchisee to agree to the mediation or arbitration of disputes at a location that is remote from the site of Franchisee's business are not enforceable. The parties shall mutually agree upon a site in North Dakota for any mediation required by the Franchise Agreement.

Except as amended herein, the Franchise Agreement will be construed and enforced pursuant to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

\_\_\_\_\_  
Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF RHODE ISLAND**

This Addendum pertains to franchises sold in the State of Rhode Island and is for the purpose of complying with Rhode Island statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. The sections of the Franchise Agreement restricting jurisdiction or venue to a forum outside the state of Rhode Island or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under Section 19-28.1-14 of the Rhode Island Franchise Investment Act. This provision shall not change the parties' agreement as to the location of mediation as required by the Franchise Agreement.

2. Except as amended herein, the Franchise Agreement will be construed and enforced pursuant to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

\_\_\_\_\_  
Franchisor Initials

**ADDENDUM TO  
CAMP BOW WOW® FRANCHISE AGREEMENT FOR THE  
STATE OF SOUTH DAKOTA**

This Addendum pertains to franchises sold in the State of South Dakota and is for the purpose of complying with South Dakota statutes and regulations. Notwithstanding anything that may be contained in the body of the Franchise Agreement to the contrary, the Franchise Agreement is amended as follows:

1. Notwithstanding anything to the contrary in the Franchise Agreement, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern shall be governed by the laws of the State of South Dakota.

2. Franchisee shall not be required to submit to venue or forum outside the State of South Dakota for any claims that Franchisee may have under the South Dakota Franchises for Brand-Name Goods and Services Law.

3. Except as amended herein, the Franchise Agreement will be construed and enforced pursuant to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Franchisee Initials

\_\_\_\_\_  
Franchisor Initials

**ADDENDUM TO THE  
CAMP BOW WOW® FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT,  
AND ALL RELATED AGREEMENTS FOR THE  
STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is

terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor.

As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Franchisor Representative

\_\_\_\_\_  
Signature of Franchisee Representative

\_\_\_\_\_  
Title of Franchisor Representative

\_\_\_\_\_  
Title of Franchisee Representative

**ATTACHMENT E  
ADOPTION AGREEMENT**

FRANCHISEE ADOPTION AGREEMENT (this “**Adoption Agreement**”) is executed and delivered as of this \_\_\_ day of \_\_\_\_\_, by and between Gingr, LLC (“**Company**”) and \_\_\_\_\_, (“**Franchisee Customer**”), a franchisee of Camp Bow Wow Franchising, Inc. (“**Franchisor**”).

Reference is hereby made to that certain Master Software as a Service Agreement by and between Company and Franchisor dated \_\_\_\_, 2026 (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the “**Master Agreement**”). Capitalized terms used but not defined in this Adoption Agreement shall have the meaning given to them in the Master Agreement.

Franchisee Customer, as franchisee, has or will execute a franchise agreement with Franchisor, as franchisor (the “**Franchise Agreement**”). Under the terms of the Franchise Agreement, Franchisee Customer agrees to utilize the Services. Accordingly, Franchisee Customer does hereby adopt and agrees to be bound by the terms of the Master Agreement as a Customer thereunder, and hereby agrees to be liable for the performance in full of its obligations arising under the Master Agreement and agrees to all of the terms and provisions of the Master Agreement applicable to it as a Customer thereunder. From and after the date hereof, each reference to “Customer” in the Master Agreement shall be deemed to refer to the Franchisee Customer, as applicable, and such Franchisee Customer shall be bound by the terms and provisions of the Master Agreement as if Franchisee Customer was an original signatory thereto and shall be deemed to be, and entitled to all of the rights and subject to all of the obligations of, the Customer for purposes of the Master Agreement. Company agrees to be bound to Franchisee Customer under the terms and conditions of the Master Agreement for purposes of Company’s performance of its obligations under the Master Agreement. Company and Franchisee Customer acknowledge and agree that Franchisee Customer is solely responsible for its obligations under the Master Agreement as they apply to Franchisee Customer and its Facility, and, except as otherwise provided for in Section 3, in no event will Franchisor be responsible for Franchisee Customer’s obligations thereunder, unless and until Franchisor has expressed assumed such obligations in writing.

In witness whereof, the undersigned have caused this Adoption Agreement to be duly executed and delivered as of the date first above written.

FRANCHISEE CUSTOMER:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

GINGR, LLC:

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
  
CAMP BOW WOW  
FRANCHISING, INC.  
  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## ATTACHMENT F TO FRANCHISE AGREEMENT TRANSFER ADDENDUM

THE CAMP BOW WOW FRANCHISING INC. FRANCHISE AGREEMENT (“**Agreement**”) between \_\_\_\_\_ (“**you**” or “**your**”) and Camp Bow Wow Franchising, Inc., a Delaware corporation located at 2542 Highlander Way, Carrollton, Texas 75006 (“**we, us, or our**”) as of the date signed by us and set forth opposite our signature on this Addendum (the “**Effective Date**”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement (the “**Addendum**”):

Certain provisions contained in the Agreement are amended to be consistent with your purchase of an existing Franchised Business.

### INCORPORATION OF TERMS OF AGREEMENT

This Addendum shall amend and supplement the Agreement simultaneously executed by the parties herein. The terms, covenants, and conditions of this Addendum are incorporated into the Agreement, and with respect to any conflict between the two agreements, the terms of this Addendum shall be controlling with respect to the subject matter thereof.

### AMENDMENTS TO THE AGREEMENT

The Agreement shall be amended as follows:

1. The first paragraph of Section 3.2.b. (*Royalties*) shall be deleted in its entirety and the following shall be substituted in lieu thereof:

A continuing monthly royalty fee (“**Royalty Fee**”) equal to the greater of (i) 7% of Net Revenue for all Products and Services provided in or through the Camp, or (ii) the minimum monthly royalty from the table below, if 7% of Franchisee’s Net Revenue for the month is less than the amounts set forth in the table (the “**Minimum Monthly Royalty**”). The monthly royalty fee is paid semimonthly as further set forth below, but the Minimum Monthly Royalty is calculated on a monthly basis.

2. Section 5.1.a. through f. (*Pre-Opening Assistance*) of the Agreement shall be deleted in their entirety.
3. Section 6.1.a. through d.(i). (*Development of the Camp Site*) and 6.1.e. shall be deleted in their entirety.
4. The following shall be added to the end of Section 6.7.c. (*Camp Site*):

You agree to bring the Camp Site into compliance with CBW’s current décor and equipment standards five (5) years from the transfer of the Franchised Business.

5. Section 6.9.a. (*Initial Camp Services Training*) shall be deleted in its entirety.

6. Marketing

Section 6.10.a.(ii.) of the Agreement (*Camp Launch Advertising*) shall be deleted in its entirety.

7. 12.2.b.(ii.8.) (*Requirements of Transfer*) shall be deleted in its entirety.

8. Banking, Fees and Payment

Attachment A – Section 3 (*Franchise Fee*) and Section 12.2.b.(ii.9) of the Agreement shall be deleted in its entirety and the following shall be substituted in lieu thereof:

You agree to pay us a transfer fee which shall be the greater of either (i) 50% of the then-current Initial Franchise Fee, or (ii) 2% of the total sales price up, capped at 100% of the then-current initial franchise fee, plus any broker fees and other out-of-pocket costs incurred by us. The transfer fee shall be deemed fully earned and nonrefundable upon execution of this Agreement in consideration of the costs and expenses associated with reviewing the transfer and training cost for the Transferee.

**IN WITNESS WHEREOF**, you acknowledge that you have read and understood the contents of this Addendum, that you have had an opportunity to obtain the advice of counsel, and that you intend to comply with this Addendum and be bound thereby the parties have executed and delivered this Addendum to the Agreement on the dates noted below, to be effective as of the Effective Date.

**Camp Bow Wow Franchising,  
Inc.,  
a Delaware corporation**

By: \_\_\_\_\_  
Name: Catherine Monson  
Title: CEO  
**DATED\***: \_\_\_\_\_  
(\*Effective Date of Agreement)

**FRANCHISEE:**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**ATTACHMENT G TO FRANCHISE AGREEMENT  
RENEWAL ADDENDUM**

This **ADDENDUM TO CAMP FRANCHISE AGREEMENT** (this “Addendum”) is made on \_\_\_\_\_ (the “Effective Date”), by and between \_\_\_\_\_ (the “Franchisee”) and Camp Bow Wow Franchising, Inc., a Delaware corporation (hereinafter “CBW” or “Franchisor”), as follows:

RECITALS

**WHEREAS**, CBW and Franchisee entered into that certain “Franchise Agreement” dated \_\_\_\_\_, through which Franchisee obtained the license to develop and operate a Camp Bow Wow® franchised business (the “Business”) in the \_\_\_\_\_ area, known as the “Authorized Territory”);

**WHEREAS**, under the terms of the Original Franchise Agreement, the Original Franchise Agreement expires on \_\_\_\_\_ (“Original Agreement”), and Franchisee wishes to renew its license to operate a Camp Bow Wow® franchised business in the \_\_\_\_\_ area, pursuant to Section 2 of the Original Agreement;

**WHEREAS**, the expiration date of the Original Agreement shall be \_\_\_\_\_;

**WHEREAS**, upon expiration of the Original Term of the Original Agreement, the Renewal Franchise Agreement and all of the terms and conditions under the Renewal Franchise Agreement shall be deemed effective on \_\_\_\_\_ (“**Renewal Effective Date**”)

**WHEREAS**, CBW is willing to permit Franchisee to renew, provided that it executes CBW’s current form of “Camp Franchise Agreement” as of the date hereof (the “New Franchise Agreement”); and,

**WHEREAS**, CBW and Franchisee wish to amend and revise certain provisions of the New Franchise Agreement to make it applicable to the renewal of Franchisee’s license, all in accordance with the terms and conditions of this Addendum.

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. Payment of Renewal Fee. Pursuant to Section 2.2.k. of the Original Franchise Agreement, upon executing this Franchise Agreement, the Franchisee must pay a non-refundable renewal fee (“Renewal Fee”) in the amount of 50% of the then-current Initial Franchise Fee. The Franchisor will invoice the Franchisee and withdraw the Renewal Fee from the Franchisee’s business account within ten (10) days of the Franchisee’s receipt of the invoice. The Renewal Fee

is non-refundable and fully earned upon payment to cover the Franchisor's administrative and legal expenses for the renewal and any lost or deferred opportunities.

2. Subsections 3.2.b. (Banking, Fees and Payment), the first paragraph shall be deleted in its entirety and replaced with the following:

*“Royalties. A continuing monthly royalty fee (“**Royalty Fee**”) equal to the greater of (i) 7% of Net Revenue for all Products and Services provided in or through the Camp, or (ii) the minimum monthly royalty from the table below, if 7% of Franchisee’s Net Revenue for the month is less than the amounts set forth in the table (the “**Minimum Monthly Royalty**”). The monthly royalty fee is paid semimonthly as further set forth below, but the Minimum Monthly Royalty is calculated on a monthly basis.”*

3. Initial Camp Services Training. The first sentence of Subsection 6.9.a. shall be deleted.

4. Camp Launch Advertising. Subsection 6.10.a.ii. shall be deleted in its entirety.

5. Modernization Requirements. Franchisee shall, at its sole cost and expense, complete all improvements, upgrades, modifications, and replacements necessary to bring the Franchised Business into full compliance with the Franchisor’s then-current system standards, including, without limitation, all requirements related to Franchisor’s rebranding initiatives (“Modernization Requirements”). Franchisee shall complete the Modernization Requirements no later than \_\_\_\_\_.

6. Confidentiality. You and we agree to keep confidential the terms of this Addendum, and further agree not to disclose this Addendum or its terms to any person except your tax preparer, accountant, attorney and anyone else necessary to your performance of the Franchise Agreement and this Addendum upon order by a court of competent jurisdiction, or as may be necessary to enforce their respective rights under this Addendum, or as required by law.

7. Miscellaneous.

a. Capitalized Terms. All capitalized terms in this Addendum have the same meaning as used in the New Franchise Agreement.

b. No Further Changes. Except as provided herein, the New Franchise Agreement shall remain in full force and effect as originally written and executed. In the event of any conflict between the terms of this Addendum and the New Franchise Agreement, the terms of this Addendum shall control.

c. Counterparts. This Addendum may be executed in several counterparts, each of which shall constitute an original, but all of which shall be taken together and shall constitute one and the same agreement. Facsimile or email transmission of any signed original document and the

retransmission of any signed facsimile transmission shall be the same as delivery of the original signed document.

d. Time of Essence. Time is of the essence with respect to the performance of each and every provision of this Addendum.

e. Captions. The captions in this Addendum are solely for the convenience and for the purpose of referencing sections, in no way do the captions define, limit, describe or construe the contents of such sections or the intent or scope of this Addendum or any part thereof.

f. Choice of Law; Mediation and Arbitration. This Addendum shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict-of-laws principles. Any dispute, claim, or controversy arising out of or relating to this Addendum shall be subject to the same dispute resolution procedures outlined in Sections 19 and 20 of the Agreement, including the requirement that the parties first submit any dispute to mediation before initiating binding arbitration. All arbitration proceedings shall be conducted in Dallas, Texas, and any judgment on the arbitration award may be entered in any court having jurisdiction.

g. No Construction Against Drafting Party. This Addendum shall not be construed more strictly against one party than the other merely by virtue of the fact that it has been prepared by counsel for one of the parties, it being recognized that Franchisee has been advised to seek legal counsel and has had the opportunity to contribute substantially and materially to the terms and preparation of this Addendum.

h. Waiver. No provision of this Addendum shall be interpreted as a waiver by CBW of any section, obligation or duty imposed upon Franchisee by the New Franchise Agreement, except as set forth herein. No consent or waiver, expressed or implied, granted by either party to this Addendum, regarding any breach or default by the other party in the performance of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default. Failure on the part of either party to complain of any act or omission of the other party, or to declare any such party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

i. Severability. If any provision of this Addendum or application to any party or circumstances shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Addendum or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

j. Notices. Any notice, request, demand, consent, approval, or other communication required or permitted under this Addendum must be given in accordance with the requirements of the New Franchise Agreement.

IN WITNESS WHEREOF, the parties have executed this ADDENDUM TO CAMP FRANCHISE AGREEMENT on the date indicated above.

**Camp Bow Wow Franchising,  
Inc.,  
a Delaware corporation**

By: \_\_\_\_\_  
Name: Catherine Monson  
Title: CEO

**DATED\*:** \_\_\_\_\_  
(\*Effective Date of Agreement)

**FRANCHISEE:**

\_\_\_\_\_  
a \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**EXHIBIT C**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**FINANCIAL STATEMENTS**

# Propelled Brands Franchising, LLC and Subsidiaries

Consolidated Financial Statements  
Years Ended December 31, 2025 and 2024

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



# **Propelled Brands Franchising, LLC and Subsidiaries**

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## **Consolidated Financial Statements**

Years Ended December 31, 2025 and 2024

# Propelled Brands Franchising, LLC and Subsidiaries

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www.bdo.com

600 North Pearl, Suite 1700  
Dallas, TX 75201

## **Independent Auditor's Report**

Board of Directors  
Propelled Brands Franchising, LLC and Subsidiaries  
Carrollton, Texas

### ***Opinion***

We have audited the consolidated financial statements of Propelled Brands Franchising, LLC (the "Company"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 Consolidated Financial Statements***

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

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



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

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

In performing an audit in accordance with GAAS, we:

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

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

*BDO USA, P.C.*

April 27, 2026

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Balance Sheets

<i>As of December 31,</i>	2025	2024
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 7,317,851	\$ 3,381,206
Accounts receivable - net	6,784,879	5,930,192
Current portion of notes receivable - net	210,629	74,080
Amounts due from affiliates	326,305	632,545
Prepaid expenses	4,506,910	3,809,171
Other current assets	293,729	663,352
<b>Total current assets</b>	<b>19,440,303</b>	<b>14,490,546</b>
Fixed assets - net	20,524,625	20,045,057
Right of use assets - net	63,631,973	71,627,959
Other intangibles - net	125,423,470	133,436,739
Goodwill - net	319,750,443	321,410,147
Notes receivable, less current portion - net	546,223	146,648
Other assets	2,834,382	3,235,717
<b>Total assets</b>	<b>\$ 552,151,419</b>	<b>\$ 564,392,813</b>

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Balance Sheets (continued)

<i>As of December 31,</i>	2025	2024
<b>Liabilities and Member's Equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 440,250	\$ 749,971
Accrued liabilities	14,474,463	13,058,295
Current portion of deferred revenue	2,969,490	3,717,216
Current portion of lease liabilities	7,105,172	6,754,767
Income tax payable	8,548,316	6,628,082
<b>Total current liabilities</b>	<b>33,537,691</b>	<b>30,908,331</b>
Deferred revenue - less current portion	7,360,307	7,877,518
Deferred tax liabilities	15,500,896	16,404,050
Lease liabilities - less current portion	59,904,166	66,154,033
Other long-term liabilities	396,220	396,220
<b>Total liabilities</b>	<b>116,699,280</b>	<b>121,740,153</b>
<b>Commitments and Contingencies (Note 8)</b>		
<b>Member's equity</b>		
Common stock, \$1.00 par value		
Authorized shares - 100,000 issued and outstanding shares - 1,000	1,000	1,000
Additional paid-in capital	335,826,515	363,125,409
Retained earnings	99,682,434	79,627,020
Accumulated other comprehensive loss	(57,810)	(100,769)
<b>Total member's equity</b>	<b>435,452,139</b>	<b>442,652,660</b>
<b>Total liabilities and member's equity</b>	<b>\$ 552,151,419</b>	<b>\$ 564,392,813</b>

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Operations

<i>For the years ended December 31,</i>	2025	2024
<b>Revenues</b>		
Franchise sales	\$ 4,040,916	\$ 4,110,484
Royalties	76,499,157	69,773,999
Rental income	18,026,839	17,316,296
Other revenue	6,601,292	6,989,429
Total revenues	105,168,204	98,190,208
<b>Costs and expenses</b>		
Cost of goods sold	2,272,016	2,349,027
Selling, general, and administrative	61,919,603	66,485,526
Depreciation and amortization	12,006,192	11,002,904
Total costs and expenses	76,197,811	79,837,457
Operating Income	28,970,393	18,352,751
<b>Other income/(expenses)</b>		
Interest income	183,628	272,192
Foreign currency exchange loss	(13,656)	(27,516)
(Loss) gain on disposal/sale of assets	(248,388)	19,157
Other expense	-	(27,188)
Total other (expense)/income, net	(78,416)	236,645
Income before taxes	28,891,977	18,589,396
Income tax expense	8,836,563	8,921,146
<b>Net income</b>	<b>\$ 20,055,414</b>	<b>\$ 9,668,250</b>

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Changes in Member's Equity

	Common Shares	Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
<b>Balance at December 31, 2023</b>	1,000	\$ 1,000	\$ 297,598,135	\$ 69,958,770	\$ -	\$ 367,557,905
Parent Company transactions - net	-	-	64,286,913	-	-	64,286,913
Share-based compensation	-	-	1,240,361	-	-	1,240,361
Net income	-	-	-	9,668,250	-	9,668,250
Foreign currency translation adjustment	-	-	-	-	(100,769)	(100,769)
<b>Balance at December 31, 2024</b>	1,000	\$ 1,000	\$ 363,125,409	\$ 79,627,020	\$ (100,769)	\$ 442,652,660
Parent Company transactions - net	-	-	(28,088,554)	-	-	(28,088,554)
Share-based compensation	-	-	789,660	-	-	789,660
Net income	-	-	-	20,055,414	-	20,055,414
Foreign currency translation adjustments	-	-	-	-	42,959	42,959
<b>Balance at December 31, 2025</b>	1,000	\$ 1,000	\$ 335,826,515	\$ 99,682,434	\$ (57,810)	\$ 435,452,139

See accompanying notes to consolidated financial statements.

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Cash Flows

<i>For the years ended December 31,</i>	<b>2025</b>	<b>2024</b>
<b>Operating activities</b>		
Net income	\$ 20,055,414	\$ 9,668,250
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt (recovery), net	147,756	(85,758)
Depreciation & amortization	11,985,125	10,981,870
Share-based compensation expense	789,660	1,240,361
Loss (gain) on disposal/sale of assets, net	9,174	(16,112)
Bargain purchase price gain on acquisition	-	(34,687)
Capital asset impairment	381,701	-
Intangible impairment	1,659,704	62,667
Right-of-use impairment	1,004,526	-
Deferred income taxes	(903,155)	(796,605)
Amortization of right-of-use asset	5,444,292	5,445,542
Changes in operating assets and liabilities, net of businesses acquired:		
Accounts and notes receivable, trade	(1,039,452)	17,519
Amount due to/from affiliate	306,240	(146,517)
Prepaid expenses	(757,436)	(804,878)
Other assets	770,958	207,052
Income taxes payable	1,920,234	1,738,564
Accounts payable	(522,542)	(1,294,518)
Accrued liabilities	988,604	(1,665,508)
Other long-term liabilities	(517,211)	(1,302,860)
Deferred revenue	(550,621)	(1,547,373)
Operating lease obligation	(4,332,820)	(3,679,126)
<b>Net cash provided by operating activities</b>	<b>36,840,151</b>	<b>17,987,883</b>
<b>Investing activities</b>		
Capital expenditures	(4,898,723)	(6,098,198)
Proceeds from sale of assets, net	50,810	333,181
Proceeds from collection of seller financed note	63,897	-
Acquisition of a business, net of cash	-	(81,095,967)
<b>Net cash used in investing activities</b>	<b>(4,784,016)</b>	<b>(86,860,984)</b>
<b>Financing activities</b>		
Payments on finance lease	(19,474)	(23,369)
Net advances from (to) parent	(28,088,554)	64,286,913
<b>Net cash (used in) provided by financing activities</b>	<b>(28,108,028)</b>	<b>64,263,544</b>
Effect of exchange rate changes on cash and cash equivalents	(11,462)	(56,289)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,936,645</b>	<b>(4,665,846)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>3,381,206</b>	<b>8,047,052</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 7,317,851</b>	<b>\$ 3,381,206</b>

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Cash Flows

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Supplemental disclosure:

Cash paid for income taxes	\$	930,446	\$	1,099,291
Cash received for interest	\$	186,407	\$	275,826

Supplemental noncash disclosures:

Fixed assets purchased and unpaid, included in accounts payable and accrued liabilities	\$	588,375	\$	1,130,904
Operating right-of-use assets obtained in exchange for right-of-use liabilities	\$	107,459	\$	14,095,874
Operating right-of-use assets sold in exchange for right-of-use liabilities	\$	-		(373,849)
Non-cash impact on lease modifications	\$	1,673,283	\$	2,498,318
Non-cash impact of net (unfavorable) and favorable leases acquired in a business combination	\$	-	\$	(279,145)
Issuance of note receivable for business divestiture	\$	613,412	\$	-

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### 1. Organization and Basis of Presentation

Propelled Brands Franchising, LLC (the “Company”), a Delaware limited liability company, was formed on December 28, 2021 and directly or indirectly wholly owns all of the outstanding stock of FASTSIGNS International, Inc. (“FII”), Suite Management Franchising, LLC (“SMF”), SMF Corporate Stores, LLC (“SMC”), GTN Capital Group, LLC (“GTN”), More Than IT LLC (doing business as NerdsToGo “NTG”), Camp Bow Wow Franchising, Inc. (“CBF”), CBW Operating, Inc. (“CBO”), and Propelled Brands Franchising Canada, Inc. (“PBC”).

FII sells franchises for the operation of B2B business establishments known as FASTSIGNS Centers. FII franchises directly in the United States, the United Kingdom and Grand Cayman. The franchises operate primarily in the United States. In addition, FII sells and supports master or area franchises in Australia, Chile, and Malta. The FASTSIGNS franchise business specializes in selling, marketing, producing and installing visual communications including signs (both non-electrical and electrical), graphics, banners, flags, vehicle graphics, vehicle wraps, wayfinding signage, compliance signs, dimensional letters, dimensional signage, ready-to-apply lettering, exhibits and displays, decals and labels, exhibits, trade show and other displays, digital imaging, printing (including small format, large format and grand format), advertising and promotional products (including wearables), electronic or digital signage, logo/artwork design and illustration, product wraps and other related graphics, marketing services and complementary products and services. As of December 31, 2025 and 2024, there were 793 and 789, respectively, franchised locations in operation, both nationally and internationally.

SMF operates a franchising business that provides others with the opportunity to operate a salon suite business, serving as a property owner and business consultant to health and beauty professionals, and renting private individualized space to the professionals. SMC operates company-owned salon suite properties. As of December 31, 2025, there were 321 franchised locations and 51 corporate locations in operation. As of December 31, 2024, there were 303 franchised locations and 51 corporate locations in operation.

GTN operated a franchising business that provided others with the opportunity to operate a technology sales, repair and service business under the service mark “NerdsToGo” and provided a wide variety of Information Technology solutions for small to medium sized businesses and homes through mobile service vans and service centers. Effective June 30, 2025, the Company completed the sale of assets, including the service mark, related to GTN to Techy USA. Effective June 2024, the Company closed the single company center, NTG. As of December 31, 2025, there were no franchised or corporate locations in operation under the Company ownership. As of December 31, 2024, there were 31 franchised locations and no corporate location in operation.

CBF operates a franchising business that provides others with the opportunity to operate a dog care services business under the trademark “CAMP BOW WOW®” offering specialized pet care services through fixed store locations and mobile units, from dog boarding and dog daycare to grooming, training, and enrichment. CBO, a wholly owned subsidiary of CBF, operates a single company-owned center. As of December 31, 2025, there were 225 franchised locations and 1 corporate location in operation. As of December 31, 2024, there were 223 franchised locations and 1 corporate location in operation.

PBC sells and operates a franchising business in Canada for all franchising brands owned by the Company. Each Canadian franchised location is included in the location count of the specific brand.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

### *Acquisitions and Divestitures*

On June 30, 2025, the Company completed the divestiture of GTN. The divestiture included a sale of net assets to Techy USA, LLC for total consideration of \$664,222. Initial cash proceeds were paid at closing and the remaining \$613,412 consideration will be paid over 48 installments per the executed APA Adjustable Promissory Note with an effective interest rate of 4.00%. The promissory note includes adjustment periods scheduled for July 1, 2026 and 2027 where the remaining principal amount is adjusted based on ongoing royalty collection. The Company recorded a net loss of \$1,802,191 on the divestiture of GTN. The net loss impact is recorded within selling, general, and administrative expenses in the consolidated statements of operations. The divestiture does not represent a strategic shift that has a major effect on the Company's operations or financial results; therefore, it is not presented as discontinued operations.

*The total divestiture details are as follows:*

Cash	\$	50,810
Adjustable promissory note		613,412
Total consideration		664,222
<u>Assets</u>		
Accounts receivable		(84,548)
Tradenames		(652,672)
Inventory		(59,697)
Notes receivable		(20,271)
Goodwill impairment		(1,659,704)
Software assets impairment		(134,614)
Total assets		(2,611,506)
<u>Liabilities</u>		
Accrued liabilities		2,665
Advertising fund		14,793
Customer deposits		18,250
Net deferred revenue		109,385
Total liabilities		145,093
Net loss on divestiture	\$	(1,802,191)

On January 31, 2024, the Company executed an equity purchase agreement for Camp Bow Wow Franchising, Inc. acquiring 100% of voting equity interests in CBF. The purchase price of the acquisition was made in cash contributed from the Parent. Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 805, *Business Combinations*, establishes the accounting and reporting requirements for when an acquirer obtains control of one or more businesses. It requires the use of the acquisition method, which mandates that the acquirer recognizes and measures all identifiable assets acquired and liabilities assumed at their fair values as of the acquisition date. At acquisition, \$77,606,654 was allocated to the assets acquired and liabilities assumed by the Company based on third-party valuation studies and management estimates of their fair value in accordance with FASB ASC Topic 805.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

*The total purchase price was allocated as follows:*

Cash and cash equivalents	\$	735,160
Accounts receivable, net		695,453
Prepaid expenses		1,053,944
Other current assets		134,402
Fixed Assets		1,029,772
Right of use assets		1,108,595
Other intangibles assets		58,555,000
Goodwill		19,637,260
Other long-term assets		33,432
Accounts payable		(415,742)
Accrued liabilities		(1,250,935)
Deferred revenue		(2,445,698)
Income tax payable		(33,766)
Other long-term liabilities		(121,628)
Lease liabilities		(1,108,595)
<b>Total consideration</b>	<b>\$</b>	<b>77,606,654</b>

The Company does expect to deduct the resulting goodwill for tax purposes. The Company incurred \$1,480,792 of transaction costs for the year ended December 31, 2024, and are included in the accompanying consolidated statement of operations.

### ***Acquisition of SMF Corporate locations***

The Company executed asset purchase agreements on January 30, 2024 for 2 corporate salon suite locations owned by Mera Studio Suites, LLC and on August 1, 2024 for 1 corporate salon suite location owned by Pylons, LLC, both third parties. The acquisitions were paid in cash and partially funded by capital contributed from the Parent. These purchases were made as part of the Company's strategic growth initiative to expand the SMC corporate locations.

The total cash consideration paid of \$4,224,473 was allocated to the assets acquired and liabilities assumed by the Company based on management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the date of acquisition. The company recognized a \$34,687 bargain purchase gain on its single salon suite acquisition from Pylons, LLC primarily related to additional construction change order costs not previously agreed to in the purchase agreement.

*The total purchase prices were allocated as follows:*

Property and equipment	\$	3,184,785
Right of use assets		6,416,431
Goodwill		1,505,262
Working capital		(135,288)
Deferred revenue		(16,454)
Lease liabilities		(6,695,576)
Bargain purchase price gain		(34,687)
<b>Total consideration</b>	<b>\$</b>	<b>4,224,473</b>

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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The Company does expect to deduct the resulting goodwill for tax purposes. The Company incurred \$172,181 of transaction costs for the year ended December 31, 2024, which are included in the accompanying consolidated statement of operations.

### 2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of these consolidated financial statements.

#### *Cash and Cash Equivalents*

The Company considers all highly liquid investments with maturities of three months or less to be cash equivalents. The Company maintains cash in financial institutions, which at times may exceed federally insured limits. The Company believes it is not exposed to any significant credit risk on such accounts. As of December 31, 2025 and 2024, cash and cash equivalents include \$417,807 and \$349,278, respectively, held in foreign bank accounts.

The Company maintains some of its cash in U.S. transaction accounts which are insured by the Federal Deposit Insurance Corporation up to a maximum of \$250,000 per depositor. As of December 31, 2025, the Company's uninsured deposits in its deposit accounts with a U.S. bank totaled approximately \$6,650,044. The Company does not believe the unsecured funds are at risk.

#### *Financial Instruments*

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of accounts and notes receivable related to royalties owed by franchisees. Credit risks with respect to royalty receivables are limited due to the large number of franchisees comprising the Company's franchisee base. The Company performs ongoing evaluations of the franchisees' financial condition and maintains allowances for potential credit losses which, when incurred, have been within the range of management expectations.

#### *Accounts Receivable*

Accounts receivable consists primarily of royalty billings to franchisees and are due within 30 days. Accounts receivables are stated at amounts net of an allowance for credit losses. The allowance for credit losses is estimated based on historical collectivity, aging of receivables and other factors such as franchisee performance or circumstances that may impact the Company's ability to collect against those receivables. Accounts receivables are written off through the allowance account when it is determined the receivable will not be collected. Accounts receivable may also be converted to notes receivable due from franchisees at the discretion of the Company.

Changes in the Company's allowance for credit losses, including accounts and notes receivable, for the years ended December 31 are as follows:

	2025	2024
Beginning balance	\$ 823,837	\$ 1,061,465
Bad debt, net losses/(recoveries)	147,756	(85,758)
Write-offs charged against the allowance	(355,250)	(151,870)
Ending balance	\$ 616,343	\$ 823,837

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### **Notes Receivable**

Notes receivable in the ordinary course of business are primarily due from franchisees and bear interest at rates per annum ranging from 0% to 10% and are generally secured by the assets of the related stores. The notes receivable balance as of December 31, 2025 and 2024 were \$806,915 and \$269,379, respectively. The allowance for credit losses balance related to notes receivable was \$50,063 and \$48,651 as of December 31, 2025 and 2024, respectively. The loan from Techy LLC associated with the divestiture of GTN in 2025 increased the ending note receivable by \$549,515.

### **Fixed Assets**

Fixed assets associated with an acquisition are recorded at fair value at the date of acquisition and subsequent purchases are recorded at cost. Depreciation is determined using the straight-line method over the estimated useful lives of the assets for financial reporting purposes. Furniture, equipment and internally developed software have an estimated useful life of three to seven years, and leasehold improvements are amortized over the shorter of the life of the lease or the useful life of the assets. Maintenance and repairs are charged to expense as incurred.

The Company reviews the carrying value of fixed assets for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable. The factors considered by management in performing this assessment include current operating results, trends and prospects, as well as other economic factors. The Company recorded fixed asset impairments of \$381,701 and \$0 as of December 31, 2025 and 2024, respectively.

### **Goodwill and Other Intangible Assets**

Goodwill represents the excess of consideration transferred over the fair value of the tangible and intangible net assets acquired. Intangible assets are recorded at their fair value at the date of acquisition.

Under FASB ASC 350, Intangibles, Goodwill and Other (“ASC 350”), the Company does not amortize goodwill and determines if intangibles have a finite future life and should be amortized or an indefinite life not subject to amortization. Finite and indefinite lived intangibles are evaluated for impairment when current facts or circumstances indicate that the carrying value of the assets may not be recoverable and/or if there is a change in the useful life of the finite intangible. Amortization is recorded using the straight-line method over the following estimated useful lives of the asset:

Trade names	10 years to indefinite
Program materials	3 years
Internally developed software	3 years
Franchise agreements	1-20 years

In accordance with ASC 350, the Company evaluates goodwill for impairment whenever events or changes in circumstances indicate that the fair value of the entity may be below its carrying amount. When necessary, a goodwill impairment loss is measured as the amount by which the carrying amount of the Company, including goodwill, exceeds its fair value. Any goodwill impairment loss determined shall not exceed the carrying amount of goodwill.

The Company recorded \$1,659,704 and \$62,667 of goodwill and intangible impairment losses in 2025 and 2024 related to the divestiture of GTN and the closure of NTG, respectively.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### *Income Taxes*

The Company is a single member limited liability company that is disregarded for federal tax reporting purposes. The Company is included in a consolidated Federal tax return with its parent company Propelled Brands Holdings, Inc. FII, CBF and CBO are regarded corporate taxpayers. SMF, SMC, GTN, and NTG are all single member limited liability companies that are disregarded for federal tax reporting. The consolidated financial statements for the Company have been prepared as if the Company was a stand-alone taxpayer for the regarded corporate entities FII, CBF and CBO only.

Deferred tax assets and liabilities are determined based on differences between the financial reporting and income tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

The Company accounts for uncertain tax provisions using a two-step process. The Company first determines whether it is more-likely-than-not that a tax position will be sustained upon examination. If a tax position meets the more-likely-than-not threshold it is then measured to determine the amount of expense to record in the consolidated financial statements. The tax position is measured as the largest amount of expense with a greater than 50 percent likelihood of being realized upon ultimate settlement. Penalties and interest incurred are recognized in income tax expense.

### *Revenue Recognition*

The Company's revenues consist of franchise sales including initial franchise fees, franchise re-sale transfer fees, and renewal franchise fees, royalties based on a percent of franchisee sales, salon suite rental income, and other revenue including sales of equipment, services, supplies and inventory. Some franchises are master franchise arrangements with development rights across a defined territory or multiple territories. Typical agreements governing the franchise relationship range from 10 to 20 years in length, whereby the initial franchise and transfer fees are typically collected upon agreement execution and prior to the start of the Company's performance obligations.

The Company recognizes revenue in accordance with FASB ASC Topic 606 (which addresses revenue from contracts with customers) and Topic 842 (which addresses lease revenue with the adoption of ASC 842 as of January 1, 2022).

The Company has defined its distinct and non-distinct performance obligations required under the terms of the various contracts. For its franchise agreements, the Company believes that portions of certain services, training, site selection and development services, benefit the Franchisee without its use of the license and are therefore considered distinct performance obligations separable from the franchise right. Performance obligations for training, site selection and development services are generally satisfied as of the opening of a franchise center or contract date. To allocate the initial franchise, transfer, and renewal fees to the associated performance obligations, the Company uses an expected cost-plus margin approach to determine the amount of the distinct services obligations. This total distinct amount is recognized upfront, and the remaining non-distinct portion of the total franchise fee is allocated to symbolize intellectual property and recognized over the agreement period. Certain franchise agreements may also include a financing component, but the Company has determined that the total interest amount related to these franchise agreements is immaterial to its consolidated financial statements.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Royalties are generally based on a percent of franchisee sales differing by brand ranging from 2% to 8% and are recognized at the time the underlying franchisee's sales occur. Advertising fund revenue for all brands other than FII are included in royalty revenue. The FASTSIGNS National Advertising Fund is a standalone entity owned solely by the FASTSIGNS franchisees and is therefore not included in the accompanying consolidated statement of operations.

To secure new franchises, the Company uses its sales force, and in certain instances, third party brokers to obtain leads for new franchise arrangements. The costs for internal sales commissions and third-party broker fees are amortized over the agreement term of each respective contract starting from the opening date of the franchise center.

Balance sheet balances related to ASC 606 consists of the following on December 31:

	2025	2024
Deferred Revenue		
Current deferred revenue	\$ 2,969,490	\$ 3,717,216
Non-current deferred revenue	7,360,307	7,877,518
<b>Total deferred revenue</b>	<b>\$ 10,329,797</b>	<b>\$ 11,594,734</b>
Deferred Expense		
Current deferred expense (included in prepaid expenses)	\$ 1,047,331	\$ 1,148,185
Non-current deferred expense (included in other assets)	2,665,388	3,013,200
<b>Total deferred expense</b>	<b>\$ 3,712,719</b>	<b>\$ 4,161,385</b>

Changes in the Company's deferred revenue, for the years ended December 31 are as follows:

<i>Year ended December 31,</i>	2025	2024	2023
<b>Balance</b> , beginning of year	\$ 11,594,734	\$ 11,980,171	\$ 13,451,178
Net fees received from Franchise sales and transfer fees	3,299,584	1,443,557	1,884,627
Franchise sales and transfer fees revenue recognized	(4,040,916)	(4,110,484)	(3,508,446)
Net change from non-franchise sales and transfer fees	(41,104)	-	-
Deferred revenue valued in acquisitions	-	2,444,651	152,812
Deferred revenue transferred in asset sale	(482,501)	(163,161)	-
<b>Balance</b> , end of year	<b>10,329,797</b>	<b>11,594,734</b>	<b>11,980,171</b>
Less: current	(2,969,490)	(3,717,216)	(2,949,793)
<b>Deferred Franchise Revenues</b> , net of current	<b>\$ 7,360,307</b>	<b>\$ 7,877,518</b>	<b>\$ 9,030,378</b>

Under ASC 842, Leases, the Company sublets compartmentalized spaces to non-related parties at a weekly rate for periods of generally one year (lessor). These lessor transactions do not transfer ownership to the lessee and with lease terms substantially shorter than the life of the underlying

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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asset, the Company characterizes these as operating leases under ASC 842. The Company recognizes rental income on a weekly basis over the life of the lease as collectability is probable.

Other revenue earned was \$6,601,292 and \$6,989,429 for the years ending December 31, 2025 and 2024, respectively. Other revenue is comprised of three major categories: franchisee new center openings which includes the sale of equipment and location finishings, vendor rebates, other services related to opening a new franchise center; the sale of goods and services by all brands including the Company's CAMP BOW WOW® and NerdsToGo corporate stores; and ongoing franchisee support services provided by the franchisor.

Under ASC 606, substantially all our revenue is recognized over time as we deliver services and support for our franchisees, except for revenues earned from the sale of goods, equipment and certain services, of \$3,982,378 and \$4,736,376 in the years ended December 31, 2025 and 2024, respectively, which are recognized at a point in time and are included in other revenue on our consolidated statements of income.

### ***Equity-based Compensation***

The Company accounts for equity-based compensation under FASB ASC Topic 718, *Compensation-Stock Compensation*. The Company recognizes all share-based payments to employees, including grants of employee stock options, as compensation expense based on their estimated fair values over the requisite service period, which is generally the vesting period of the awards. The Company currently estimates stock option forfeitures at the inception of the stock option agreement. The Company adjusts its estimates when the actual forfeitures are likely to change or differ from estimates. The Company estimates the fair value of each stock option award on the date of grant using the Black-Scholes option valuation model. The expected life of each award granted is determined using the average of the weighted-average vesting term and contractual term. Expected volatility is based on the historical volatility of similar entities whose share or option price is publicly available with a similar vesting and contractual term. The risk-free interest rate is based on the implied yield currently available on U.S. Treasury issues with terms approximately equal to the expected life of the option. The Company has never paid any cash dividends and, accordingly, the Company uses an expected dividend yield of zero.

### ***Advertising Costs***

The Company expenses the costs of advertising when incurred. Advertising expense was \$6,189,684 and \$5,424,430 for the years ended December 31, 2025 and 2024, respectively.

### ***Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States ("US GAAP") requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

### ***Contingencies***

Various legal actions and claims, which have arisen in the normal course of business, may be pending against the Company from time to time. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### *Fair Value of Financial Instruments*

In accordance with FASB ASC 820 *Fair Value Measurements*, certain assets and liabilities are carried at fair value and are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

*Level 1* - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

*Level 2* - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

*Level 3* - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The Company believes the carrying amounts of financial instruments as of December 31, 2025 and 2024, including cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate their fair values due to their short maturities. The Company's notes receivable bear interest at market rates and management does not believe there has been a change in the franchisees' credit quality from the date of issuance. Thus, management believes their carrying amounts approximate fair value.

### *Recent Accounting Pronouncements*

On December 14, 2023, the FASB issued a final standard on improvements to income tax disclosures. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. ASU 2024-09, *Improvements to Income Tax Disclosures*, applies to all entities subject to income taxes. The new requirements will be effective for annual periods beginning after December 15, 2025. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted.

### **3. Related Party Transactions**

The Company performs certain bookkeeping and administrative services for and allocates facility and supply resources to the FII advertising cooperative, which includes a National Accounts sales division. The Company has no ownership stake in the FII advertising cooperative. Amounts reimbursed for these services were \$1,407,323 and \$1,243,103 in 2025 and 2024, respectively. For 2025 and 2024, the Company earned royalty revenue of 6% of the advertising cooperative's sales to parties other than FASTSIGNS franchises. Royalty revenue earned from the cooperative under the National Accounts was \$532,582 and \$533,031 in 2025 and 2024, respectively. This advertising cooperative is wholly owned by the FASTSIGNS franchisees. Accounts receivable from the advertising cooperative and National Accounts were \$326,305 and \$632,545 at December 31, 2025 and 2024, respectively, and are presented as "Amounts due from affiliates" on our consolidated balance sheets. See Note 10 - Receivable from Parent Company for additional related party disclosure.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

### 4. Fixed Assets

Fixed assets consist of the following at December 31:

	2025	2024
Furniture, equipment and internally developed software	\$ 10,466,345	\$ 7,624,589
Leasehold improvements	22,326,997	21,715,381
Total fixed assets	32,793,342	29,339,970
Less: accumulated depreciation	(12,268,717)	(9,294,913)
Fixed assets, net	\$ 20,524,625	\$ 20,045,057

The furniture, equipment and developed software have an expected life of three to seven years, and leasehold improvements are amortized over the shorter of the life of the lease or the useful life of the assets. Total fixed assets are inclusive of construction in process of \$3,271,191 and \$3,339,301 at December 31, 2025 and 2024, respectively. Depreciation expense was \$4,624,528 and \$3,935,437 for the years ended December 31, 2025 and 2024, respectively.

### 5. Leases

The Company primarily leases commercial retail space associated with its My Salon Suite brand and subleases compartmentalized suites to beauty professionals at a weekly rate for periods of generally one year. The lessee arrangements account for the significant portion of the lease liabilities and right-of-use assets on the consolidated balance sheet. The lessor arrangements and the applicable accounting guidance are more fully explained in this report under *Revenue Recognition*.

The base terms for most of our lease arrangements typically do not extend beyond 10 years. We commonly have renewal options in our leases in 5-year increments that are generally included in the calculated lease liabilities and associated right-of-use assets. All the renewal options considered for future lease liabilities are associated with the My Salon Suite brand, which can have significant construction costs due to their highly compartmentalized footprint with generally semi-permanent fixtures that are not easily moved into a new space. Due to these factors, it is almost always more economically feasible to stay in the leased space and make cosmetic updates versus moving to a new space.

As an accounting policy election, any short-term leases with an initial term of 12 months or less are not recognized as lease liabilities and right-of-use assets in the consolidated balance sheets. The rent expense associated with short term leases is generally recognized on a straight-line basis over the lease term. The Company is also electing the practical expedient to not separate lease components from non-lease components for all of its equipment leases and therefore the non-lease components are factored into the calculation of lease liabilities and associated right-of-use assets. The Company is choosing to separate lease and non-lease components for all its building leases, and the associated non-lease components, such as Common Area Maintenance and Real Estate Taxes, are expensed as incurred.

Due to the implicit rate not being readily available or determined in most leases, the Company has elected the practical expedient for all lease payments to be discounted at a risk-free rate based on the treasury bond rates with maturity dates that most closely match the remainder of the lease either at adoption or commencement if post-adoption.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Finance leases with a right-of-use asset value of \$52,626 and a current and long-term portion lease liability value of \$27,264 and \$32,006 respectively are included in the values reported on the Consolidated Balance Sheet as of December 31, 2025. Finance leases with a right-of-use asset value of \$73,693 and a current and long-term portion lease liability value of \$23,369 and \$52,596 respectively are included in the values reported on the Consolidated Balance Sheet as of December 31, 2024.

Supplemental balance sheet information related to leases as of December 31 are as follows:

	2025	2024
Weighted average remaining lease term (Years)		
Operating leases	14 years	14 years
Financing leases	3 years	4 years
Weighted average discount rate		
Operating leases	3.2%	3.2%
Financing leases	4.2%	4.2%
Components of lease cost		
Operating leases	\$ 7,648,831	\$ 7,479,255
Financing leases		
Amortization of right-of-use assets	\$ 21,067	\$ 21,034
Interest on lease liabilities	2,778	3,645
<b>Total financing lease cost</b>	<b>\$ 23,845</b>	<b>\$ 24,679</b>

Operating lease costs are recorded in selling, general, and administrative costs and expenses on the Consolidated Statements of Income. For financing leases, the amortization of right-of-use assets are recorded in depreciation and amortization expense, and interest on lease liabilities are netted with Interest income on the Consolidated Statements of Income. Total operating lease cash payments of \$6,560,327 and \$5,736,880 were made in 2025 and 2024, respectively.

Future payments due under operating and finance leases by fiscal year as of December 31, 2025 are as follows:

<i>Years ending December 31:</i>	Operating Leases	Financing Leases
2026	\$ 7,081,803	\$ 27,264
2027	6,928,153	23,369
2028	6,322,434	11,685
2029	6,101,303	-
2030	6,203,788	-
Thereafter	52,880,586	-
<b>Total remaining lease payments at December 31, 2025</b>	<b>\$ 85,517,794</b>	<b>\$ 62,318</b>
<b>Less: portion representing imputed interest</b>	<b>18,567,727</b>	<b>3,048</b>
<b>Present value of lease liabilities at December 31, 2025</b>	<b>\$ 66,950,067</b>	<b>\$ 59,270</b>

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

As of December 1, 2025, the Company recorded an impairment loss of \$1,004,526 related to its right-of-use assets. This loss is included within selling, general, and administrative expenses in the consolidated statements of operations.

The impairment was triggered by the Company's decision to permanently close the SMC operation at its leased facility in Towson, Maryland. The Company determined that it no longer has the intent to sublease the space for the remainder of the lease term and to abandon the property effective January 31, 2026.

In accordance with ASC 360, the Company evaluated the asset group for recoverability. Because of the abandonment decision, the carrying amount of the ROU asset was compared to its fair value, which was determined to be \$0 based on the lack of expected future cash flows. The resulting non-cash impairment charge represents the difference between the carrying value of the ROU asset and its estimated fair value.

### 6. Other Intangibles and Goodwill

#### Other Intangibles

Other intangibles consist of the following at December 31, 2025:

	Gross Carrying Amount	Accumulated Amortization	Net
Program materials	\$ 1,945,000	\$ (1,791,528)	\$ 153,472
Trade name ( <i>indefinite-lived</i> )	71,400,000	-	71,400,000
Trade name	65,230,000	(15,695,610)	49,534,390
Internally developed software	570,000	(541,111)	28,889
Market franchise agreements	5,910,762	(1,604,043)	4,306,719
<b>Total</b>	<b>\$ 145,055,762</b>	<b>\$ (19,632,292)</b>	<b>\$ 125,423,470</b>

Net other intangible assets are net of a 2025 reversal in carrying value and accumulated amortization of \$1,840,000 and \$1,187,328, respectively, associated with the GTN divestiture.

Other intangibles consist of the following at December 31, 2024:

	Gross Carrying Amount	Accumulated Amortization	Net
Program materials	\$ 2,525,000	\$ (2,229,861)	\$ 295,139
Trade name ( <i>indefinite-lived</i> )	71,400,000	-	71,400,000
Trade name	66,490,000	(9,716,633)	56,773,367
Internally developed software	570,000	(514,445)	55,555
Market franchise agreements	5,910,762	(998,084)	4,912,678
<b>Total</b>	<b>\$ 146,895,762</b>	<b>\$ (13,459,023)</b>	<b>\$ 133,436,739</b>

Amortization expense was \$7,360,597 and \$7,046,433 for the years ended December 31, 2025 and 2024, respectively.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Estimated amortization expense for finite-lived intangibles for the subsequent five years and thereafter is as follows:

*Years ending December 31,*

2026	\$	7,290,795
2027		7,120,749
2028		7,048,774
2029		7,038,835
2030		7,033,143
Thereafter		18,491,174
Total	\$	54,023,470

### **Goodwill**

The changes in the carrying amount of goodwill as of December 31, 2025 and 2024 are as follows:

	2025	2024
Balance at beginning of year	\$ 321,410,147	\$ 300,287,335
Goodwill recorded from (divestiture) acquisitions	(1,659,704)	21,122,812
Balance at end of year	\$ 319,750,443	\$ 321,410,147

### **7. Accrued Liabilities**

Accrued liabilities consist of the following at December 31:

	2025	2024
Employee benefits and compensation	\$ 5,333,360	\$ 3,170,135
Accrued payables to franchisees	3,757,008	2,434,987
Event related accruals	1,412,885	1,325,165
Customer deposits	1,658,735	1,388,782
Accrued professional fees	328,112	1,898,961
Other	1,984,364	2,840,265
Total accrued liabilities	\$ 14,474,464	\$ 13,058,295

### **8. Commitments and Contingencies**

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that as of December 31, 2025 and December 31, 2024 that it is probable that the Company has incurred a loss contingency as defined in FASB ASC Topic 450, *Contingencies*. Accordingly, a \$94,907 liability has been accrued for this matter as of December 31, 2025 and 2024, respectively. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

### 9. Income Taxes

The expense (benefit) for income taxes consists of the following for the years ended December 31:

	2025	2024
Current:		
Federal	\$ 9,723,551	\$ 8,518,832
State	(212,336)	970,215
Foreign	228,502	228,704
Total current	9,739,717	9,717,751
Deferred:		
Federal	403,586	(644,155)
State	(1,306,740)	(152,450)
Total deferred	(903,155)	(796,605)
Total income tax expense	\$ 8,836,563	\$ 8,921,146

The tax effect of temporary differences that gave rise to deferred tax assets and liabilities consist of the following as of December 31:

	2025	2024
Deferred tax assets		
Allowance for credit losses	\$ 157,291	\$ 213,104
Accrued compensation	241,062	216,180
Share-based compensation	-	585,048
Accrued professional fees	25,204	51,940
Net operating losses	11,590	-
Deferred revenue	1,129,985	1,613,108
ASC 842 lease liability	106,711	140,303
Total deferred tax assets	1,671,843	2,594,727
Deferred tax liabilities:		
Intangible assets	(17,576,380)	(18,813,230)
Prepaid expenses	-	(4,117)
ASC 842 Right of Use Asset	(110,106)	(142,804)
Depreciation	528,364	(31,197)
Tax amortization of Sec.174	(14,617)	(7,430)
Total deferred tax liabilities	(17,172,792)	(18,998,778)
Net deferred tax liabilities	\$ (15,500,896)	\$ (16,404,051)

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

A reconciliation of the provision for income taxes with amounts determined by applying the statutory US Federal income tax rate to income before taxes is as follows for the period ending December 31:

	2025
Computed tax at the US Federal statutory rate of 21%	\$ 9,847,033
State taxes, net of US Federal benefit	(1,474,487)
Federal return to provision	(5,555)
Deferred true-up	473,084
Non-deductible items	22,514
Other	974
<b>Total Expense provision for income taxes</b>	<b>\$ 8,863,563</b>
<b>Effective income tax rate</b>	<b>18.85%</b>

The Company files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. As of December 31, 2025 and 2024, the Company has accrued approximately \$1,446,000, and \$1,313,000, respectively, to reserve for uncertain tax positions. As of December 31, 2025 and 2024, the reserve for uncertain tax positions is inclusive of penalties and interest of approximately \$612,000 and \$579,000, respectively.

The Company is not presently under examination by the Internal Revenue Service or any state tax authority.

### 10. Parent Company Transactions

Transactions with the parent company are unsecured, bear no interest and are due on demand. The net transactions incurred by the parent company are presented as a component of additional paid in capital on the Consolidated Statement of Members Equity for the respective years. The net (receivable)/payable incurred by the parent company for the years ended December 31, 2025 and 2024 was \$(28,088,553) and \$64,286,913, respectively.

### 11. Share-Based Compensation

In 2019, the parent company created share-based payment plan (“2019 Stock Option Plan”) established August 1, 2019, for the benefit of employees of the Company. The parent company originally allotted a total of 23,281 shares to be issued under the 2019 Stock Option Plan and increased the allotment by 2,741 shares in 2021. Option grants have a contractual life of ten years, subject to certain conditions, and typically vest over 5 years with half based upon service and half based upon financial thresholds. 20% of the service-based options typically vest each year over a five-year period, and the financial performance-based options are subject to vesting upon a change of control.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Information with respect to options under these plans are as follows:

	Outstanding Options		Weighted Average Exercise Price
Total options outstanding, December 31, 2023	24,068	\$	1,273.06
Issued	1,500		2,702.00
Exercised	(160)		1,924.22
Forfeited	(748)		1,840.42
Total options outstanding, December 31, 2024	24,660	\$	1,338.54
Issued	-		-
Exercised	-		-
Forfeited	(1,850)		2,002.96
Total options outstanding, December 31, 2025	22,810	\$	1,284.66
Options vested and exercisable, December 31, 2025	9,850		1,121.77

The weighted-average exercise price and average remaining contractual life of the 22,810 options outstanding at December 31, 2025 was \$1,284.66 and 4.45 years. The weighted-average exercise price and average remaining contractual life of the 24,660 options outstanding at December 31, 2024 was \$1,338.54 and 5.63 years. 9,850 and 9,608 options were vested for the years ended December 31, 2025 and 2024, respectively.

The estimated fair value of options is amortized to compensation expense on the straight-line basis over the options' vesting period. The compensation cost for share-based employee compensation related to the Company was \$789,660 and \$1,240,361 for the years ended December 31, 2025 and 2024, respectively.

Expected amortization for the subsequent years ending December 31 is as follows:

<i>Years ending December 31,</i>		
2026	\$	773,699
2027		546,473
2028		289,139
2029		59,911
2030		-
Total amortization	\$	1,669,222

In May 2025, the Company adopted the Propelled Brands Holdings, Inc. Incentive Unit Plan, ("Incentive Unit Plan" or the "Plan") to grant incentive units to certain employees. In connection with this agreement, during 2025, the Company granted 2,212 incentive units that have both service and performance conditions that must be met for vesting to occur. The service condition or time vesting occurs over 5 years with 20% vesting annually on the anniversary date of award issuance as

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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long as the employee has not been terminated. However, the service condition or time vesting accelerates to 100% vesting upon a qualifying change in control event. The performance condition is satisfied by the occurrence of a qualifying change in control event in which the Multiple on Invested Capital (“MOIC”) exceeds 2.0. Upon vesting, each unit will be settled in cash in an amount equal to the fair market value of one share of the Company’s stock. These awards are accounted for as liability-classified share-based compensation under ASC 718. As of December 31, 2025, a qualifying change in control was not considered probable, accordingly, no stock compensation cost or liability was recognized for these awards.

### **12. Employee Benefit Plan**

The Company has a defined contribution plan structured under Section 401(k) of the Internal Revenue Code. Under the plan, contributions are made by eligible employees. The employees can elect to contribute the lesser of up to 60% of their salary or \$23,500 in 2025 and \$23,000 in 2024. The Company matches 50% of the first 6% of contributions for a total amount of \$479,845 in 2025 and \$436,004 in 2024. The Company currently offers no other post-retirement or postemployment benefits to its employees.

### **13. Subsequent Events**

The Company evaluated subsequent events through April 27, 2026, the date the consolidated financial statements were available to be issued.

# Propelled Brands Franchising, LLC and Subsidiaries

Consolidated Financial Statements  
For the years ended December 31, 2024 and 2023

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



# **Propelled Brands Franchising, LLC and Subsidiaries**

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**Consolidated Financial Statements**  
For the years ended December 31, 2024 and 2023

# Propelled Brands Franchising, LLC and Subsidiaries

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## **Independent Auditor's Report**

Board of Directors  
Propelled Brands Franchising, LLC and Subsidiaries  
Carrollton, Texas

### ***Opinion***

We have audited the consolidated financial statements of Propelled Brands Franchising, LLC (the "Company"), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, changes in member's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our 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 Consolidated Financial Statements***

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

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



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

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

In performing an audit in accordance with GAAS, we:

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

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

**BDO USA, P.C.**

April 28, 2025

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Balance Sheets

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<i>As of December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 3,381,206	\$ 8,047,052
Accounts receivable - net	5,930,192	5,374,191
Current portion of notes receivable - net	74,080	66,427
Amounts due from affiliates	632,545	486,028
Prepaid expenses	3,809,171	1,956,054
Other current assets	663,352	736,544
<b>Total current assets</b>	<b>14,490,546</b>	<b>16,666,296</b>
Fixed assets - net	20,045,057	12,961,306
Right of use assets - net	71,627,959	60,777,646
Other intangibles - net	133,436,739	81,990,839
Goodwill - net	321,410,147	300,287,335
Notes receivable, less current portion - net	146,648	90,091
Other assets	3,235,717	3,098,552
<b>Total assets</b>	<b>\$ 564,392,813</b>	<b>\$ 475,872,065</b>

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Balance Sheets (continued)

<i>As of December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Liabilities and Member's Equity</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 749,971	\$ 1,155,458
Accrued liabilities	13,058,295	12,803,617
Current portion of deferred revenue	3,717,216	2,949,793
Current portion of lease liabilities	6,754,767	5,783,768
Income tax payable	6,628,082	4,855,752
<b>Total current liabilities</b>	<b>30,908,331</b>	<b>27,548,388</b>
Deferred revenue - less current portion	7,877,518	9,030,378
Other long-term liabilities	396,220	262,500
Lease liabilities - less current portion	66,154,033	54,252,528
Deferred tax liabilities	16,404,051	17,220,366
<b>Total liabilities</b>	<b>121,740,153</b>	<b>108,314,160</b>
<b>Commitments and Contingencies (Note 8)</b>		
<b>Member's equity</b>		
Common stock, \$1.00 par value		
Authorized shares - 100,000 issued and outstanding shares - 1,000	1,000	1,000
Additional paid-in capital	363,125,409	297,598,135
Retained earnings	79,627,020	69,958,770
Accumulated other comprehensive loss	(100,769)	-
<b>Total member's equity</b>	<b>442,652,660</b>	<b>367,557,905</b>
<b>Total liabilities and member's equity</b>	<b>\$ 564,392,813</b>	<b>\$ 475,872,065</b>

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Operations

<i>For the years ended December 31,</i>	<b>2024</b>	<b>2023</b>
<b>Revenues</b>		
Franchise sales	\$ 4,110,484	\$ 3,508,446
Royalties	69,773,999	49,940,078
Rental income	17,316,296	13,118,572
Other revenue	6,989,429	5,787,952
<b>Total revenues</b>	<b>98,190,208</b>	<b>72,355,048</b>
<b>Costs and expenses</b>		
Cost of goods sold	2,349,027	2,310,482
Selling, general, and administrative	66,485,526	44,067,902
Depreciation and amortization	11,002,904	4,536,793
<b>Total costs and expenses</b>	<b>79,837,457</b>	<b>50,915,177</b>
<b>Operating Income</b>	<b>18,352,751</b>	<b>21,439,871</b>
<b>Other income/(expenses)</b>		
Interest income	272,192	64,168
Foreign currency exchange (loss)/gain	(27,516)	8,040
Gain on sale of assets	19,157	-
Other expense	(27,188)	-
<b>Total other income, net</b>	<b>236,645</b>	<b>72,208</b>
<b>Income before taxes</b>	<b>18,589,396</b>	<b>21,512,079</b>
<b>Income tax expense</b>	<b>8,921,146</b>	<b>8,942,992</b>
<b>Net income</b>	<b>\$ 9,668,250</b>	<b>\$ 12,569,087</b>

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Changes in Member's Equity

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total
<b>Balance at December 31, 2022</b>	1,000	\$ 1,000	\$ 315,400,882	\$ 57,389,683	\$ -	\$ 372,791,565
Parent Company transactions - net	-	-	(18,947,698)	-	-	(18,947,698)
Share-based compensation	-	-	1,144,951	-	-	1,144,951
Net income	-	-	-	12,569,087	-	12,569,087
<b>Balance at December 31, 2023</b>	1,000	\$ 1,000	\$ 297,598,135	\$ 69,958,770	\$ -	\$ 367,557,905
Parent Company transactions - net	-	-	64,286,913	-	-	64,286,913
Share-based compensation	-	-	1,240,361	-	-	1,240,361
Net income	-	-	-	9,668,250	-	9,668,250
Foreign currency translation adjustments	-	-	-	-	(100,769)	(100,769)
<b>Balance at December 31, 2024</b>	1,000	\$ 1,000	\$ 363,125,409	\$ 79,627,020	\$ (100,769)	\$ 442,652,660

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Cash Flows

	2024	2023
<b>Operating activities</b>		
Net income	\$ 9,668,250	\$ 12,569,087
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt recovery, net	(85,758)	429,277
Depreciation & amortization	10,981,870	4,502,473
Share-based compensation expense	1,240,361	1,144,951
Gain on sale of assets, net	(16,112)	-
Capital asset impairment	-	323,146
Bargain purchase price gain on acquisition	(34,687)	-
Intangible impairment	62,667	-
Deferred income taxes	(796,605)	182,406
Amortization of right-of-use asset	5,445,542	4,322,294
Changes in operating assets and liabilities, net of businesses acquired:		
Accounts and notes receivable, trade	17,519	(715,354)
Amount due to/from affiliate	(146,517)	(494,880)
Prepaid expenses	(804,878)	635,960
Other assets	207,052	(817,899)
Income taxes payable	1,738,564	3,038,140
Accounts payable	(1,294,518)	(353,661)
Accrued liabilities	(1,665,508)	4,598,741
Other long-term liabilities	(1,302,860)	(538,612)
Deferred revenue	(1,547,373)	(753,097)
Operating lease obligation	(3,679,126)	(3,407,709)
Net cash provided by operating activities	17,987,883	24,665,263
<b>Investing activities</b>		
Capital expenditures	(6,098,198)	(2,715,270)
Proceeds from sale of assets	333,181	-
Acquisition of a business, net of cash acquired	(81,095,967)	(6,784,799)
Net cash used in investing activities	(86,860,984)	(9,500,069)
<b>Financing activities</b>		
Payments on finance lease	(23,369)	(36,863)
Net advances from/(to) parent	64,286,913	(18,947,698)
Net cash provided/(used) in financing activities	64,263,544	(18,984,561)
Effect of exchange rate changes on cash and cash equivalents	(56,289)	-
Net decrease in cash and cash equivalents	(4,665,846)	(3,819,367)
Cash and cash equivalents at beginning of year	8,047,052	11,866,419
Cash and cash equivalents at end of year	\$ 3,381,206	\$ 8,047,052

# Propelled Brands Franchising, LLC and Subsidiaries

## Consolidated Statements of Cash Flows

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Supplemental disclosure:

Cash paid for income taxes	\$ 1,099,291	\$ 296,464
Cash received for interest	\$ 275,826	\$ 66,388

Supplemental noncash disclosures:

Fixed assets purchased and unpaid, included in accounts payable and accrued liabilities	\$ 1,130,904	\$ 704,463
Operating right-of-use assets obtained in exchange for right-of-use liabilities	\$ 14,095,874	\$ 17,621,018
Operating right-of-use assets sold in exchange for right-of-use liabilities	\$ (373,849)	
Non-cash impact on lease modifications	\$ 2,498,318	\$ 1,124,755
Non-cash impact of net (unfavorable) and favorable leases acquired in a business combination	\$ (279,145)	\$ 1,113,144

*See accompanying notes to consolidated financial statements.*

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### 1. Organization and Basis of Presentation

Propelled Brands Franchising, LLC (the “Company”), a Delaware limited liability company, was formed on December 28, 2021 and directly or indirectly wholly owns all of the outstanding stock of FASTSIGNS International, Inc. (“FII”), Suite Management Franchising, LLC (“SMF”), SMF Corporate Stores, LLC (“SMC”), GTN Capital Group, LLC (“GTN”), More Than IT LLC (doing business as NerdsToGo “NTG”), Camp Bow Wow Franchising, Inc. (“CBF”) and CBW Operating, Inc. (“CBO”).

FII sells franchises for the operation of B2B business establishments known as FASTSIGNS Centers. FII franchises directly in the United States, Canada, the United Kingdom and Grand Cayman. The franchises operate primarily in the United States. In addition, FII sells and supports master or area franchises in Australia, Chile, and Malta. The FASTSIGNS franchise business specializes in selling, marketing, producing and installing visual communications including signs (both non-electrical and electrical), graphics, banners, flags, vehicle graphics, vehicle wraps, wayfinding signage, compliance signs, dimensional letters, dimensional signage, ready-to-apply lettering, exhibits and displays, decals and labels, exhibits, trade show and other displays, digital imaging, printing (including small format, large format and grand format), advertising and promotional products (including wearables), electronic or digital signage, logo/artwork design and illustration, product wraps and other related graphics, marketing services and complementary products and services. As of December 31, 2024 and 2023, there were 789 and 775, respectively, franchised locations in operation, both nationally and internationally.

SMF operates a franchising business that provides others with the opportunity to operate a salon suite business, serving as a property owner and business consultant to health and beauty professionals, renting private individualized space to the professionals. SMC operates company-owned salon suite properties. As of December 31, 2024, there were 303 franchised locations and 51 corporate locations in operation. As of December 31, 2023, there were 274 franchised locations and 44 corporate locations in operation.

GTN operates a franchising business that provides others with the opportunity to operate a technology sales, repair and service business under the service mark “NerdsToGo” and provide a wide variety of Information Technology solutions for small to medium sized businesses and homes through mobile service vans and service centers. NTG operated a single company center, which was closed effective June 2024. As of December 31, 2024, there were 31 franchised locations and no corporate location in operation. As of December 31, 2023, there were 34 franchised locations and 1 corporate location in operation.

CBF operates a franchising business that provides others with the opportunity to operate a dog care services business under the trademark “CAMP BOW WOW®” offering specialized pet care services through fixed store locations and mobile units, from dog boarding and dog daycare to grooming, training, and enrichment. CBO, a wholly owned subsidiary of CBF, operates a single company-owned center. As of December 31, 2024, there were 223 franchised locations and 1 corporate location in operation.

The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### *Acquisition of Camp Bow Wow Franchising*

On January 31, 2024, the Company executed an equity purchase agreement for Camp Bow Wow Franchising, Inc. acquiring 100% of voting equity interests in CBF. The purchase price of the acquisition was made in cash and fully funded through capital contributed from the Parent. At acquisition, \$77,606,654 was allocated to the assets acquired and liabilities assumed by the Company based on third-party valuation studies and management estimates of their fair value in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 805, Business Combinations, on the date of acquisition.

*The total purchase price was allocated as follows:*

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Cash assumed during acquisition	\$ 735,160
Working capital	97,369
Right of use asset	1,108,595
Property and equipment	1,029,772
Intangibles - trade name	52,950,000
Intangibles - program materials	425,000
Intangibles - internally developed software	80,000
Intangibles - franchise agreements	5,100,000
Goodwill	19,617,550
Deferred revenue	(2,428,197)
Lease liabilities	(1,108,595)

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Total consideration	\$ 77,606,654
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The Company does expect to deduct the resulting goodwill for tax purposes. The Company incurred \$1,480,792 and \$2,869,038 of transaction costs for the year ended December 31, 2024, and December 31, 2023, respectively, which are included in the accompanying consolidated statement of operations.

### *Acquisition of additional SMF Corporate locations - 2024*

The Company executed asset purchase agreements on January 30, 2024 for 2 corporate salon suite locations owned by Mera Studio Suites, LLC and on August 1, 2024 for 1 corporate salon suite location owned by Pylons, LLC, both third parties. The acquisitions were paid in cash and partially funded by capital contributed from the Parent. These purchases were made as part of the Company’s strategic growth initiative to expand the SMC corporate locations.

The total cash consideration paid of \$4,224,473 was allocated to the assets acquired and liabilities assumed by the Company based on management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the date of acquisition. The company recognized a \$34,687 bargain purchase gain on its single salon suite acquisition from Pylons, LLC primarily related to additional construction change order costs not previously agreed to in the purchase agreement.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

*The total purchase prices were allocated as follows:*

Property and equipment	\$ 3,184,785
Right of use assets	6,416,431
Goodwill	1,505,262
Working capital	(135,288)
Deferred revenue	(16,454)
Lease liabilities	(6,695,576)
Bargain purchase price gain	(34,687)
<hr/>	
Total consideration	\$ 4,224,473

The Company does expect to deduct the resulting goodwill for tax purposes. The Company incurred \$172,181 of transaction costs for the year ended December 31, 2024, which are included in the accompanying consolidated statement of operations.

### **Acquisition of additional SMF Corporate locations - 2023**

On September 8, 2023, the Company executed an asset purchase agreement for 6 corporate salon suite locations owned by S3 LLC, a third party. On October 6, 2023, the Company executed an asset purchase agreement for 6 corporate salon suite locations owned by CSS of Charleston, LLC, CSS of Goose Creek LLC, CSS of Moncks Corner Inc., DL3 LLC, Aquaculture Technology Transfer, Inc., Cirque Salon Studios of Summerville Inc., and Cirque Brands Limited, LLC, third parties. On December 27, 2023, the Company executed an asset purchase agreement for 1 corporate salon suite location owned by CSS Herndon Inc., a third party. The acquisitions were made as part of our strategic initiative to expand our SMC corporate locations in alignment with or growth objectives.

The total cash consideration paid of \$6,784,799 was allocated to the assets acquired and liabilities assumed by the Company based on management estimates of their fair value in accordance with FASB ASC Topic 805, Business Combinations, on the date of acquisition.

*The total purchase prices were allocated as follows:*

Fixed assets	\$ 2,516,026
Right of use assets	17,332,602
Goodwill	3,390,088
Working capital	(81,647)
Deferred revenue	(152,812)
Long-term lease liability	(16,219,458)
<hr/>	
Total consideration	\$ 6,784,799

The Company does expect to deduct the resulting goodwill for tax purposes. Transaction costs totaling \$504,916 were paid at closing and are included in the accompanying consolidated statements of operations.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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### 2. Summary of Significant Accounting Policies

The following is a summary of significant accounting policies followed in the preparation of these consolidated financial statements.

#### *Cash and Cash Equivalents*

The Company considers all highly liquid investments with maturities of three months or less to be cash equivalents. The Company maintains cash in financial institutions, which at times may exceed federally insured limits. The Company believes it is not exposed to any significant credit risk on such accounts. As of December 31, 2024 and 2023, cash and cash equivalents include \$349,278 and \$244,637, respectively, held in foreign bank accounts.

The Company maintains some of its cash in U.S. transaction accounts which are insured by the Federal Deposit Insurance Corporation up to a maximum of \$250,000 per depositor. As of December 31, 2024, the Company's uninsured deposits in its deposit accounts with a U.S. bank totaled approximately \$2,904,660. The Company does not believe the unsecured funds are at risk.

#### *Financial Instruments*

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of accounts and notes receivable related to royalties owed by franchisees. Credit risks with respect to royalty receivables are limited due to the large number of franchisees comprising the Company's franchisee base. The Company performs ongoing evaluations of the franchisees' financial condition and maintains allowances for potential credit losses which, when incurred, have been within the range of management expectations.

#### *Accounts Receivable*

Accounts receivable consist primarily of royalty billings to franchisees and are due within 30 days. Accounts receivables are stated at amounts net of an allowance for credit losses. The allowance for credit losses is estimated based on historical collectivity, aging of receivables and other factors such as franchisee performance or circumstances that may impact the Company's ability to collect against those receivables. Accounts receivables are written off through the allowance account when it is determined the receivable will not be collected. Accounts receivable may also be converted to notes receivable due from franchisees at the discretion of the Company.

Changes in the Company's allowance for credit losses, including accounts and notes receivable, for the years ended December 31 are as follows:

	2024	2023
Beginning balance	\$ 1,061,465	\$ 794,410
Bad debt, net (recoveries)/losses	(85,758)	429,277
Write-offs charged against the allowance	(151,870)	(162,222)
Ending balance	\$ 823,837	\$ 1,061,465

#### *Notes Receivable*

Notes receivable are due from franchisees and bear interest at rates per annum ranging from 6% to 10%. The notes are generally secured by the assets of the related stores. The notes receivable

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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balance as of December 31, 2024 and 2023 were \$269,379 and \$184,822, respectively. The allowance for credit losses balance related to notes receivable was \$48,651 and \$28,304 as of December 31, 2024 and 2023, respectively.

### **Fixed Assets**

Fixed assets associated with an acquisition are recorded at fair value at the date of acquisition and subsequent purchases are recorded at cost. Depreciation is determined using the straight-line method over the estimated useful lives of the assets for financial reporting purposes. Furniture, equipment and internally developed software have an estimated useful life of three to seven years, and leasehold improvements are amortized over the shorter of the life of the lease or the useful life of the assets. Maintenance and repairs are charged to expense as incurred.

The Company reviews the carrying value of fixed assets for impairment whenever events and circumstances indicate that the carrying value of an asset may not be recoverable. The factors considered by management in performing this assessment include current operating results, trends and prospects, as well as other economic factors. The Company determined that there were no indications of impairment in 2024 and \$323,146 was recognized as of December 31, 2023.

### **Goodwill and Other Intangible Assets**

Goodwill represents the excess of consideration transferred over the fair value of the tangible and intangible net assets acquired. Intangible assets are recorded at their fair value at the date of acquisition.

Under FASB ASC 350, Intangibles, Goodwill and Other (“ASC 350”), the Company does not amortize goodwill and determines if intangibles have a finite future life and should be amortized or an indefinite life not subject to amortization. Finite and indefinite lived intangibles are evaluated for impairment when current facts or circumstances indicate that the carrying value of the assets may not be recoverable and/or if there is a change in the useful life of the finite intangible. Amortization is recorded using the straight-line method over the following estimated useful lives of the asset:

Trade names	10 years to indefinite
Program materials	3 years
Internally developed software	3 years
Franchise agreements	1-20 years

In accordance with ASC 350, the Company evaluates goodwill for impairment whenever events or changes in circumstances indicate that the fair value of the entity may be below its carrying amount. When necessary, a goodwill impairment loss is measured as the amount by which the carrying amount of the Company, including goodwill, exceeds its fair value. Any goodwill impairment loss determined shall not exceed the carrying amount of goodwill.

The Company recorded an intangible impairment loss in 2024 of \$62,667 associated with the closure of NTG. There were no indications of impairment in 2023 related to goodwill or other intangibles.

### **Income Taxes**

The Company is a single member limited liability company that is disregarded for federal tax reporting purposes. The Company is included in a consolidated Federal tax return with its parent company Propelled Brands Holdings, Inc. FII, CBF and CBO are regarded corporate taxpayers. SMF, SMC, GTN, and NTG are all single member limited liability companies that are disregarded for

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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federal tax reporting. The consolidated financial statements for the Company have been prepared as if the Company was a stand-alone taxpayer for the regarded corporate entities FII, CBF and CBO only.

Deferred tax assets and liabilities are determined based on differences between the financial reporting and income tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

The Company accounts for uncertain tax provisions using a two-step process. The Company first determines whether it is more-likely-than-not that a tax position will be sustained upon examination. If a tax position meets the more-likely-than-not threshold it is then measured to determine the amount of expense to record in the consolidated financial statements. The tax position is measured as the largest amount of expense with a greater than 50 percent likelihood of being realized upon ultimate settlement. Penalties and interest incurred are recognized in income tax expense.

### ***Revenue Recognition***

The Company's revenues consist of franchise sales including initial franchise fees, franchise re-sale transfer fees, and renewal franchise fees, royalties based on a percent of franchisee sales, salon suite rental income, and other revenue including sales of equipment, services, supplies and inventory. Some franchises are master franchise arrangements with development rights across a defined territory or multiple territories. Typical agreements governing the franchise relationship range from 10 to 20 years in length, whereby the initial franchise and transfer fees are typically collected upon agreement execution and prior to the start of the Company's performance obligations.

The Company recognizes revenue in accordance with FASB ASC Topic 606 (which addresses revenue from contracts with customers) and Topic 842 (which addresses lease revenue with the adoption of ASC 842 as of January 1, 2022).

The Company has defined its distinct and non-distinct performance obligations required under the terms of the various contracts. For its franchise agreements, the Company believes that portions of certain services, training, site selection and development services, benefit the Franchisee without its use of the license and are therefore considered distinct performance obligations separable from the franchise right. Performance obligations for training, site selection and development services are generally satisfied as of the opening of a franchise center or contract date. To allocate the initial franchise, transfer, and renewal fees to the associated performance obligations, the Company uses an expected cost-plus margin approach to determine the amount of the distinct services obligations. This total distinct amount is recognized upfront, and the remaining non-distinct portion of the total franchise fee is allocated to symbolize intellectual property and recognized over the agreement period. Certain franchise agreements may also include a financing component, but the Company has determined that the total interest amount related to these franchise agreements is immaterial to its consolidated financial statements.

Royalties are generally based on a percent of franchisee sales differing by brand ranging from 2% to 8% and are recognized at the time the underlying franchisee's sales occur. Advertising fund revenue for all brands other than FII are included in royalty revenue. The FASTSIGNS National Advertising Fund is a standalone entity owned solely by the FASTSIGNS franchisees and is therefore not included in the accompanying consolidated statement of operations.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

To secure new franchises, the Company uses its sales force, and in certain instances, third party brokers to obtain leads for new franchise arrangements. The costs for internal sales commissions and third-party broker fees are amortized over the agreement term of each respective contract starting from the opening date of the franchise center.

Balance sheet balances related to ASC 606 consists of the following on December 31:

	2024	2023
Deferred Revenue		
Current deferred revenue	\$ 3,717,216	\$ 2,949,793
Non-current deferred revenue	7,877,518	9,030,378
<b>Total deferred revenue</b>	<b>\$ 11,594,734</b>	<b>\$ 11,980,171</b>
Deferred Expense		
Current deferred expense (included in prepaid expenses)	\$ 1,148,185	\$ 648,795
Non-current deferred expense (included in other assets)	3,013,200	2,920,914
<b>Total deferred expense</b>	<b>\$ 4,161,385</b>	<b>\$ 3,569,709</b>

Changes in the Company's deferred revenue, for the years ended December 31 are as follows:

<i>Year ended December 31,</i>	2024	2023	2022
<b>Balance</b> , beginning of year	\$ 11,980,171	\$ 13,451,178	\$ 14,960,054
Fees received from Franchise sales and transfer fees	1,443,557	1,884,627	1,864,252
Franchise sales and transfer fees revenue recognized	(4,110,484)	(3,508,446)	(3,373,128)
Deferred revenue valued in acquisitions	2,444,651	152,812	-
Deferred revenue transferred in asset sale	(163,161)	-	-
<b>Balance</b> , end of year	<b>11,594,734</b>	<b>11,980,171</b>	<b>13,451,178</b>
Less: current	(3,717,216)	(2,949,793)	(3,619,688)
<b>Deferred Franchise Revenues, net of current</b>	<b>\$ 7,877,518</b>	<b>\$ 9,030,378</b>	<b>\$ 9,831,490</b>

Under ASC 842, Leases, the Company sublets compartmentalized spaces to non-related parties at a weekly rate for periods of generally one year (lessor). These lessor transactions do not transfer ownership to the lessee and with lease terms substantially shorter than the life of the underlying asset, the Company characterize these as operating leases under ASC 842. The Company recognizes rental income on a weekly basis over the life of the lease as collectability is probable.

Other revenue earned was \$6,989,429 and \$5,787,952 for the years ending December 31, 2024 and 2023, respectively. Other revenue is comprised of three major categories: franchisee new center openings which includes the sale of equipment and location finishings, vendor rebates, other services related to opening a new franchise center; the sale of goods and services by all brands including the Company's NerdsToGo and CAMP BOW WOW® corporate stores; and ongoing franchisee support services provided by the franchisor.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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Under ASC 606, substantially all our revenue is recognized over time as we deliver services and support for our franchisees, except for revenues earned from the sale of goods, equipment and certain services, of \$4,736,376 and \$4,094,384 in the years ended December 31, 2024 and 2023, respectively, which are recognized at a point in time and are included in other revenue on our consolidated statements of income.

### ***Equity-based Compensation***

The Company accounts for equity-based compensation under FASB ASC Topic 718, *Compensation-Stock Compensation*. The Company recognizes all share-based payments to employees, including grants of employee stock options, as compensation expense based on their estimated fair values over the requisite service period, which is generally the vesting period of the awards. The Company currently estimates stock option forfeitures at the inception of the stock option agreement. The Company adjusts its estimates when the actual forfeitures are likely to change or differ from estimates. The Company estimates the fair value of each stock option award on the date of grant using the Black-Scholes option valuation model. The expected life of each award granted is determined using the average of the weighted-average vesting term and contractual term. Expected volatility is based on the historical volatility of similar entities whose share or option price is publicly available with a similar vesting and contractual term. The risk-free interest rate is based on the implied yield currently available on U.S. Treasury issues with terms approximately equal to the expected life of the option. The Company has never paid any cash dividends and, accordingly, the Company uses an expected dividend yield of zero.

### ***Advertising Costs***

The Company expenses the costs of advertising when incurred. Advertising expense was \$5,424,430 and \$2,068,810 for the years ended December 31, 2024 and 2023, respectively.

### ***Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States (“US GAAP”) requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

### ***Contingencies***

Various legal actions and claims, which have arisen in the normal course of business, may be pending against the Company from time to time. It is the opinion of management, based on consultation with counsel, that the ultimate resolution of these contingencies will not have a material effect on the financial condition, results of operations or liquidity of the Company.

### ***Fair Value of Financial Instruments***

In accordance with FASB ASC 820 *Fair Value Measurements*, certain assets and liabilities are carried at fair value and are categorized based on the level of judgment associated with the inputs used to measure their fair value. The standard establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

*Level 1* - Inputs are unadjusted quoted market prices in active markets for identical assets or liabilities at the measurement date.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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*Level 2* - Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date for the duration of the instrument's anticipated life.

*Level 3* - Inputs are unobservable and therefore reflect management's best estimate of the assumptions that market participants would use in pricing the asset or liability.

The Company believes the carrying amounts of financial instruments as of December 31, 2024 and 2023, including cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, approximate their fair values due to their short maturities. The Company's notes receivable bear interest at market rates and management does not believe there has been a change in the franchisees' credit quality from the date of issuance. Thus, management believes their carrying amounts approximate fair value.

### ***Recent Accounting Pronouncements***

In October 2021, the FASB issued Accounting Standards Update ("ASU") No. 2021-08, Business Combinations (Topic 805) - Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, to amend the current accounting guidance in ASC 805 to require entities to apply ASC 606 to recognize and measure contract assets and contract liabilities acquired in a business combination. The Company adopted this guidance effective January 1, 2024. There were no impacts to prior periods.

Prior to ASU 2021-08, the company measured contract assets and liabilities acquired in a business combination at fair value, leading to discrepancies with the acquiree's existing contracts under Topic 606. The new guidance allows the Company to recognize the acquired contract assets and liabilities as if the acquirer originated them under Topic 606. This enhances post-combination comparability by aligning revenue and amortization patterns of acquired contracts with those of similar contracts executed after the acquisition. The adoption of this guidance provides the company with a more consistent and clearer approach to accounting for customer contracts in business combinations, reducing the complexity associated with fair value measurements.

On December 14, 2023, the FASB issued a final standard on improvements to income tax disclosures. The standard requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. ASU 2023-09, *Improvements to Income Tax Disclosures*, applies to all entities subject to income taxes. The new requirements will be effective for annual periods beginning after December 15, 2025. The guidance will be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted.

### **3. Related Party Transactions**

The Company performs certain bookkeeping and administrative services for and allocates facility and supply resources to the FII advertising cooperative, which includes a National Accounts sales division. The Company has no ownership stake in the FII advertising cooperative. Amounts reimbursed for these services were \$1,243,103 and \$952,490 in 2024 and 2023, respectively. For 2024 and 2023, the Company earned royalty revenue of 6% of the advertising cooperative's sales to parties other than FASTSIGNS franchises. Royalty revenue earned from the cooperative under the National Accounts was \$533,031 and \$865,799 in 2024 and 2023, respectively. This advertising

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

cooperative is wholly owned by the FASTSIGNS franchisees. Accounts receivable from the advertising cooperative and National Accounts were \$632,545 and \$486,028 at December 31, 2024 and 2023, respectively, and are presented as “Amounts due from affiliates” on our consolidated balance sheets. See Note 10 - Receivable from Parent Company for additional related party disclosure.

### 4. Fixed Assets

Fixed assets consist of the following at December 31:

	2024	2023
Furniture, equipment and internally developed software	\$ 7,624,589	\$ 6,730,068
Leasehold improvements	21,715,381	12,825,113
Total fixed assets	29,339,970	19,555,181
Less: accumulated depreciation	(9,294,913)	(6,593,875)
Fixed assets, net	\$ 20,045,057	\$ 12,961,306

The furniture, equipment and developed software have an expected life of three to seven years, and leasehold improvements are amortized over the shorter of the life of the lease or the useful life of the assets. Total fixed assets are inclusive of construction in process of \$3,339,301 and \$1,905,869 at December 31, 2024 and 2023, respectively, and is primarily included in leasehold improvements. Depreciation expense was \$3,935,437 and \$2,652,140 for the years ended December 31, 2024 and 2023, respectively.

### 5. Leases

The Company primarily leases commercial retail space associated with its MY SALON Suite brand and subleases compartmentalized suites to beauty professionals at a weekly rate for periods of generally one year. The lessee arrangements account for the significant portion of the lease liabilities and right-of-use assets on the consolidated balance sheet. The lessor arrangements and the applicable accounting guidance are more fully explained in this report under *Revenue Recognition*.

The base terms for most of our lease arrangements typically do not extend beyond 10 years. We commonly have renewal options in our leases in 5-year increments that are generally included in the calculated lease liabilities and associated right-of-use assets. All of the renewal options considered for future lease liabilities are associated with the MY SALON Suite brand, which can have significant construction costs due to their highly compartmentalized footprint with generally semi-permanent fixtures that are not easily moved into a new space. Due to these factors, it is almost always more economically feasible to stay in the leased space and make cosmetic updates versus moving to a new space.

As an accounting policy election, any short-term leases with an initial term of 12 months or less are not recognized as lease liabilities and right-of-use assets in the consolidated balance sheets. The rent expense associated with short term leases is generally recognized on a straight-line basis over the lease term. The Company is also electing the practical expedient to not separate lease components from non-lease components for all of its equipment leases and therefore the non-lease components are factored into the calculation of lease liabilities and associated right-of-use assets. The Company is choosing to separate lease and non-lease components for all its building leases, and

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

the associated non-lease components, such as Common Area Maintenance and Real Estate Taxes, are expensed as incurred.

Due to the implicit rate not being readily available or determined in most leases, the Company has elected the practical expedient for all lease payments to be discounted at a risk-free rate based on the treasury bond rates with maturity dates that most closely match the remainder of the lease either at adoption or commencement if post-adoption.

Finance leases with a right-of-use asset value of \$73,693 and a current and long-term portion lease liability value of \$23,369 and \$52,596 respectively are included in the values reported on the Consolidated Balance Sheet as of December 31, 2024. Finance leases with a right-of-use asset value of \$97,727 and a current and long-term portion lease liability value of \$23,374 and \$72,316 respectively are included in the values reported on the Consolidated Balance Sheet as of December 31, 2023.

Supplemental balance sheet information related to leases as of December 31 are as follows:

	2024	2023
Weighted average remaining lease term (Years)		
Operating leases	14 years	14 years
Financing leases	4 years	5 years
Weighted average discount rate		
Operating leases	3.2%	2.8%
Financing leases	4.2%	4.2%
Components of lease cost		
Operating leases	\$ 7,479,255	\$ 5,426,099
Financing leases		
Amortization of right-of-use assets	\$ 21,034	\$ 34,320
Interest on lease liabilities	3,645	2,220
<b>Total financing lease cost</b>	<b>\$ 24,679</b>	<b>\$ 36,540</b>

Operating lease costs are recorded in selling, general, and administrative costs and expenses on the Consolidated Statements of Income. For financing leases, the amortization of right-of-use assets are recorded in depreciation and amortization expense, and interest on lease liabilities are netted with Interest income on the Consolidated Statements of Income. Total operating lease cash payments of \$5,736,880 and \$4,436,949 were made in 2024 and 2023, respectively.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Future payments due under operating and finance leases by fiscal year as of December 31, 2024 are as follows:

<i>Years ending December 31:</i>	Operating Leases	Financing Leases
2025	\$ 6,541,542	\$ 23,369
2026	7,064,145	23,369
2027	6,920,260	23,369
2028	6,312,632	11,685
2029	6,089,260	-
Thereafter	61,070,045	-
Total remaining lease payments at December 31, 2024	\$ 93,997,884	\$ 81,792
Less: portion representing imputed interest	21,165,049	5,827
Present value of lease liabilities at December 31, 2024	\$ 72,832,835	\$ 75,965

### 6. Other Intangibles and Goodwill

#### *Other Intangibles*

Other intangibles consist of the following at December 31, 2024:

	Gross Carrying Amount	Accumulated Amortization	Net
Program materials	\$ 2,525,000	\$ (2,229,861)	\$ 295,139
Trade name ( <i>indefinite-lived</i> )	71,400,000	-	71,400,000
Trade name	66,490,000	(9,716,633)	56,773,367
Internally developed software	570,000	(514,445)	55,555
Market franchise agreements	5,910,762	(998,084)	4,912,678
Total	\$ 146,895,762	\$ (13,459,023)	\$ 133,436,739

Other intangibles consist of the following at December 31, 2023:

	Gross Carrying Amount	Accumulated Amortization	Net
Program materials	\$ 2,100,000	\$ (2,064,604)	\$ 35,396
Trade name ( <i>indefinite-lived</i> )	71,400,000	-	71,400,000
Trade name	13,640,000	(3,541,573)	10,098,427
Internally developed software	490,000	(411,164)	78,836
Market franchise agreements	810,762	(432,582)	378,180
Total	\$ 88,440,762	\$ (6,449,923)	\$ 81,990,839

Amortization expense was \$7,046,433 and \$1,850,332 for the years ended December 31, 2024 and 2023, respectively.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Estimated amortization expense for finite-lived intangibles for the subsequent five years and thereafter is as follows:

*Years ending December 31,*

2025	\$	7,432,746
2026		7,417,118
2027		7,247,073
2028		7,175,098
2029		7,165,158
Thereafter		25,599,546
<b>Total</b>	<b>\$</b>	<b>62,036,739</b>

### **Goodwill**

The changes in the carrying amount of goodwill as of December 31, 2024 and 2023 are as follows:

	2024	2023
Balance at beginning of year	\$ 300,287,335	\$ 296,897,247
Goodwill recorded from acquisitions	21,122,812	3,390,088
<b>Balance at end of year</b>	<b>\$ 321,410,147</b>	<b>\$ 300,287,335</b>

### **7. Accrued Liabilities**

Accrued liabilities consist of the following at December 31:

	2024	2023
Employee benefits and compensation	\$ 3,170,135	\$ 2,334,499
Accrued payables to franchisees	2,434,987	2,167,953
Event related accruals	1,325,165	1,340,970
Customer deposits	1,388,782	1,614,710
Acquisition transaction costs	-	2,439,816
Accrued professional fees	1,898,961	-
Other	2,840,265	2,905,669
<b>Total accrued liabilities</b>	<b>\$ 13,058,295</b>	<b>\$ 12,803,617</b>

### **8. Commitments and Contingencies**

The Company is engaged in various legal proceedings incidental to its normal business activities. Management has determined that as of December 31, 2024 and December 31, 2023 that it is probable that the Company has incurred a loss contingency as defined in FASB ASC Topic 450, *Contingencies*. Accordingly, a \$94,907 and \$150,000 liability has been accrued for this matter as of December 31, 2024 and 2023, respectively. Management believes that the outcome of such matters will not have a material effect on the Company's consolidated financial statements.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

### 9. Income Taxes

The expense (benefit) for income taxes consists of the following for the years ended December 31:

	2024	2023
Current:		
Federal	\$ 8,518,832	\$ 7,383,607
State	970,215	1,182,311
Foreign	228,704	194,807
Total current	9,717,751	8,760,725
Deferred:		
Federal	(644,155)	147,498
State	(152,450)	34,769
Total deferred	(796,605)	182,267
Total income tax expense	\$ 8,921,146	\$ 8,942,992

The tax effect of temporary differences that gave rise to deferred tax assets and liabilities consist of the following as of December 31:

	2024	2023
Deferred tax assets		
Allowance for credit losses	\$ 213,104	\$ 259,270
Accrued compensation	216,180	105,770
Share-based compensation	585,048	653,599
Accrued professional fees	51,940	34,418
Deferred revenue	1,613,108	860,544
ASC 842 lease liability	140,303	3,309
ASC 606 adjustments	(224,956)	(224,956)
Total deferred tax assets	2,594,727	1,691,954
Deferred tax liabilities:		
Intangible assets	(18,813,230)	(18,689,307)
Prepaid expenses	(4,117)	9,702
ASC 842 Right of Use Asset	(142,804)	(4,487)
Depreciation	(31,197)	(90,514)
Tax amortization of Sec.174	(7,430)	(137,714)
Total deferred tax liabilities	(18,998,778)	(18,912,320)
Net deferred tax liabilities	\$ (16,404,051)	\$ (17,220,366)

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

A reconciliation of the provision for income taxes with amounts determined by applying the statutory US Federal income tax rate to income before taxes is as follows for the period ending December 31:

	2024
Computed tax at the US Federal statutory rate of 21%	\$ 8,258,285
State taxes, net of US Federal benefit	500,431
Non-deductible items	7,192
FTC True-up	66,412
Other	88,826
<b>Total Expense provision for income taxes</b>	<b>\$ 8,921,146</b>
<b>Effective income tax rate</b>	<b>22.68%</b>

The Company files income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. As of December 31, 2024 and 2023, the Company has accrued approximately \$1,313,000, and \$1,169,000, respectively, to reserve for uncertain tax positions. As of December 31, 2024 and 2023, the reserve for uncertain tax positions is inclusive of penalties and interest of approximately \$579,000 and \$543,000, respectively.

The Company is not presently under examination by the Internal Revenue Service or any state tax authority.

### 10. Parent Company Transactions

Transactions with the parent company are unsecured, bear no interest and are due on demand. The net transactions incurred by the parent company are presented as a component of additional paid in capital on the Consolidated Statement of Members Equity for the respective years. The net payable/(receivable) incurred by the parent company for the years ended December 31, 2024 and 2023 was \$64,286,913 and \$(18,947,698), respectively.

### 11. Share-Based Compensation

In 2019, the parent company created share-based payment plan (“2019 Stock Option Plan”) established August 1, 2019, for the benefit of employees of the Company. The parent company originally allotted a total of 23,281 shares to be issued under the 2019 Stock Option Plan and increased the allotment by 2,741 shares in 2021. Option grants have a contractual life of ten years, subject to certain conditions, and typically vest over 5 years with half based upon service and half based upon financial thresholds. 20% of the service-based options typically vest each year over a five-year period, and the financial performance-based options are subject to vesting upon a change of control.

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

Information with respect to options under these plans are as follows:

	Outstanding Options		Weighted Average Exercise Price
Total options outstanding, December 31, 2022	22,612	\$	1,169.50
Issued	2,530		2,214.19
Exercised	(580)		1,000.00
Forfeited	(494)		1,673.52
Total options outstanding, December 31, 2023	24,068	\$	1,273.06
Issued	1,500		2,702.00
Exercised	(160)		1,924.22
Forfeited	(748)		1,840.42
Total options outstanding, December 31, 2024	24,660	\$	1,338.54
Options vested and exercisable, December 31, 2024	9,608		1,088.62

The weighted-average exercise price and average remaining contractual life of the 24,660 options outstanding at December 31, 2024 was \$1,338.54 and 5.63 years. The weighted-average exercise price and average remaining contractual life of the 24,068 options outstanding at December 31, 2023 was \$1,273.06 and 6.4 years. As of December 31, 2024, 9,608 options were vested and at December 31, 2023, 7,474 options were vested.

The estimated fair value of options is amortized to compensation expense on the straight-line basis over the options' vesting period. The compensation cost for share-based employee compensation related to the Company was \$1,240,361 and \$1,144,951 for the years ended December 31, 2024 and 2023, respectively.

Expected amortization for the subsequent years ending December 31 is as follows:

<i>Years ending December 31,</i>		
2025	\$	789,660
2026		773,699
2027		546,473
2028		289,139
2029		59,910
Total amortization	\$	2,458,881

## 12. Employee Benefit Plan

The Company has a defined contribution plan structured under Section 401(k) of the Internal Revenue Code. Under the plan, contributions are made by eligible employees. The employees can elect to contribute the lesser of up to 60% of their salary or \$23,000 in 2024 and \$22,500 in 2023. The Company matches 50% of the first 6% of contributions for a total amount of \$436,004 in 2024

# Propelled Brands Franchising, LLC and Subsidiaries

## Notes to Consolidated Financial Statements

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and \$317,564 in 2023. The Company currently offers no other postretirement or postemployment benefits to its employees.

### **13. Subsequent Events**

The Company evaluated subsequent events through April 28, 2025, the date the consolidated financial statements were available to be issued.

## GUARANTEE OF PERFORMANCE

For value received, Propelled Brands Franchising, LLC, a Delaware limited liability company (the "Guarantor"), located at 2542 Highlander Way, Carrollton, Texas 75006, absolutely and unconditionally guarantees to assume the duties and obligations of Camp Bow Wow Franchising, Inc., a Delaware corporation, located at 2542 Highlander Way, Carrollton, TX 75006, (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as the Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Carrollton, Texas, on the 30<sup>th</sup> day of April 2024

**Guarantor:**

**Propelled Brands Franchising, LLC,  
a Delaware limited liability company**

By: Jennifer Rote  
Name: Jennifer Rote  
Title: General Counsel



**EXHIBIT D  
TO FRANCHISE DISCLOSURE DOCUMENT  
OPERATIONS MANUALS TABLE OF CONTENTS**

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**EXHIBIT E**

**TO FRANCHISE DISCLOSURE DOCUMENT**

**LIST OF FRANCHISEES AS OF DECEMBER 31, 2025**

**Camp Bow Wow Franchising, Inc.**  
**LIST OF OPERATIONAL FRANCHISEES AS OF DECEMBER 31, 2025**

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
CBW Anchorage, Inc.	Gordon Sloane	1885 E. 64 <sup>th</sup> Avenue	Anchorage	AK	99507	907-563-3647
Vulcan Bark LLC	Gregory Milam	2153 Clearbrook Road	Hoover	AL	35226	205-843-2267
Dog-Gone Purrfect L.L.C.	Jason Dalton	65 East Border Circle	Mobile	AL	36695	985-264-7056
37 <sup>th</sup> & Sawgrass LLC	Jeffrey Gold	3712 Malcom Drive	Montgomery	AL	36116	334-401-2267
SBAZ Emprise, LLC	Brookanne Brown	1050 Fairway Drive #111	Avondale	AZ	85323	623-925-8998
Up Out & About LLC	Julie-Rae Steinmeyer	2647 Baseline Road	Mesa	AZ	85202	602-796-6881
Barkadia Dogs LLC	Travis Pensky	2136 East Indian School Road	Phoenix	AZ	85016	480-681-0555
AHC1, LLC	Andrea Csaszar	7000 East Mayo Blvd, Suites E04, E05, E07	Phoenix	AZ	85054	480-758-4012
Wein Dogs LLC	David Weinberg	751 East Union Hills Dr., Suite A11-13	Phoenix	AZ	85024	480-387-5243
Cleo & Co. LLC	Alan Schrope	16725 North Oracle Boulevard	Tucson	AZ	85739	520-742-6476
Lucy & Co.	Alan Schrope	7810 East Broadway Boulevard	Tucson	AZ	85710	520-655-3647
Black Dog Management, LLC	Teresa Lile	3505 Boone Road	Benton	AR	72015	501-712-7773
DGP Bentonville LLC	Jason Dalton	1403 SW 14 <sup>th</sup> Street	Bentonville	AR	72712	479-268-4122
Pro Paws, Inc.	Kris Hanna	1431 North Daly Street	Anaheim	CA	92806	714-533-2267
Weber Wag & Woof, LLC	John Weber	103 Technology Court, Units E, F, & G	Brentwood	CA	94513	925-666-9663
Ohana 4 Paws, Inc.	Douglas Fleming	1395 Galindo Street, Suite C	Concord	CA	94520	714-415-8456
MC & R, Inc.	Mark Garrett	1677 North Marshall Ave, Suite A	El Cajon	CA	92020	619-448-9663
Woods Ongoing, Inc.	Arlette Woods	9263 Bendel Place	Elk Grove	CA	95624	916-685-4590
Weber Wag & Woof, LLC	John Weber	8311 Greenback Lane	Fair Oaks	CA	95628	916-726-3400
Weber Wag & Woof, LLC	John Weber	6430 Preston Avenue, Suite F	Livermore	CA	94550	925-456-3294

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Roch Corporation	Kimberly Simons	220 Calle Pinteroesco	San Clemente	CA	92672	949-218-7387
Midway Tailwaggers, Inc..	Gene Foley	3146 Sports Arena Boulevard, Suite 21	San Diego	CA	92110	619-439-0312
ADK Nine LLC	Daniel Kimbrell	2040 Faria Preserve Parkway	San Ramon	CA	94583	925-222-2267
M & L Haight LLC	Michael Haight	42192 Sarah Way	Temecula	CA	92509	951-587-2267
Weber Wag & Woof, LLC	John Weber	3708 Shamrock Way, Unit 103	Tracy	CA	95377	209-699-3647
Roverdose LLC	Jonathan Wilson	1620 South Abilene Street, Unit A	Aurora	CO	80134	303-353-9913
Barrett Stanley Emprise LLC	Brookanne Brown	3631 Pearl Street	Boulder	CO	80301	303-442-2261
Castle Canine Corporation	Daphne Tasker	500 1 <sup>st</sup> Street	Castle Rock	CO	80104	303-814-8108
Baily III, LLC	Gina Paradiso	7009 South Kenton Street	Centennial	CO	80112	720-697-7491
NBS Enterprises LLC	Alexander Stadlin	1075 Ford Street, Unit 120	Colorado Springs	CO	80915	719-573-9247
NBS Enterprises LLC	Alexander Stadlin	4295 Northpark Drive	Colorado Springs	CO	80907	719-260-9247
Lift Your Leg, Inc.	April Dempster	1221 South Cherokee Street	Denver	CO	80223	303-282-5484
MBS Enterprises LLC	Alexander Stadlin	2125 South Jasmine Street	Denver	CO	80222	303-300-8284
L3 Wolfpack FTCO, LLC	Ashley Rodgers	4103 South Mason Street	Fort Collins	CO	80525	970-266-9247
SBSF Emprise, LLC	Brookanne Brown	13101 West Dr., Unit 102	Golden	CO	80403	303-271-9663
Salthouse Lane LLC	James Brooks	3214 South Wadsworth Boulevard	Lakewood	CO	80227	303-997-8564
BBPF Emprise, LLC	Brookanne Brown	8121 South Grant Way	Littleton	CO	80122	303-797-2267
L3 Wolfpack LMCO, LLC	Joshua Rodgers	801 South Sherman Street	Longmont	CO	80501	720-204-4503
L3 Wolfpack LVCO, LLC	Ashley Rodgers	1227 Des Moines Avenue	Loveland	CO	80537	970-534-3323
NBS Monument, LLC	Alexander Stadlin	18985 Base Camp Road	Monument	CO	80132	719-632-9247
Baily II, LLC	Gina Paradiso	10325 South Progress Way	Parker	CO	80134	303-805-9739

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Dudley Town Kennels LLC	Christopher Roebelen	122 West Dudley Town Road	Bloomfield	CT	06002	860-580-9395
Benji Wag & Woof LLC	Gunjan Shah	105 Island Brook Avenue	Bridgeport	CT	06606	203-504-2288
CBW 3 LLC	Wieslaw Skorski	1145 John Fitch Boulevard	South Windsor	CT	06074	860-372-4787
Pooch Paradise, LLC	John Caro	581 Hope Street	Stamford	CT	06907	203-504-2288
Dog House Ventures, Inc.	Laurie Williams	301 Ruthar Drive	Newark	DE	19711	302-738-2267
n/a	Jason Dalton	8500 North Dixie Highway	Boca Raton	FL	33433	561-956-2267
Keiths Canines Jacksonville, LLC	Tyler Keith	8505-1 Baymeadows Road	Jacksonville	FL	32256	904-732-9663
Nina & Panchos Barktown, LLC	Dominic Tiziano	3382 Mercantile Avenue	Naples	FL	34104	239-352-2275
L3 Wolfpack PNFL, LLC	Joshua Rodgers	2410 Langley Avenue	Pensacola	FL	32504	850-293-4302
DGP Port Charlotte, LLC	Jason Dalton	17266 Toledo Blade Drive	Port Charlotte	FL	33954	941-875-9410
DPG TAMPA SOUTH SHORES SOUTH LLC	Jason Dalton	12218 Balm Riverview Rd.	Riverview	FL	33579	813-672-2267
Casey Dogs LLC	Elena McLaughlin	3483 SE Lionel Terrace	Stuart	FL	34997	772-291-6545
Wolfden Development, Inc.	Jason Dalton	4624 North Grady Avenue	Tampa	FL	33614	813-870-2267
SpinDawgz LLC	Roger Spinnato	1755 Grasslands Parkway	Alpharetta	GA	30004	678-807-8505
Zimmer Frei, LLC	Jeffrey Hahn	1795 Buford Highway	Duluth	GA	30097	678-265-3436
June Bug Enterprises, LLC	Matthew Hooper	585 Old Norcross Road	Lawrenceville	GA	30046	770-995-3500
V Squared Real Estate LLC	Vernard Hodges	925 Lake Joy Road	Warner Robbins	GA	31088	478-800-2275
KKMS, Inc.	Kris Sigman	12916 Highway 92	Woodstock	GA	30188	770-675-3445
Peterson Pet Care, LLC	Elizabeth Peterson	3430 South T.K. Avenue	Boise	ID	83705	208-331-5091
Peterson Pet Care, LLC	Elizabeth Peterson	2134 East Franklin Road	Meridian	ID	83642	208-887-0010

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
CNCEP, LLC	Cassie Snell	1090 North Main Street	East Peoria	IL	61611	309-692-2267
Beta Dog, Inc.	Linda Ciprella	641 South IL-83	Elmhurst	IL	60126	708-267-8768
Heisler Hounds, LLC	April Heisler	2675 Sand Lake Road	Lindenhurst	IL	60046	847-596-3232
Murata Holdings LLC	Kevin Murata	3107 West Route 120	McHenry	IL	60051	815-385-7297
J&D Doggy Day Care Inc.	James Cochonour	22032 Howell Drive	New Lenox	IL	60441	815-717-6755
Pack Leader Corporation	Linda Ciprella	6046 Roosevelt Road	Oak Park	IL	60304	708-848-2267
CallieCare, LLC	Cassie Snell	1623 West Pioneer Parkway	Peoria	IL	61615	309-692-2267
Shadows Legacy Corp	John Quinn	2230 Illinois Route 59	Plainfield	IL	60586	815-242-2267
Tripawd Doggie Daycare LLC	Michele Rohrer	489 Gradle Drive	Carmel	IN	46032	317-580-0446
GBW Bark, Inc.	Kathy Underwood	10830 Pendleton Pike	Indianapolis	IN	46236	317-908-4294
CEH2 LLC	Thomas Hulbert	5311 Commerce Circle	Indianapolis	IN	46237	317-801-1123
DGP Noblesville, LLC	Jason Dalton	17661 Cumberland Road	Noblesville	IN	46060	317-721-9298
AJS Ventures, LLC	Aaron Shindler	2900 University Avenue, Suite 250	West Des Moines	IA	50266	515-526-2267
MJS Smoots Creek Corporation	Michael Schroeder	20100 West Kellogg Drive	Goddard	KS	67213	319-799-3045
Puppy Palace, LLC	Brenda Heppenstall	1150 West 151st Street, Suite D	Olathe	KS	66061	913-322-2267
CE Deeter, Inc.	James Culp	2171 Christian Road	Lexington	KY	40509	859-407-2653
Dogs Geaux Wow, LLC	Philip Detlefs	7195 Pecue Lane	Baton Rouge	LA	70817	225-810-3647
Dog-Gone Purrfect, LLC	Jason Dalton	14279 Highway 1085	Covington	LA	70433	985-892-9364
Dog-Gone Purrfect L.L.C.	Jason Dalton	2401 Hickory Avenue	Destrehan	LA	70123	985-264-7056
DGP Lafayette, LLC	Jason Dalton	114 Eunice Street	Lafayette	LA	70508	337-237-3647
NLP Enterprises, LLC	Jason Dalton	2731 Tchoupitoulas Street	New Orleans	LA	70130	504-891-3647

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Pet Peeve LLC	Jason Dalton	3301 Conti Street	New Orleans	LA	70119	504-669-4164
Detlefs Prairieville Properties LLC	Philip Detlefs	17545 Old Jefferson Highway	Prairieville	LA	70769	225-927-1446
Pooch Dawg House, L.L.C.	Barbara Lebel	701 East Kings Highway	Shreveport	LA	71105	316-626-7397
DOGZ LLC	Gary Mansir	49 Blueberry Road	Portland	ME	04102	207-541-9247
Pawsitive Ventures LLC	Charles Wagandt	7165 Oakland Mills Road	Columbia	MD	21046	410-964-2275
RPM Canines, LLC	William Randall	1341 Hughes Ford Road, Unit #119E	Frederick	MD	21701	240-285-9551
Hampton Hounds LLC	Barbara Blair Taylor	1913 Greenspring Drive	Timonium	MD	21093	410-364-4000
S&M DGC Corporation	Sally Winters	244 Maple Street	Bellingham	MA	02019	508-966-4111
Southcoast Happy Tails LLC	Aimee Cyr	222 Grand Army of the Republic Hwy	Swansea	MA	02777	508-812-9663
Brighton Camp, LLC	Anthony Caruso	3829 South Old US Hwy 23	Brighton Township	MI	48114	810-227-5487
Duke's Paw, LLC	Michelle Vermeulen	1310 60 <sup>th</sup> Street SW	Byron Center	MI	49315	616-881-9842
Canine Keepers LLC	Debra Herr-Dempsey	6374 Sashabaw Road	Clarkston	MI	48346	248-620-9663
PoochPeople II, Inc.	Ann Roth	4373 Plant Drive	Commerce Township	MI	48390	248-242-8000
Brunink, LLC	Alicia Offringa	4322 Central Parkway	Hudsonville	MI	49426	616-896-9663
Grand Rapids Airport, LLC	Anthony Caruso	4150 40 <sup>th</sup> Street	Kentwood	MI	49512	616-977-9247
KotaZM Corp.	Tamara Mires	6580 Schamber Drive	Norton Shores	MI	49444	231-500-3647
Abbicody Enterprise, LLC	Jacqueline Basas	50600 Central Industrial Drive	Shelby Township	MI	48315	586-488-1193
Caruso Enterprises LLC	Anthony Caruso	19795 East 9 Mile Road	St Clair Shores	MI	48080	586-445-9663
Pup Squad, Inc.	Sarah Miller	801 Stephenson Highway	Troy	MI	48083	248-583-9247
Millie and Friends, LLC	Andrew Meek	14305 Ewing Avenue South	Burnsville	MN	55306	952-736-9919

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Dog Camp Inc.	Diana Hall	10100 Viking Drive	Eden Prairie	MN	55344	952-828-9663
Stieglbauer L.L.C.	Joshua Stieglbauer	2067 East Center Circle	Plymouth	MN	55441	763-383-9585
Dog Dais LLC	Anthony Gaines	381 Highway 51	Ridgeland	MS	39157	662-213-8136
The Pentavarte LLC	Patrick Frickleton	104 Westport Road	Kansas City	MO	64111	913-707-2779
L3 Wolfpack, LLC	Joshua Rodgers	8570 North Green Hill Road	Kansas City	MO	64154	816-343-9663
L3 Wolfpack LSMO, LLC	Joshua Rodgers	1010 SE Hamblen Road	Lee's Summit	MO	64081	816-246-7833
LBMO, LLC	Joshua Rodgers	1071 Brown Street	Liberty	MO	64068	816-629-8522
Springfield Camp, LLC	Anthony Caruso	1900 West Sunset Street	Springfield	MO	65807	417-882-9247
Springfield Camp II, LLC	Anthony Caruso	2814 S Freemont Avenue, Suite 100 &104	Springfield	MO	65810	586-202-4349
Jeffries Inc.	Sharon Jeffries	1751 Scherer Parkway	St. Charles	MO	63303	636-925-2275
DAH Petcare, LLC	Daniel Hermann	9061 Watson Road	St. Louis	MO	63126	314-501-6822
Dog Camp LLC	Colleen Clark	5930 South 57th Street	Lincoln	NE	68516	402-474-9663
T&M Sahoo LLC	Anita Sahoo	910 Wigwam Parkway, Suite 110	Henderson	NV	89014	702-476-3647
S&P Vegas Ventures, LLC	Shara Di Valerio	6430 North Durango Drive, Suite B110	Las Vegas	NV	89149	725-222-7558
Gish Pack, Inc.	Casey Gish	5175 South Valley View Boulevard	Las Vegas	NV	89118	702-255-2267
Dogs Gone Wild, Inc.	Casey Gish	210 South Rainbow Boulevard, Suites 200-210	Las Vegas	NV	89145	702-472-9663
Days Unleashed, Inc.	Michael Day	7111 South Virginia Street, Suite A-4	Reno	NV	89511	775-855-9663
Dogs Have Fun Inc.	Manisha Sachdev	10 West Chimney Rock Road	Bridgewater	NJ	08805	732-805-0888
Waggin Paws LLC	Stacy Havens	3 Esterbrook Lane, Suite 250	Cherry Hill	NJ	08003	856-651-9663
Ruffin' It LLC	Guidon Sorbo	284 Old Deal Road	Eatontown	NJ	07724	732-728-9663
Stay and Play While They	Roman Shabashkevich	53 Midland Avenue	Elmwood Park	NJ	07407	201-797-3647

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Are Away, LLC						
Pets Fun Time, Inc.	Manish Sachdev	1414 Grand Street	Hoboken	NJ	07030	201-503-4622
Going to The Dogs, LLC	Louise McKeown	231 Bakers Basin Road	Lawrenceville	NJ	08648	609-689-3647
Dogs Playtime Inc.	Manisha Sachdev	288 Lincoln Boulevard	Middlesex	NJ	08846	732-560-3647
Bergen Canines LLC	Michael Monks	95 Greenwood Avenue	Midland Park	NJ	07432	201-882-0186
DogEDog LLC	Staci Havens	73 East Hanover Avenue	Morristown	NJ	07960	973-960-6842
DogEDog LLC	Staci Havens	426 West Main Street	Rockaway Borough	NJ	07866	973-960-6842
DGP Albuquerque LLC	Jason Dalton	3228 Los Arboles Ave NE	Albuquerque	NM	87107	505-881-3647
Dogs R Us, LLC	Linda Campbell	136 Railroad Avenue	Albany	NY	12205	518-391-2777
Camp Bow Wow of Long Island, Inc.	David Levine	174 Miller Place	Hicksville	NY	11801	516-595-7297
Lyss's Pooch Pad LLC	Dayna Serigano	660 N. Wellwood Avenue #C	Lindenhurst	NY	11757	631-412-8512
In The Ruff, LLC	Kathy Fiume	101 Route 304	Nanuet	NY	10954	845-507-0068
Very Us Ventures, LLC	Lee Wilson	85 Mushroom Boulevard	Rochester	NY	14623	585-613-9247
Rayel Enterprises, LLC	Mark Luczak	231 Grand Island Boulevard	Tonawanda	NY	14150	716-877-9247
Rayel Enterprises, LLC	Mark Luczak	31 North America Drive	West Seneca	NY	14224	716-877-9247
Doggie Nation Asheville, LLC	Avery Griffin	5 Airport Road	Arden	NC	28704	504-451-6550
RPM Canines, LLC	William Randall	107 Woodwinds Industrial Court	Cary	NC	27511	919-465-4235
Charlotte Tailwaggers Inc.	Kristene Foley	4900 Chastain Avenue	Charlotte	NC	28217	704-527-3647
Matthews Tailwaggers Inc.	Kristene Foley	8635 Crown Crescent Court	Charlotte	NC	28227	704-708-9663
McEarl Family Enterprises, LLC	Kristi McGovern Earl	8010 Myint Lane, Suites 110, 120, & 140	Concord	NC	28027	704-260-0055

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SkyBlue Ventures, LLC	McDuffie Renfro	4310 Bennett Memorial Road	Durham	NC	27705	919-309-4959
Mixed Mutts Inc.	Adriana Jackson	6207 Chimney Center Boulevard	Greensboro	NC	27409	336-323-3133
Pawsitive Ventures, LLC	Richard Gaminde	8320 Litchford Road, Suites 116-120	Raleigh	NC	27615	919-239-4300
Pawsitive Ventures, LLC	Richard Gaminde	1839 South Main Street, Units 340, 344, & 348	Wake Forest	NC	27587	919-435-2161
RoDon Inc.	Donna Novak	23380 Aurora Road	Bedford Heights	OH	44146	440-786-3647
Isabella Blue Group, LLC	Bradley Popplewell	4955 Creek Road	Cincinnati	OH	45242	513-745-9850
Canine Adventures, LLC	Kevin Thelen	1006 Dublin Road	Columbus	OH	43215	937-309-9282
Karmic K9s, LLC	Jennifer D'Aurelio	1403 Main Street	Cuyahoga Falls	OH	44221	330-923-9663
K9 Playtime LLC	Melissa Bedwell	31 Alpha Park	Highland Heights	OH	44143	440-449-1364
Wolf & Wolf, LLC	Kevin Thelen	5100 Nike Drive	Hilliard	OH	43026	614-527-2267
Top Dog Enterprises, LLC	Roxanne Jancsik	14411 Foltz Parkway	Strongsville	OH	44149	440-572-3200
Dogdays, LLC	Stephanie McMillion	863 Bradley Road	Westlake	OH	44145	440-899-9100
BAXKIN Developments, LLC	Brian Walters	14992 South Grant Street	Bixby	OK	74008	918-943-6400
Okie Dogs, LLC	Amy Marshall	801 Centennial Boulevard	Edmond	OK	73013	405-359-7297
Amian Development LLC	Brian Walters	142 South 147th East Avenue	Tulsa	OK	74116	918-437-3647
IMT Enterprises, LLC	Isel Tiziano	2900 SE Cornelius Pass Road, Suites 215-218/223-226	Hillsboro	OR	97123	971-770-3647
Tambo & Boys LLC	Tammy Lienberger	21655 SW Pacific Highway, Suite A	Sherwood	OR	97140	503-610-3191
Hunter's Camp, LLC	Robert Ludwig III	470 Business Park Lane	Allentown	PA	18109	610-435-2267
6Wags Inc.	Michele Waggoner	7 London Way	Avondale	PA	19311	610-268-3647

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HAPPY TAILS CRANBERRY LLC	Melea Strimple	41 Progress Avenue	Cranberry	PA	16066	724-765-7297
CBW PGH 3 LLC	Jordan Murray	1610 McClure Road	Monroeville	PA	15146	412-352-0005
Pets N Friends, LLC	Lisa Thomas	532 Main Street	Moosic	PA	18507	570-471-7577
Going to The Dogs LLC	Louise McKeown	2850 Comley Road	Philadelphia	PA	19154	215-613-8223
LarTim LLC	Laurie Rhea	710 Trumbull Drive	Pittsburgh	PA	15205	412-276-9247
CBW PGH 2 LLC	Jordan Murray	1325 Washington Boulevard	Pittsburgh	PA	15206	412-362-7529
Strimple Enterprises, LLC	Melea Strimple	971 Killarney Drive	Pittsburgh	PA	15234	412-885-2267
CBW Pittsburgh Airport LLC	Jordan Murray	2327 Babcock Boulevard	Pittsburgh	PA	15237	412-931-9247
CBW I, LLC	Wieslaw Skorski	1 Keyes Way	West Warwick	RI	02893	860-670-5874
Salthouse Lane II LLC	James Brooks	1745 Clements Ferry Road	Charleston	SC	29492	843-216-2278
Salthouse Lane II LLC	James Brooks	1650 Sam Rittenberg Blvd., Suite 11-16	Charleston	SC	29407	843-737-5924
Galleon Enterprises, LLC	Frank Ellington	655 Superior St.	Columbia	SC	29205	803-748-4544
Fort Mill Tailwaggers Inc.	Kristene Foley	3536 Centre Circle Drive	Fort Mill	SC	29715	704-307-6640
DGP Greenville LLC	Jason Dalton	602 Airport Road, Suites A&B	Greenville	SC	29607	864-220-1223
Alpha Dog Inc.SkyBlue Coastal, LLC	McDuffie Renfro	305 Bush Drive	Myrtle Beach	SC	29579	843-796-9499
Basabe Corporation	Alberto Basabe	110 Cooper Lane	Powdersville	SC	29642	864-568-5855
Keith's Canines Chattanooga LLC	Tyler Keith	1300 Bennett Avenue	Chattanooga	TN	37404	423-260-0106
Keith's Canines LLC	Tyler Keith	3085 North Mount Juliet Road	Juliet	TN	37122	615-308-2733
Simcoe Enterprises Inc.	Rebecca Simcoe	6108 Quince Road	Memphis	TN	38119	901-387-9997
n/a	Dennis Diffe	2121 Whitten Road	Memphis	TN	38133	901-373-8757

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Dog House Investments LLC	Steve Lassiter	2538 Bransford Avenue	Nashville	TN	37204	615-385-2275
JDM Dogcare, LLC	David Massengale	200 Weakley Lane	Smyrna	TN	37167	615-625-6230
Weta-Dawgs Austin LLC	Frank Wetegrove	13900 IH-35	Austin	TX	78728	512-670-2275
Doggone PawPaws, LLC	Jenny Valdecanas	6703 Chimney Rock Rd	Bellaire	TX	77401	713-660-7011
Pet Grad LLC	Linda Grady	769 South MacArthur Boulevard, Suite 233	Coppell	TX	75019	972-393-2267
Cacique J and J Enterprises, LLC	Jose Morillo	16641 Telge Road	Cypress	TX	77429	281-826-9981
Every Dog Has Its Day LLC	Alison Ayrea	13730 Floyd Circle	Dallas	TX	75243	214-575-9663
Dogs Are People Too, LLC	Stacey Copeland	1104 S Highway 67	Duncanville	TX	75104	972-296-9663
Flower Hounds LLC	Julia Ambler	3434 Long Prairie Road, Suite 200	Flower Mound	TX	75022	214-315-4390
Oreo Investments, Inc.	J. Timothy Lightfoot	6411 Camp Bowie Boulevard, Suite C	Fort Worth	TX	76116	469-223-0940
J-S Woof Enterprise, Inc.	Stephanie Willis	1751 Eastchase Parkway	Fort Worth	TX	76120	682-207-2296
Who's A Good Dog? LLC	Alison Ayrea	117 North Belt Line Road	Grand Prairie	TX	75050	972-264-3647
Doggy Holdings, LLC	Linda Grady	1200 Texan Trail, Suite 300	Grapevine	TX	76051	817-329-7667
Bayou City Barks	Julia Ambler	7232 Wynwood Lane	Houston	TX	77008	713-357-0070
GLA Pet Holdings, LLC	George Andrade	7803 Hanson Road	Houston	TX	77061	281-672-8617
Ziggy's Play Yard, LLC	Christine Spence Reese	11321 North Sam Houston Parkway E	Humble	TX	77396	832-304-3641
ERM Armor LLC	Mark Maguire	1840 Norwood Plaza	Hurst	TX	76054	970-406-0825
C&R Hill Enterprises LLC	Roxanne Hill	600 Lemens Avenue	Hutto	TX	78634	512-423-2196
Rancho J&J Enterprises, LLC	Jose Morillo	1515 Vander Wilt Lane, Building #5	Katy	TX	77449	281-849-3647

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>Camp Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>	<b>Phone</b>
Taino J and J Enterprises, LLC	Jose Morillo	300 Anders Lane	Kemah	TX	77565	281-334-2267
Isle of Dogs, LLC	Christopher Click	607 Leander Dr., Bldg 10 #1000/1010	Leander	TX	78641	512-893-2313
Weta-Dawgs Live Oak, LLC	Frank Wetegrove	13588 N IH-35	Live Oak	TX	78233	210-558-9969
KD's K9's LLC	Kelley Warren	402 US-Hwy 287	Mansfield	TX	76063	817-518-7829
TrayMar Holdings LLC	Tracey Eidson	448 North Custer Road	McKinney	TX	75071	214-342-9423
Geosphere Pet Services Inc.	Kyle Fredericks	27616 Commerce Oaks Drive	Oak Ridge North	TX	77385	832-482-2299
BowCoRye LLC	Patrick Frickleton	11310 West County Road 100	Odessa	TX	79765	432-254-4411
Steza Operating LLC	Alfonso Zaza	2849 Old Chocolate Bayou Road	Pearland	TX	77584	844-358-6463
P1 Ventures LLC	April Prill	2060 West Spring Creek Parkway, Suite 404	Plano	TX	75023	972-342-9423
EAC Ventures LLC	James Daniel Simmons	4604 Industrial Street	Rowlett	TX	75088	469-431-2318
Weta-Dawgs, L.L.C.	Frank Wetegrove	11931 Jones Maltsberger Road	San Antonio	TX	78216	210-826-9969
Weta-Dawgs Too, L.L.C.	Frank Wetegrove	5811 Rocky Point	San Antonio	TX	78249	210-495-9969
Weta-Perritos Tercera LLC	Frank Wetegrove	20750 Stone Oak Parkway	San Antonio	TX	78258	210-391-0337
Rabbit Mountain Inc.	Christopher Click	5200 Electric Avenue, Bldg 3	Spicewood	TX	78669	512-264-9663
Thor Doggie Daycare LLC	Mark Marconi	744 Crab River Road	Sugar Land	TX	77469	281-545-2275
Woof's Play and Stay, Inc.	Shruti Sibal	207 Colonnade Parkway	Woodway	TX	76712	254-300-1491
Prado's Pooch Place, LLC	April Prado	475 West 3600 South	Salt Lake City	UT	84115	801-288-2275
JarNel, Inc.	Walter Jarvis	9495 South 700 East, Suites 2A&3	Sandy	UT	84070	801-896-4221
Jovee Corporation	Anthony Jover	1920 Centreville Turnpike, Suite 126	Virginia Beach	VA	23464	757-974-8011
Hootenanny LLC	Beverly Stevenson	16642 146 <sup>th</sup> Street SE	Monroe	WA	98272	360-862-3040
Campbell-Imthurn, LLC	Dan Imthurn	5810 South 11 <sup>th</sup> Street	Ridgefield	WA	98642	360-883-5730

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DAYS UNLEASHED PACWEST LLC	Michael Day	11762 Clear Creek Road NW	Silverdale	WA	98383	360-813-3130
D.D.A. Oak Creek LLC	Brett Ippolite	8411 South Liberty Lane	Oak Creek	WI	53154	262-408-8686
D.D.A. Waukesha, LLC	Brett Ippolite	1707 Paramount Court	Waukesha	WI	53186	262-547-9663

**Camp Bow Wow Franchising, Inc.**  
**LIST OF FRANCHISEES NOT YET OPERATIONAL**  
**AS OF DECEMBER 31, 2025**

Legal Entity	Primary Contact	City	State	Email	AD A
n/a	Joshua Rodgers	Fayetteville	AR	joshua.rodgers@campbowwow.com	
ScottsTail Dogs LLC	Travis Pensky	Fountain Hills	AZ	travis.pensky@campbowwow.com	
n/a	Dhruti Patel	Oceanside	CA	dhruti.patel@campbowwow.com	
n/a	Jeff Burrill	Palo Alto/Mountainview	CA	jeff.burrill@campbowwow.com	
n/a	Maria Saldarriaga	Fort Lauderdale	FL	maria.saldarriaga@campbowwow.com	
Dog-Gone Purrfect L.L.C.	Jason Dalton	Orlando	FL	Jason.dalton@campbowwow.com	
DGP PORT CHARLOTTE, LLC	Jason Dalton	Winter Haven/Davenport	FL	jason.dalton@campbowwow.com	
n/a	Sheila Holm	Rockville	MD	Sheila.holm@campbowwow.com	
n/a	Amanda Stolen	Canton	MI	amanda.stolen@campbowwow.com	
n/a	John Hellige	Fenton	MO	John.hellige@campbowwow.com	
n/a	Harvey Rosenberg	Research Triangle Park	NC	harvey.rosenberg@campbowwow.com	
PUP STARS LLC	Brianna Batts	Wilmington	NC	bri.batts@campbowwow.com	
Dogs Playtime Inc.	Mudit Sachdev	Wayne	NJ	Mudit.sachdev@campbowwow.com	
A.A. BOW-WOW LLC	Diego Brucculeri	Manhasset	NY	diego.brucculeri@campbowwow.com	
n/a	Allen Kwong	Midtown Manhattan	NY	allen.kwong@campbowwow.com	
Okie Dogs, LLC	Amy Marshall	Oklahoma City	OK	amy.marshall@campbowwow.com	
n/a	Bobby Ludwig	Allentown	PA	Bobby.ludwig@campbowwow.com	
n/a	Wieslaw Skorski	Providence	RI	wes.skorski@campbowwow.com	X
JMZ, LLC	Yu Min Choe	Franklin	TN	yumin.choe@campbowwow.com	
Jolly Paws LLC	Andrea Kranker	Austin SE	TX	andrea.kranker@campbowwow.com	

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>City</b>	<b>State</b>	<b>Email</b>	<b>AD A</b>
n/a	Narishah Ghulimani	Deer Park	TX	narishah.ghulimani@campbowwow.com	
Bayou City Barks LLC	Julia Ambler	Denton	TX	julie.ambler@campbowwow.com	
n/a	Sunil Malik	Frisco	TX	sunil.malik@campbowwow.com	
Steza Operating LLC	Alfonso Zaza	Houston	TX	alfonso.zaza@campbowwow.com	
Weta Dawgs New Braunfels LLC	Frank Wetegrove	New Braunfels	TX	frank.wetegrove@campbowwow.com	
n/a	Jay Mollett	Fredericksburg	VA	Jay.mollett@campbowwow.com	
n/a	Jay Mollett	Winchester	VA	Jay.mollett@campbowwow.com	
n/a	Lauren Jessup-Mosu	Kirkland	WA	Lauren.jessup-mosu@campbowwow.com	
n/a	Saurabh Sharma	Seattle	WA	Sar1704@gmail.com	

**Camp Bow Wow Franchising, Inc.**  
**LIST OF FRANCHISEES WHO HAVE SOLD THEIR FRANCHISED BUSINESS**  
**AS OF DECEMBER 31, 2025**

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
MUFFINS DOGS UNLIMITED LLC	Dave Foley	Littleton	CO	720-320-3868
Play Paws, Inc.	Maureen Heath	Port Charlotte	FL	832-453-3031
Oso's Play Yard, LLC	Christine Spence Reese	Columbia	MD	832-317-3809
Kir-Ven Kamp Ventures, Inc.	Kirk Bettles	Liberty	MO	816-305-4209
Playful Paws, Inc.	Neil Bleau	Cary	NC	919-524-7366
Dawgs Forever, LLC	Heidi Duffy	Cherry Hill	NJ	732-355-1008
Camp Dog, Inc.	Mari Kaups	Las Vegas	NV	702-465-3478
La Bone Manor	Hydie Fike	Cranberry	PA	412-953-5377
SEA SPOT RUN, LLC	Robin Ellis	Silverdale	WA	360-509-4153

**Camp Bow Wow Franchising, Inc.**  
**LIST OF FRANCHISEES THAT HAVE CEASED TO DO BUSINESS UNDER**  
**THEIR AGREEMENTS OR THAT HAVE OTHERWISE LEFT THE**  
**SYSTEM AS OF DECEMBER 31, 2025**

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

<b>Legal Entity</b>	<b>Primary Contact</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Cyber Home Security LLC	Brandi Edberg	Clearwater	FL	763-807-6633



**EXHIBIT F**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**STATE-SPECIFIC ADDENDA TO THE DISCLOSURE DOCUMENT**

**EXHIBIT F**  
**STATE LAW ADDENDA TO**  
**FRANCHISE DISCLOSURE DOCUMENT**

**CALIFORNIA**

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED WITH THE UNIFORM FRANCHISE DISCLOSURE DOCUMENT.

In addition to the information disclosed in Item 3:

Neither the Company nor any person identified in Item 2 of this Uniform Franchise Disclosure Document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association or exchange.

In addition to the information disclosed in Item 17:

- a. The Franchise Agreement contains a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
- b. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 and following).
- c. The Franchise Agreement requires application of the laws of the State of Texas. This may not be enforceable in the State of California.
- d. The Franchise Agreement requires you to 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 3100 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).
- e. California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

SECTION 31125 OF THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

OUR WEBSITE IS [WWW.CAMPBOWWOW.COM](http://WWW.CAMPBOWWOW.COM). OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION.

ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT WWW.DFPI.CA.GOV.

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.

## **HAWAII**

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN 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 THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS OFFERING CIRCULAR 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 THE FRANCHISOR AND THE FRANCHISEE.

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.

## **ILLINOIS**

Item 17 of the DISCLOSURE DOCUMENT is amended by adding the following:

The following should be added to Provision F of Item 17 of the DISCLOSURE DOCUMENT:

Illinois law may affect the conditions under which we may terminate the Franchise Agreement, 815 ILCS 705/19 and Rule 200.608.

The following should be added to Provision I of Item 17 of the DISCLOSURE DOCUMENT:

Illinois law may affect your rights upon non-renewal, 815 ILCS 705/19 and 705/20. Specifically, Illinois law requires that a franchisor give a franchisee 6-month's notice of its intent not to renew the franchise. Illinois law supersedes any conflicting provision in Section 2 of the Franchise Agreement.

Pursuant to Illinois law 815 ILCS 705/19 and Rule Section 200.608, any provision in the Franchise Agreement that designates jurisdiction or venue in a forum outside Illinois is void with respect to any action which is otherwise enforceable in Illinois, except that the Franchise Agreement may provide for arbitration outside Illinois. In addition, Illinois law will govern the Franchise Agreement.

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.

## **INDIANA**

The Indiana Securities Division requires the following specific disclosures to be made to prospective Indiana franchisees:

1. Indiana has a statute, the Indiana Deceptive Practices Act (the "Act"), which makes it unlawful for a franchise agreement with an Indiana resident or nonresident who will operate a franchise in Indiana to contain any of the following provisions:

a. Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where the goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute the improper designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute an improper designation. This paragraph does not apply to goods, supplies, inventories, or services that are manufactured or trademarked by, or for, the franchisor.

b. Allowing the franchisor to establish a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement, or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee within a reasonable area.

c. Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

d. Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction

between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

e. Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by Indiana law or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This paragraph does not apply to arbitration before an independent arbitrator.

f. Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers before the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this paragraph.

g. Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the franchise agreement.

h. Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This paragraph shall not prohibit a franchise agreement from providing that the agreement is not renewable and meets certain conditions specified in the agreement.

i. Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the franchise agreement or, in the absence of an exclusive area provision in the agreement, an area of reasonable size, upon termination of or failure to re the franchise.

j. Limiting litigation brought for breach of the agreement in any manner whatsoever.

k. Requiring the franchisee to participate in any (i) advertising campaign or contest; (ii) promotional campaigns; (iii) promotional materials; or (iv) display decorations or materials, in each case at any expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

l. Requiring a franchisee to enter into an agreement providing the franchisor with any indemnification for liability caused by the franchisee's proper reliance on or use of procedures or materials provided by the franchisor or by the franchisor's negligence.

m. Requiring a franchisee to enter into an agreement reserving the right to injunctive relief and any specific damages to the franchisor, limiting the remedies available to either party without benefit of appropriate process or recognizing the adequacy or inadequacy of any remedy under the agreement.

2. It is unlawful for any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana to engage in any of the following acts and practices in relation to the agreement:

a. Coercing the franchisee to:

(1) Order or accept delivery of any goods, supplies, inventories, or services which are neither necessary to the operation of the franchise, required by the franchise agreement, required by law, nor voluntarily ordered by the franchisee.

(2) Order or accept delivery of any goods offered for sale by the franchisee which includes modifications or accessories which are not included in the base price of those goods as publicly advertised by the franchisor.

(3) Participate in an advertising campaign or contest, any promotional campaign, promotional materials, display decorations, or materials at an expense to the franchisee over and above the maximum percentage of gross monthly sales or the maximum absolute sum required to be spent by the franchisee provided for in the franchise agreement; and absent a maximum expenditure provision in the franchise agreement, no such participation may be required; or

(5) Enter into any agreement with the franchisor or any designee of the franchisor, or do any other act prejudicial to the franchisee, by threatening to cancel or fail to renew any agreement between the franchisee and the franchisor. Notice in good faith to any franchisee of the franchisee's violation of the terms or provisions of a franchise or agreement does not constitute a violation of this paragraph.

b. Refusing or failing to deliver in reasonable quantities and within a reasonable time after receipt of an order from a franchisee for any goods, supplies, inventories, or services which the franchisor has agreed to supply to the franchisee, unless the failure is caused by acts or caused beyond the control of the franchisor.

c. Denying the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs, or estate maintains all standards and obligations of the franchise.

d. Establishing a franchisor-owned business that is substantially identical to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement, or if no exclusive territory is designated, competing unfairly with the franchisee within a reasonable area. However, a franchisor shall not be considered to be competing when operating a business either temporarily for a reasonable period of time, or in a bona fide retail operation which is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the business operation and can reasonably expect to acquire full ownership of such business on reasonable terms and conditions.

e. Discriminating unfairly among its franchisees or unreasonably failing or refusing to comply with any terms of a franchise agreement.

f. Obtaining money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for and transmitted to the franchisee.

g. Increasing prices of goods provided by the franchisor which the franchisee had ordered for retail consumers before the franchisee's receipt of a written official price increase notification. Price increases caused by conformity to a state or federal law, the revaluation of the United States dollar in the case of foreign-made goods or pursuant to the franchise agreement are not subject to this paragraph.

h. Using deceptive advertising or engaging in deceptive acts in connection with the franchise or the franchisor's business.

3. Regardless of anything set forth in the Franchise Agreement, you do not waive any right under Indiana statutes with regard to prior representations made in the Franchise Disclosure Document.

4. The Franchise Agreement is amended to provide that it will be governed and construed in accordance with the laws of the State of Indiana.

5. Each provision of the Franchise Agreement which is unlawful pursuant to the Act is deemed to be amended by the parties to conform with the Act.

## **MARYLAND**

Items 5 and 7 are revised to include the following: The Maryland Securities Commissioner has required a financial assurance. Therefore, we have posted a surety bond, which is on file with the Maryland Securities Division.

Item 17 of the Disclosure Document is amended to state that you may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration & Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three years after the grant of the franchise.

Item 17 of the Disclosure Document is hereby amended to the extent required under the Maryland Franchise Registration and Disclosure Laws. Among other things, you may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, except for claims required to be submitted to arbitration.

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.).

All representations requiring a prospective franchisee to assent to a release, estoppel or waiver of any liability are not intended to, nor shall they act as, a release, estoppel or waiver of any liability uncured under the Maryland Franchise Registration and Disclosure Law.

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.

## **MINNESOTA**

Minn. Stat. Sec. 80C.21 and Minn. Rule Part 2860.4400J, may prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

The Disclosure Document is amended to state that we will comply with Minnesota Statute 80C.14 subdivisions 3, 4, and 5, which require, except in certain specific cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement.

Pursuant to Minnesota Statute 80C.12 subdivisions 1(g), to the extent required by law, the Disclosure Document is amended to state that we will protect your right to use the trademark, service mark, trade name, logo or other commercial symbol or indemnify you from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of our trade name.

Minnesota Rule 2860.4400D prohibits us from requiring you to assent to a general release. The Disclosure Document is modified accordingly, to the extent required by Minnesota law.

Minn. Stat. Sec. 80C.21 declares void any condition, stipulation or provision purporting to bind a person to waive compliance with the Minnesota franchise law (Minn. Stat. Sections 80C.01 to 80C.22 and the rules promulgated thereunder (collectively, the "Minnesota Act"). To the extent that any of the contracts that you sign with us contain a general release, or require you to sign a general release at a later date, in favor of us or our affiliates, the general release will not operate to extinguish claims arising under, or relieve any person from liability imposed by the Minnesota Act.

The Minnesota Act protects your right to require that the venue of any dispute not subject to binding arbitration be in Minnesota and that Minnesota law governs all contracts with us. It furthermore protects your right to a jury trial. To the extent any contract that you sign with us is inconsistent with the Minnesota Act, the contract shall be modified to conform with the Minnesota Act.

If any contract that you sign with us requires you to consent to our obtaining injunctive relief, the contract shall be amended to provide that, pursuant to Minn. Rule 2860.4400J, Franchisee cannot give such consent; provided, however, nothing shall prevent us from applying to a forum for injunctive relief.

If any contract that you sign with us contains a limitations period for bringing claims against us which is shorter than the limitations period provided under the Minnesota Act, the contract shall be modified to conform to the Minnesota Act.

The Minnesota Act prohibits us from refusing to renew a franchise for the purpose of converting your business to an operation that will be owned by Company or one of our affiliates.

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.

## **NEW YORK**

The following information is required by New York's General Business Law (NY Gen. Bus. §680 et seq. (Consol. 2001) (the "New York Franchise Law") and supplements the information in this Disclosure Document:

### Item 3 of the Disclosure Document is modified to read as follows:

Neither the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. 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, pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

B. Has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten-year period immediately preceding the application for registration, has been convicted of a 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.

C. 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.

### Item 4 of the Disclosure Document is modified to read as follows:

Neither we, our affiliate, its predecessor, officers or general partner during the ten year period immediately before the date of the Disclosure Document: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partner of the franchisor held this position in the company or partnership.

In Item 5, the Initial Franchise Fee will be allocated as follows: (a) \$18,750 for training; (b) \$12,500 for location review and approval; and (c) \$18,750 for onboarding and support.

In Item 17, *Renewal, Termination*, section (d), with regard to the Franchise Agreement shall be supplemented by the addition of the following language:

The franchisee or multi-unit developer may terminate the agreement on any grounds available by law.

In Item 17, *Renewal, Termination*, section (j), *Assignment*, is supplemented by the addition of the following language at the end of the summary:

However, no assignment will be made except to an assignee who, in the good faith judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the franchise or multiple-unit agreement.

In Item 17, *Renewal, Termination*, section (w) is supplemented by the addition of the following language at the end of the summary:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

Revisions to the Operations Manual will not unreasonably increase your obligations or place an excessive economic burden on your operations.

The New York Franchise Law makes it unlawful for a franchisor to require a franchisee to assent to a release, assignment, novation, waiver or estoppel which would relieve a person from any duty or liability imposed by the New York Franchise Law.

## **NORTH DAKOTA**

Sections of the Disclosure Document 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.

The Franchise Agreement, Non-Disclosure and Non-Competition Agreement, contain a covenant not to compete which may not be enforceable under North Dakota law.

Sections of the Disclosure Document requiring resolution of disputes to be outside of the state of 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 Disclosure Document relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.

Sections of the Disclosure Document 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 provision requiring Franchisee to agree to the mediation or arbitration of disputes at a location that is remote from the site of Franchisee's business is not enforceable.

## **RHODE ISLAND**

Item 17 of the Disclosure Document relating to or restricting choice of law, jurisdiction or venue to a forum outside the state of Rhode Island or requiring the application of the laws of another state is void under Section 19-28.1-14 of the Rhode Island Franchise Investment Act with respect to a claim otherwise enforceable under such Act.

## **SOUTH DAKOTA**

The following information is required by South Dakota's Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)) ("South Dakota Law") and supplements the information in this Disclosure Document:

Item 17 is supplemented by the addition of the following language immediately after the Despite anything to the contrary in the table, the law regarding franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota. Any non-binding mediation will be conducted at a mutually agreed upon site. You are not required to submit to venue or a forum outside the State of South Dakota for any claims you may have under the South Dakota Franchises for Brand-Name Goods and Services Law (S.D. Codified Laws §37-5B (2008)).

## **VIRGINIA**

Any provision in any of the contracts that you sign with us that provides for termination of the franchise upon the bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. 101 et seq.).

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the following statements are added to the information that we disclose in Item 17h. of the Disclosure Document:

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement do not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. 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 involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

## **WASHINGTON**

(See Attachment F of the Franchise Agreement)

## **WISCONSIN**

The Wisconsin Fair Dealership Law (“Wisconsin Law”) applies to most, if not all franchise agreements and prohibits the termination, cancellation, nonrenewal or substantial change of the competitive circumstances of a dealership agreement without good cause. The Wisconsin Law further provides that at least 90 days prior written notice of the proposed termination, cancellation, nonrenewal or substantial change must be given to the dealer. The Wisconsin Law gives the dealer 60 days to cure the deficiency and if the deficiency is timely cured, the notice is void. The Wisconsin Law may supersede and control the terms of your relationship with us with respect to these subject matters. To the extent that any provision of any contract that you enter into with us pertaining to your franchise rights is inconsistent with the Wisconsin Law, the Wisconsin Law will control.



**EXHIBIT G**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**RELEASE OF CLAIMS AND INDEMNIFICATION AGREEMENT**

***THIS IS A SAMPLE AGREEMENT AND IS SUBJECT TO CHANGE OVER TIME***

**RELEASE OF CLAIMS AND INDEMNIFICATION AGREEMENT**

For and in consideration of the agreements and covenants described below, Camp Bow Wow Franchising, Inc. (“Franchisor”), \_\_\_\_\_ (“Franchisee”), and \_\_\_\_\_ (“Guarantors”), enter into this Release of Claims and Indemnification Agreement (the “Agreement”), effective as of the date Franchisor signs below (the “Effective Date”).

**RECITALS**

A. Franchisor and Franchisee are parties to that certain Franchise Agreement dated \_\_\_\_\_, as amended, (the “Original Agreement”), pursuant to which Franchisor granted Franchisee the right to develop and operate a Camp Bow Wow franchised business located in the \_\_\_\_\_ area (the “Franchised Business”); and,

B. The Original Agreement will expire according to its terms on \_\_\_\_\_, and the parties wish to settle any existing disputes and resolve any outstanding conflicts relating to the Original Agreement as set forth below.

**AGREEMENT**

1. **Termination of the Original Agreement.** Except for the obligations set forth in this Agreement, the Original Agreement and all rights and obligations thereunder are terminated, as of the Effective Date, with no further force and effect.

2. **Release of Claims by Franchisee and Guarantors.** In consideration of the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Franchisee and Guarantors (collectively, the “Franchisee Parties”) on behalf of themselves and their heirs, successors, assigns, affiliates, directors, officers, and owners and on behalf of any other party claiming an interest through them, do hereby release and forever discharge Franchisor, its predecessors, successors, assigns, affiliates, directors, officers, members and employees, of and from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions and causes of action (collectively “Claims”), whether known or unknown, vested or contingent, which they may now or in the future own or hold, arising out of or related to Franchisor’s initial offer and sale of the Franchised Business; the Original Agreement or any other agreement between the parties; and any actual or alleged violations of any deceptive or unfair trade practices laws, franchise laws, business opportunity laws, or other local, municipal, state, federal, or other laws, statutes, rules or regulations accruing prior to and including the Effective Date.

3. **Acknowledgement of Franchisee and Guarantors.** The release of claims set forth in Section 2 above is intended by the Franchisee and Guarantors to be a full and unconditional general release, as that phrase is used and commonly interpreted, extending to all claims of any nature, whether or not known, expected or anticipated to exist in favor of the Franchisee and Guarantors, regardless of whether any unknown, unsuspected or unanticipated claim would materially affect settlement and compromise of any matter mentioned herein. In making this voluntary express waiver, the Franchisee and Guarantors acknowledge that claims or facts in addition to or different from those which are now known to exist with

respect to the matters mentioned herein may later be discovered and that it is the Franchisee and Guarantors' intentions to hereby fully and forever settle and release any and all matters, regardless of the possibility of later discovered claims or facts. This Release is and shall be and remain a full, complete and unconditional general release. Franchisee and Guarantors further acknowledge and agree that no violation of this Agreement shall void the release set forth in Section 2.

Franchisee and Guarantors acknowledge and agree that the release contained in Section 2 is effective as to Claims arising out of or relating to matters or actions occurring prior to and including the Effective Date, and not to any claims with respect to matters or actions arising after the Effective Date or to any claims related to the offer and sale of the Franchise Agreement in connection with the franchise renewal.

4. **Indemnification.** Franchisee and Guarantors, jointly and severally, agree to indemnify, defend and hold Franchisor harmless from and against any and all liability, damage, injury, or loss (including attorneys' fees and all costs) that Franchisor may incur arising out of or relating to (i) any third party claims arising under or relating to the Original Agreement or the operation of the Franchised Business at any time prior to and including the Effective Date (ii) Franchisee or Guarantors' breach of or failure to comply with the provisions of this Agreement.

5. **Representation by Counsel.** Franchisee and Guarantors represent, warrant and acknowledge that: (a) they have had adequate opportunity to be represented by legal counsel of their respective choice concerning the full and legal effect of this Agreement, including the full and final release of Claims set forth herein; (b) they have entered into this Agreement voluntarily and without any coercion; and (c) they have read the terms of this Agreement and fully understand and voluntarily accept the terms.

6. **Entire Agreement.** This Agreement constitutes the entire agreement among the parties relative to the subject matter contained herein, and all prior understandings, representations and agreements made by and among the parties relative to the contents contained in this Agreement are merged into this Agreement.

7. **Governing Law and Jurisdiction.** This Agreement will be construed and enforced pursuant to the law of the State of Texas, without giving effect to any conflicts of laws provisions.

8. **Attorneys' Fees.** All rights and remedies under this Agreement shall be cumulative and none shall exclude any other right or remedy allowed by law. In the event of a breach of this Agreement that requires one of the parties to enforce the terms and conditions of this Agreement, the non-prevailing party shall pay the prevailing party's attorneys' fees and costs incurred by reason of the breach.

The parties have entered into this Agreement as of the Effective Date.

Effective Date: \_\_\_\_\_

**CAMP BOW WOW FRANCHISING, INC.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**GUARANTOR:**

\_\_\_\_\_

**Name**

*Signature Page To Release of Claims And Indemnification Agreement*



**EXHIBIT H  
TO FRANCHISE DISCLOSURE DOCUMENT  
MULTI-UNIT DEVELOPMENT AGREEMENT**

***THIS IS A SAMPLE AGREEMENT AND IS SUBJECT TO CHANGE OVER TIME***

**MULTI-UNIT DEVELOPMENT AGREEMENT**

THIS MULTI-UNIT DEVELOPMENT AGREEMENT (the “**Agreement**”) is by and between Camp Bow Wow Franchising, Inc., a Delaware corporation with a principal place of business is 7577 W. 103rd Avenue, Unit 209, Westminster, CO 80021 (the “**Franchisor**”), and \_\_\_\_\_, a \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ (the “**Multi-Unit Developer**” or “**Developer**”), and is effective on the date the last party signs below.

**RECITALS**

WHEREAS, Franchisor has developed a comprehensive system of establishing, operating and promoting specialized services for dogs, which services: (i) are provided out of a fixed store location under the brand name Camp Bow Wow® using Franchisor’s System and in association with the Marks, and (ii) consist of day care, boarding, grooming, training, the retail sale of dog food and merchandise and assorted other dog-related services and products specified by Franchisor (“**Franchised Camps**” or the “**Business**”);

WHEREAS, Franchisor has created a unique system, including valuable know-how, information, Trade Secrets, methods, Operations Manual(s), standards, designs, methods of trademark usage, copyrights, sources and specifications, confidential electronic and other communications, methods of Internet usage, marketing programs, and research and development (as defined further below, the “**System**”);

WHEREAS, the distinguishing characteristics of the System includes the trademark Camp Bow Wow®, as well as other trademarks and trade names, confidential operating procedures, confidential operations manual, standards and specifications for equipment, services and products, method of Internet usage, proprietary software, methods of service, and management and marketing programs and sales techniques and strategies. All of these distinguishing characteristics may be changed, improved, and further developed by Franchisor from time to time. They are Franchisor's “Confidential Information” and “Trade Secrets” and are designated by and identified with the “Marks” as described in the Camp Franchise Agreement (all as defined below);

WHEREAS, Developer acknowledges the benefits to be derived from being identified with the System, and also recognizes the value of the Marks and the continued uniformity of image to Franchisee, Franchisor, and other franchisees of Franchisor;

WHEREAS, Multi-Unit Developer desires to obtain the right to develop Franchised Camps using the Marks under the Camp Development Schedule described in **Schedule A** attached hereto (“**Camp Development Schedule**”) within the territory described in **Schedule B** attached hereto (“**Camp Development Territory**”), under the System and Marks selected above, as well as to receive the training and other assistance provided by Franchisor in connection therewith;

WHEREAS, Contemporaneous with the execution of this Agreement, Multi-Unit Developer and Franchisor will enter into a Camp Franchise Agreement for its first Camp.

WHEREAS, the Multi-Unit Developer hereby acknowledges that it has read this Agreement and Franchisor's entire Franchise Disclosure Document ("**Disclosure Document**"), and that it has no knowledge of any representations about the Franchised Camp or about Franchisor or its franchising program or policies made by Franchisor or by its officers, directors, shareholders, employees or agents which are contrary to the statements in Franchisor's Disclosure Document or to the terms of this Agreement, and that it understands and accepts the terms, conditions and covenants contained in this Agreement as being reasonably necessary to maintain Franchisor's high standards of quality and service and the uniformity of those standards at all facilities which operate pursuant to the System and thereby to protect and preserve the goodwill of the System and the Marks; and,

WHEREAS, Multi-Unit Developer understands and acknowledges the importance of Franchisor's uniformly high standards of quality and service and the necessity of operating the Franchised Camps in strict conformity with Franchisor's quality control standards and specifications.

## **AGREEMENT**

NOW, THEREFORE, the parties, in consideration of the promises, undertakings and commitments of each party to the other party set forth herein, and in receipt of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, mutually agree as follows:

### **I. GRANT.**

A. Franchisor hereby grants to Multi-Unit Developer the right and license to develop \_\_\_\_ (\_\_\_\_) Franchised Camps in strict accordance with the System and under the Marks within the Camp Development Territory described in **Schedule B**. Each Franchised Camp shall be operated according to the terms of an individual Camp Franchise Agreement for that location.

So long as Multi-Unit Developer is developing Franchised Camps in compliance with the terms of this Agreement, the Camp Development Schedule and the individual Camp Franchise Agreement for each Franchised Camp, then Franchisor will not franchise or license others, nor will it directly or indirectly develop, own, lease, construct or operate in any manner, any Franchised Camps in the Camp Development Territory during the term of this Agreement. Upon the expiration or termination of this Agreement, the Multi-Unit Developer will no longer have a Camp Development Territory and each Franchised Camp will be limited to operation in its own territory described in the individual Camp Franchise Agreement to be executed in accordance with this Agreement.

B. Notwithstanding the grant of rights in Section I.A. above, Franchisor and its affiliates retain the exclusive right, among others:

1. to use, and to license others to use, the Marks and System for the operation of Franchised Camps at any location outside of the Camp Development Territory;

2. to use, license and franchise the use of other trademarks or service marks other than the Marks, whether in alternative channels of distribution or at any location including within the Camp Development Territory, in association with operations that are the same as, similar to, or different than the

Franchise Camp; except that if Franchisor acquires, is acquired by, merges, or otherwise consolidates (“**Merger**”) with another pet care business operating at the time of the Merger in the Camp Development Territory, Franchisor (i) will not use or license the use of the Marks and will only use and license the use of other trademarks or service marks in association with a pet care business that is the same as or similar to Franchised Camps in the Camp Development Territory and (ii) Franchisor will use its best efforts to grant Multi-Unit Developer a right of first refusal to acquire the pet care businesses which are providing substantially the same services as the Franchised Camp in the Camp Development Territory upon mutually agreeable terms. If Franchisor and Multi-Unit Developer cannot agree on these terms within a time period of 60 days from the date the agreement is signed regarding the Merger, Franchisor will retain the right to continue to operate, or license another entity to operate, the pet care business in the Camp Development Territory, without compensation to Developer or franchisee, as applicable, however, that pet care business will not operate under the Marks;

3. to use the Marks and the System in connection with the provision of other services and products or in alternative channels of distribution and those described in Section I.B.(4) below at any location including the Camp Development Territory; and

4. to offer the Services or Products, or grant others the right to offer the Services or Products, whether using the Marks or other trademarks or service marks, through alternative channels of distribution, including without limitation, wholesalers, retail outlets or other distribution outlets (other than Franchised Camps using the Marks), or by Internet commerce (e-commerce), mail order or otherwise, whether inside or outside the Camp Development Territory.

C. This Agreement is not a franchise agreement and Multi-Unit Developer shall have no right to use in any manner the Marks or System by virtue hereof including the use of such for the operation of a Franchised Camp. Each Franchised Camp will be governed by the individual Camp Franchise Agreement to be executed by Franchisor and Multi-Unit Developer prior to Multi-Unit Developer securing a camp site for each franchise location subject to this Agreement, as further defined below.

D. The Multi-Unit Developer must contribute some amount of its personal capital to the development of each Franchised Camp and must own at least a fifty-one percent (51%) equity interest in each Franchised Camp that is developed hereunder.

## **II. TERM.**

Unless sooner terminated pursuant to the provisions of Section VII, the term of this Agreement shall expire upon the earlier of (a) \_\_\_\_\_ years from the Effective Date, or (b) completion of the term of the Camp Development Schedule. In the event this Agreement is terminated via Section II(a), any undeveloped territory (or territories) remaining in the Camp Development Schedule shall automatically be forfeited at the time of termination. Franchisor shall retain any fees paid by Multi-Unit Developer pursuant to this Agreement, and Multi-Unit Developer shall thereafter have no right, title, or interest in or to the forfeited territory or territories or any portion thereof.

## **III. CAMP FRANCHISE AGREEMENT, INITIAL FRANCHISE FEE, DEVELOPMENT FEE AND INITIAL TRAINING.**

With respect to each Franchised Camp to be developed under this Agreement, Franchisor reserves the right to approve the site location chosen by Multi-Unit Developer and to request as much additional information regarding the site and the proposed franchisee entity as it deems necessary, and Multi-Unit Developer agrees to provide such information immediately upon request. If Franchisor accepts the site location, it will give its written acceptance to the Multi-Unit Developer to proceed with architectural drawings and final site plans, containing such information as Franchisor requires. The acceptance of the site location shall not constitute final acceptance of the site for the Franchised Camp. Upon receipt of the site location acceptance, Multi-Unit Developer should make an offer to secure the site via purchase or lease, which offer must be contingent upon final acceptance by Franchisor of the site, lease or purchase agreement and of the proposed franchisee entity. Once Franchisor provides final site acceptance for a Franchised Camp, Franchisor and Multi-Unit Developer shall enter into an individual Camp Franchise Agreement for such Franchised Camp before Multi-Unit Developer signs a lease or purchase agreement for the franchise location, which agreement shall be in the form of Franchisor's then-current form of Camp Franchise Agreement. The terms of the individual Camp Franchise Agreement will then govern the further development and build-out of the Franchised Camp.

Multi-Unit Developer shall pay to Franchisor, upon execution of this Agreement a non-refundable development fee in the amount of \$125,000 (the "Development Fee"), which will be deemed fully earned upon payment.

The terms of the Camp Franchise Agreement notwithstanding, Franchisor shall provide the Multi-Unit Developer with Franchisor's then current initial training program at the time Multi-Unit Developer is scheduled to open its additional location in accordance with the terms of the Camp Franchise Agreement.

#### **IV. CAMP DEVELOPMENT SCHEDULE.**

Multi-Unit Developer shall develop the Franchised Camps in accordance with the System, and the Camp Development Schedule set forth in **Schedule A**.

#### **V. LOCATION OF FRANCHISED CAMPS.**

The location of each Franchised Camp shall be selected by the Multi-Unit Developer within the Camp Development Territory, subject to Franchisor's prior acceptance as set forth in Section III hereof, which acceptance shall take into account all relevant demographic information then available to Franchisor. The establishment of any proposed site by Multi-Unit Developer prior to acceptance of Franchisor shall be the sole risk and responsibility of Multi-Unit Developer and shall not obligate Franchisor in any way to approve the same. The acceptance of a proposed site by Franchisor does not in any way constitute a warranty or representation by Franchisor as to the suitability of such site for location of a Franchised Camp or the success of such business.

#### **VI. CAMP FRANCHISE AGREEMENT.**

Multi-Unit Developer agrees to execute the Camp Franchise Agreement for its first Camp contemporaneously with Multi-Unit Developer's execution of this Agreement. Multi-Unit Developer shall not sign a lease or purchase agreement for, commence construction on, open or operate any Franchised Camp until, among other things, the Initial Franchise Fee for such Franchised Camp has been paid in full

and the then-current individual Camp Franchise Agreement for such Franchised Camp has been executed by both the Multi-Unit Developer and Franchisor.

## **VII. DEFAULT AND TERMINATION.**

Multi-Unit Developer shall be in default under this Agreement if Multi-Unit Developer: (a) fails to comply with the Camp Development Schedule; (b) fails to perform any of its obligations under this Agreement or any individual Camp Franchise Agreement; (c) ceases to be a franchisee of Franchisor in good standing under the Camp Bow Wow Franchise Agreement; (d) fails to comply with the provisions on transfer contained herein; or (e) becomes insolvent or admits to its inability to pay its debts as they come due. Upon such default, Franchisor shall have the right, at its option, to do any or all of the following: (a) terminate this Agreement; (b) terminate the territorial protection granted to Multi-Unit Developer; or (c) reduce the size of the Multi-Unit Developer's Camp Development Territory or the number of Franchised Camps Multi-Unit Developer may develop in the Camp Development Territory.

In addition, if any individual Camp Franchise Agreement issued to Multi-Unit Developer, whether or not issued pursuant to this Agreement, is terminated for any reason, Franchisor shall have the right to terminate this Agreement on immediate written notice to Multi-Unit Developer. Upon termination or expiration of the term of this Agreement, this Agreement shall be of no further effect, and Franchisor shall have the right to itself open, or license others to open, Franchised Camps within the Camp Development Territory. For purposes of this Section VII, any Camp Franchise Agreement issued by Franchisor to Multi-Unit Developer or its affiliates, or any corporation, partnership or joint venture, or their affiliates, in which Multi-Unit Developer or any stockholder, partner or joint venturer of Multi-Unit Developer, has any direct or indirect ownership or participation interest, shall be deemed a Camp Franchise Agreement issued to Multi-Unit Developer.

## **VIII. ASSIGNMENT.**

1. By Franchisor. Franchisor shall have the absolute right to transfer or assign all or any part of its rights or obligations hereunder to any person or entity which assumes its obligation under this Agreement and Franchisor shall thereby be released from any and all further liability to Multi-Unit Developer.

2. By Multi-Unit Developer. Multi-Unit Developer understands and acknowledges that the rights and duties set forth in this Agreement are personal to Multi-Unit Developer and are granted in reliance upon the personal qualifications of Multi-Unit Developer or Multi-Unit Developer's principals. Multi-Unit Developer has represented to Franchisor that Multi-Unit Developer is entering into this Agreement with the intention of complying with its terms and conditions and not for the purpose of transferring the development and option rights hereunder.

Neither Multi-Unit Developer nor any partner, member, employee, representative, or shareholder thereof shall directly or indirectly assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or in Multi-Unit Developer. Any such proposed assignment occurring by operation of law or otherwise, including any assignment by a trustee in bankruptcy, without Franchisor's prior written consent, shall be a material default of this Agreement.

Multi-Unit Developer may not sell, assign, gift, convey, pledge, or otherwise transfer any of the Camp Development Territory for any reason. Any assignment, transfer or other disposition by the Multi-Unit Developer of a Franchised Camp within the Camp Development Territory will be governed by the Camp Franchise Agreement to which such Franchised Camp is bound, and the Transfer fee defined in each respective Camp Franchise Agreement (as well as any applicable broker fees and/or the Resale Consulting Fee) shall apply.

If Multi-Unit Developer fails or refuses to develop any portion of the Camp Development Territory pursuant to the terms of this Agreements for any reason, Multi-Unit Developer shall have no right to sell, transfer, or otherwise assign the undeveloped portions under any circumstances.

3. Entity Ownership. Each shareholder, member, or partner of the corporation, limited liability company, or partnership which is granted the rights to serve as the Multi-Unit Developer hereunder shall be a party to a shareholders' agreement, operating agreement, or partnership agreement which shall provide, inter alia, that upon any dissolution of the corporation, limited liability company, or partnership, or upon any divorce decree among the parties who are also shareholders, members, or partners, that ownership of the shares, membership interest, or partnership interest shall be transferred to the other shareholder(s), member(s), or partner(s) for agreed upon consideration, following any such dissolution or decree. The form and content of the shareholders' agreement, operating agreement, or partnership agreement must be approved by Franchisor prior to execution. Multi-Unit Developer's failure to comply with this Section VIII(3) shall constitute a material default of this Agreement.

## **IX. FORCE MAJEURE.**

In the event that Multi-Unit Developer is unable to comply with the Camp Development Schedule due to strike, riot, civil disorder, war, failure to supply, fire, natural catastrophe, government ordered shutdown, or other similar events beyond its control, and upon notice to Franchisor, the Camp Development Schedule and this Agreement shall be extended for a corresponding period, not to exceed ninety (90) days; provided, however, that this Section IX shall not extend the time for payment of any monetary obligations owed to Franchisor.

## **X. CONFIDENTIALITY.**

Nothing contained in this Agreement shall be construed to require Franchisor to divulge to Multi-Unit Developer any trade secrets, techniques, methods or processes except the material contained in Franchisor's manuals and training materials, and then only pursuant to the terms, conditions and restrictions contained in the applicable Camp Franchise Agreement. Multi-Unit Developer acknowledges that its knowledge of Franchisor's know-how, processes, techniques, information and other proprietary data are derived entirely from information disclosed to it by Franchisor and that such information is proprietary, confidential and a trade secret of Franchisor. Multi-Unit Developer agrees to adhere fully and strictly to the confidentiality of such information and to exercise the highest degree of diligence in safeguarding Franchisor's trade secrets during and after the term of this Agreement. Multi-Unit Developer shall divulge such material only to its employees and agents and only to the extent necessary to permit the efficient operation of the Franchised Camps. It is expressly agreed that the ownership of all such items and property is and shall remain vested solely in Franchisor.

The Multi-Unit Developer agrees that all terms of this Agreement shall remain confidential and shall not make any public announcement, issue any press release or publicity, make any confirmation of statements made by third parties concerning the terms of this Agreement, or make any other disclosures other than the existence of this Agreement without the prior written consent of Franchisor unless compelled by law or ordered to do so by a court of competent jurisdiction. It is agreed and understood that Multi-Unit Developer may disclose the terms of this Agreement to its professional advisors and lenders. Franchisor shall be free to make such disclosure of the terms of this Agreement as it determines, to be in the best interest of Franchisor or the System.

## **XI. NONCOMPETITION.**

Multi-Unit Developer has specifically acknowledged that Multi-Unit Developer will receive valuable specialized Confidential Information and information regarding the business of Franchisor and the System. Multi-Unit Developer covenants that during the term of this Agreement and subject to the post-term provisions contained herein, except as otherwise approved in writing by Franchisor, Multi-Unit Developer shall not, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partners or corporations:

1. Divert or attempt to divert any business or customer of the Franchised Camps or other franchisees of Franchisor, 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 Franchisor's Marks or the System; or
2. Own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to or have any interest in any business which is the same as or substantially similar to the Franchised Camp or other franchises offered by Franchisor.

Multi-Unit Developer further covenants that Multi-Unit Developer shall not, for a continuous uninterrupted period commencing upon the expiration or termination of this Agreement, regardless of the cause for termination, and continuing for two (2) years thereafter, either directly or indirectly, for itself or through, on behalf of or in conjunction with any person, persons, partnership or corporation, own, maintain, engage in, be employed by, advise, assist, invest in, franchise, make loans to, or have any interest in any business which is the same as or substantially similar to the Franchised Camp or other franchises offered by Franchisor and which is located within a radius of fifty (50) miles of the Camp Development Territory, or in any Camp Bow Wow franchise territory, multi-unit development territory, or any company-owned camp territory which is in existence on the date of expiration or termination of this Agreement. Commencement of this two-year period shall be tolled for any period of noncompliance by Multi-Unit Developer.

Notwithstanding anything to the contrary contained herein, this Section XI shall not prevent Multi-Unit Developer from owning less than a five percent (5%) beneficial interest in the outstanding equity securities of any publicly-held corporation.

The parties agree that each of the foregoing covenants shall be construed as independent of any other covenant or provision of this Agreement. If any or all portions of the covenants in this Section XI is held unreasonable or unenforceable by a court or agency having valid jurisdiction in an unappealed final

decision to which Franchisor is a party, Multi-Unit Developer expressly agrees 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 XI.

Multi-Unit Developer understands and acknowledges that Franchisor shall have the right, to reduce the scope of any covenant set forth in this Section XI of the Agreement, or any portion thereof, without Multi-Unit Developer's consent, effective immediately upon receipt by Multi-Unit Developer of written notice thereof, and Multi-Unit Developer agrees that it shall forthwith comply with any covenant as so modified, which shall be fully enforceable.

Multi-Unit Developer expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section XI. Multi-Unit Developer agrees to pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Section XI provided Franchisor prevails in any or all of its claims against Multi-Unit Developer.

Multi-Unit Developer acknowledges that Multi-Unit Developer's violation of the terms of this Section XI would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Multi-Unit Developer accordingly consents to the issuance of an injunction by any court of competent jurisdiction or arbitrator having jurisdiction over the Agreement prohibiting any conduct by Multi-Unit Developer in violation of the terms of this Section XI.

At Franchisor's request, Multi-Unit Developer shall require and obtain execution of covenants similar to those set forth in this Section XI (including covenants applicable upon the termination of a person's relationship with Multi-Unit Developer) from any or all of the following persons: all officers, directors and holders of a beneficial interest of Multi-Unit Developer and of any corporation directly or indirectly controlling Multi-Unit Developer if Multi-Unit Developer is a corporation; and the members or general partners and any limited partners (including any corporation, and the officers, directors and holders of a beneficial interest of any corporation which controls, directly or indirectly, any general or limited partner) if Multi-Unit Developer is a limited liability company or partnership. All covenants required by this Section XI shall be in forms satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third party beneficiary of such covenants with the independent right to enforce them. Failure by Multi-Unit Developer to obtain execution of a covenant required by this Section XI shall constitute a default under Section VII hereunder.

## **XII. ENTIRE AGREEMENT.**

This Agreement constitutes the entire understanding of the parties with respect to the development of the Camp Development Territory, and shall not be modified except by a written agreement signed by the parties hereto. Where this Agreement and any Camp Franchise Agreement between the parties conflict with respect to initial training, the amount or payment terms of Initial Franchise Fees or equity interests held by the franchisee or operating partners and unit managers, the terms of this Agreement shall govern. Under no circumstances do the parties intend that this Agreement be interpreted in such a way as to grant Multi-Unit Developer any rights to grant sub-franchises in the Camp Development Territory. Nothing in this Agreement or any related agreement is intended to disclaim the representations made by Franchisor in the Franchise Disclosure Document (including its exhibits).

### **XIII. MONTHLY REPORTS.**

Multi-Unit Developer agrees that it shall provide to Franchisor a monthly report of its activities and progress in developing and establishing Franchised Camps as provided herein. The monthly reports shall be submitted no later than the last business day of each month or as otherwise agreed by the parties in writing.

### **XIV. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.**

Multi-Unit Developer and Franchisor are independent contractors and nothing contained herein shall be construed as constituting Multi-Unit Developer as the agent, partner or legal representative of Franchisor for any purpose whatsoever. Multi-Unit Developer shall enter into contracts for the development of the Camp Development Territory contemplated by this Agreement at its sole risk and expense and shall be solely responsible for the direction, control and management of its agents and employees. Multi-Unit Developer acknowledges that it does not have authority to incur any obligations, responsibilities or liabilities on behalf of Franchisor, or to bind Franchisor by any representations or warranties, and agrees not to hold itself out as having such authority.

Multi-Unit Developer agrees to protect, defend, indemnify and hold Franchisor harmless from and against all claims, actions, proceedings, damages, costs, expenses and other losses and liabilities, directly or indirectly incurred as a result of, arising from, out of, or in connection with Multi-Unit Developer's carrying out its obligations hereunder.

### **XV. COMPLIANCE WITH APPLICABLE LAWS.**

Multi-Unit Developer shall develop all Franchised Camps in the Camp Development Territory in accordance and compliance with all applicable federal, state and local statutes, laws, zoning, ordinances and regulations and agrees to promptly pay all financial obligations incurred in connection therewith.

### **XVI. CHANGE IN CAMP DEVELOPMENT TERRITORY.**

The parties acknowledge that the development of the Camp Development Territory as anticipated hereunder has been determined according to the needs of the Multi-Unit Developer's targeted market in the Camp Development Territory, as determined by Franchisor, as of the date of execution of this Agreement. In the event Multi-Unit Developer is unable to develop all of the Franchised Camps according to the Development Schedule, and Franchisor elects to extend the Development Schedule, Franchisor may elect, as a condition to the extension, to alter the Camp Development Territory to reflect any then-current changes in demand, demographics, or other relevant factors. Multi-Unit Developer agrees that such right to alter the Camp Development Territory in lieu of termination is an adequate and appropriate remedy, which may be exercised in addition to and not in lieu of any other remedy available to Franchisor under this Agreement or the law.

### **XVII. SUCCESSORS AND ASSIGNS.**

This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and

their heirs, successors, permitted assigns and personal representatives.

**XVIII. APPLICABLE LAW.**

Subject to Section XXI below, this Agreement shall be governed by and construed in accordance with the laws of the State of Texas which laws shall govern in the event of any conflict of laws, except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051, et. seq.). The parties expressly consent to personal jurisdiction in the State of Texas and agree that, except as otherwise set forth in Section XXII, the state and federal court(s) located in Dallas, Texas will have exclusive jurisdiction for the purposes of carrying out this provision.

**XIX. RECEIPT OF DOCUMENTS.**

Multi-Unit Developer acknowledges receipt of the Disclosure Document, Camp Franchise Agreement, financial statements and other contracts for the Franchised Camp at least 14 calendar days prior to execution hereof or payment of any monies.

**XX. NOTICE.**

Whenever this Agreement requires notice, it shall be in writing and shall be sent by registered or certified mail, return receipt requested, to the other party at the addresses set forth below, unless written notice is given of a change of address. Any notice, request, demand, approval, consent or other communication which the parties may be required or permitted to be given under this Agreement shall be in writing and shall be given to the party for whom it is intended by personal delivery, prepaid certified or registered mail or by any mail or courier service that provides confirmation of delivery:

**Notices to Franchisor:**       Camp Bow Wow Franchising, Inc.  
  c/o Propelled Brands Franchising LLC  
  2542 Highlander Way  
  Carrollton, TX 75006  
  Attn: Legal Department

**Notices to Multi-Unit Developer:** \_\_\_\_\_

Attn: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**XXI. DISPUTE RESOLUTION.**

This dispute resolution clause applies to claims by and against all parties and their affiliates, successors, owners, managers, officers, directors, employees, agents and representatives, as to claims arising out of or

relating to this Agreement, or of violation of any applicable law or regulation, except as stated below. This dispute resolution clause shall survive the termination or expiration of this Agreement.

1. The parties will first attempt to resolve any dispute relating to or arising out this Agreement by negotiation. If the parties are unable to negotiate a resolution, disputes resolution must be submitted to non-binding mediation. Mediation will be before a single skilled independent mediator mutually and reasonably agreed on by the parties. The parties will equally bear the costs of mediation. Mediation will be conducted in accordance with the procedures of United States Arbitration and Mediation Service, Inc. (USA&M) at the option of the party initiating mediation or other mediation service agreed to by Multi-Unit Developer and Franchisor. The mediation will be conducted in the city that USA&M has an office nearest Franchisor's headquarters office, unless otherwise mutually agreed.

2. If the parties cannot settle their dispute through mediation, except as otherwise provided in this Section XXII, any controversy or dispute arising out of, or relating to this Agreement shall be submitted to final and binding arbitration as the sole and exclusive remedy for any such controversy or dispute, including, but not limited to, any claim by Multi-Unit Developer or any person in privity with or claiming through, on behalf of or in the right of Multi-Unit Developer, concerning the entry into, performance under, or termination of, this Agreement or any other agreement entered into by Franchisor, or its subsidiaries or affiliates, and Multi-Unit Developer, any claim against a past or present employee, officer, director, member, shareholder or agent of Franchisor, any claim of breach of this Agreement, and any claims arising under state or federal laws. "Persons in privity" with or claiming through, on behalf of or in the right of Franchisee include but are not limited to, spouses and other family members, heirs, executors, representatives, successors, and assigns. Subject to this Section XXII, the right and duty of the parties to this Agreement to resolve any disputes by arbitration shall be governed exclusively by the Federal Arbitration Act and arbitration shall 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. However, arbitration will not be required to be used for any dispute which involves Multi-Unit Developer's misuse of any of the Marks or the System, business concept or any issue involving injunctive relief against Multi-Unit Developer or any issues related to disclosure or misuse of Confidential Information or Trade Secrets, all of which may be submitted to a court of proper jurisdiction. The parties expressly consent to personal jurisdiction in the State of Texas and agree that such courts will have exclusive jurisdiction over any such issues not subject to arbitration. No claim between the parties may be commenced after one (1) year from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claim, or such claim shall be barred. The arbitration shall be held in Dallas, Texas, and be heard by one arbitrator who has a minimum of five (5) years of experience in franchise law. The parties each shall bear all of their own costs of arbitration; however, the fees of the arbitrator shall be divided equally between the parties. The arbitrator shall have no authority to amend or modify the terms of this Agreement. The award of the arbitrator shall be final and binding on the parties and may be enforced by judgment or order of a court having subject matter jurisdiction in the state where the arbitration took place. The parties consent to the exercise of personal jurisdiction over them by such courts and to the propriety of venue of such courts for the purpose of carrying out this provision and they waive any objections that they would otherwise have concerning such matters. Parties to arbitration under this Agreement shall include, by consolidation, joinder or in any other manner, any person in privity with or claiming through, in the right of or on behalf of Multi-Unit Developer or Franchisor, unless both parties consent in writing. To the extent permitted by applicable law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration hereunder, except to the extent such issue may have been determined in another proceeding between Multi-

Unit Developer and Franchisee or any such person in privity with or claiming through, in the right of or on behalf of Multi-Unit Developer or Franchisor. The parties agree that any arbitration arising out of a dispute relating to this Agreement is only a matter between Franchisor and Multi-Unit Developer (as noted in this Section) and no other franchisees or parties. Multi-Unit Developer agrees not to join or attempt to join other Multi-Unit Developers, franchisees or parties.

3. The parties and their affiliates agree to waive, to the fullest extent permitted by law, the right to or claim for any punitive or exemplary damages against the other and agree that in the event of any dispute between them, each will be limited to the recovery of actual damages sustained.

**XXII. ACKNOWLEDGEMENTS.**

1. Multi-Unit Developer acknowledges and recognizes that different terms and conditions, including different fee structures, may pertain to different multi-unit development agreements and franchise agreements offered in the past, contemporaneously herewith, or in the future, and that Franchisor does not represent that all multi-unit development agreements or franchise agreements are or will be identical.

2. Multi-Unit Developer acknowledges that it is not, nor is it intended to be, a third party beneficiary of any other agreement to which Franchisor is a party.

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

**MULTI-UNIT DEVELOPER:**

**FRANCHISOR:**

\_\_\_\_\_,  
a \_\_\_\_\_

**CAMP BOW WOW FRANCHISING, INC.,  
a Delaware Corporation**

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

SCHEDULE A  
TO MULTI-UNIT DEVELOPMENT AGREEMENT  
CAMP DEVELOPMENT SCHEDULE

**NUMBER OF MONTHS FROM DATE OF  
THIS AGREEMENT**

**TOTAL NUMBER OF FRANCHISED  
CAMPS OPEN FOR BUSINESS**

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SCHEDULE B  
TO MULTI-UNIT DEVELOPMENT AGREEMENT  
DESCRIPTION OF THE CAMP DEVELOPMENT TERRITORY

SCHEDULE C  
TO MULTI-UNIT DEVELOPMENT AGREEMENT  
GUARANTY

In consideration of, and as an inducement to, the execution of that certain Multi-Unit Development Agreement, and any revisions, modifications, addenda and amendments thereto, (hereinafter collectively the “**Agreement**”) dated \_\_\_\_\_, 20\_\_\_\_, by and between **Camp Bow Wow Franchising, Inc.**, a Delaware corporation, (“**Franchisor**”) and \_\_\_\_\_, a \_\_\_\_\_ (“**Multi-Unit Developer**”), each of the undersigned Guarantors agrees as follows:

AGREEMENT

In consideration of, and as an inducement to, Franchisor’s execution of the Agreement, each of the undersigned hereby personally and unconditionally, jointly and severally:

1. Guarantees to Franchisor and its successors and assigns that Multi-Unit Developer will punctually pay and perform each and every undertaking, agreement, covenant, and obligation set forth in the Agreement, whether now existing or hereafter incurred;
2. Agrees to be personally bound by, and liable for Multi-Unit Developer’s breach of, each and every provision in the Agreement;
3. Waives (a) notice of acceptance of this Guaranty; (b) notice of any demand for payment, performance, or indebtedness delivered to Multi-Unit Developer; (c) protest and notice of default or termination delivered to Multi-Unit Developer; (d) any right to require that action first be brought against Multi-Unit Developer or any other person in order to trigger the undersigned’s liability under this Guaranty, or to require that Franchisor resort to any security interest or to balance of any account or credit in favor of Multi-Unit Developer or any other person; and (e) all other notices and legal or equitable defenses to which the undersigned might be entitled. This Guaranty shall remain effective regardless of the insolvency of Multi-Unit Developer by operation or law, reorganization, merger, or consolidation, or any other change in ownership of Multi-Unit Developer.
4. Agrees to render payment or performance required under the Agreement upon demand, if Multi-Unit Developer fails or refuses to do so in compliance with the Agreement;
5. Agrees that the undersigned’s liability is not contingent upon Franchisor’s pursuit of its remedies against Multi-Unit Developer, and is not diminished, relieved, or otherwise affected by any extension of time or credit Franchisor may grant to Multi-Unit Developer or any other person, including without limitation acceptance of any partial payment or performance or the compromise or release of any claims, none of which will modify or amend this Guaranty;
6. Agrees to be bound by the restrictive covenants, confidentiality, and indemnification provisions in the Agreement, which are hereby incorporated into this Guaranty by reference, in their entirety;

7. Agrees that within 10 days of receipt of Franchisor’s written request, it shall: (a) furnish evidence of execution of this Guaranty; or (b) provide Franchisor with current financial statements as may be requested from time to time. Failure to comply with this Section will constitute a default by Multi-Unit Developer under the Agreement;

8. Represents and warrants that Multi-Unit Developer is a(n) *(please check which applies)*, and the following individuals or entities have a direct or indirect, legal, and/or beneficial interest in the Agreement:

- Individual
- Partnership
- Corporation
- Limited Liability Company
- Other *(please explain)*: \_\_\_\_\_

Name	Address	Phone	% Ownership

9. If Multi-Unit Developer is an entity, the undersigned represents and warrants that Multi-Unit Developer was formed under the laws of the State of \_\_\_\_\_; and

10. Represents and warrants that it has carefully read the Agreement and this Guaranty and all related documents to be executed in conjunction with this Guaranty, has obtained the advice of counsel before executing this Guaranty, understands the nature of this Guaranty, and intends to comply with and be bound by this Guaranty.

11. Miscellaneous:

a. All capitalized terms that are not defined in this Guaranty have the meaning assigned to them in the Agreement.

b. This Guaranty is continuing and irrevocable during the Term and shall remain in full force and effect during any period of time post-expiration, termination, non-renewal, or Transfer of the Agreement with respect to provisions of the Agreement which expressly or by their nature survive expiration or termination of the same, and irrespective of any interruptions in business.

c. Franchisor’s failure, neglect, or delay in enforcing or exercising any of its rights under this Guaranty shall not affect or diminish Franchisor’s right to strictly enforce each provision of this Guaranty at any time, whether at law, in equity, for injunctive relief or specific performance, or otherwise. Franchisor’s waiver of performance of any provision of this Guaranty shall not constitute a waiver of Franchisor’s right to enforce that provision in the future. No waiver shall be binding unless in writing and signed by Franchisor.

d. This Guaranty is governed by the choice of law and venue provision in the Agreement.

IN WITNESS, WHEREOF, the undersigned, intending to be legally bound by this Guaranty, has duly executed and delivered this Guaranty on the date Guarantor(s) signs below.

**GUARANTOR:**

Signed: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

SCHEDULE D  
TO MULTI-UNIT DEVELOPMENT AGREEMENT

STATE SPECIFIC ADDENDA  
TO CAMP MULTI-UNIT DEVELOPMENT AGREEMENT

ADDENDUM TO CAMP BOW WOW  
MULTI-UNIT DEVELOPMENT AGREEMENT FOR THE STATE OF CALIFORNIA

This Addendum pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything that may be contained in the body of the Agreement to the contrary, the Agreement is amended as follows:

1. The Multi-Unit Development Agreement contains a covenant not to compete which extends beyond the term of the franchise. This provision may not be enforceable under California law.
2. The Multi-Unit Development Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 and following).
3. The Multi-Unit Development Agreement requires application of the laws of the State of Texas. This may not be enforceable in the State of California.
4. The Multi-Unit Development Agreement requires you to 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 3100 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, including the termination, transfer or nonrenewal of a franchise).
5. California Business and Professions Code Sections 20000 through 20043, the California Franchise Relations Act, provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.
6. In all other respects, the Multi-Unit Development Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Multi-Unit Developer Initials

\_\_\_\_\_  
Franchisor Initials

ADDENDUM TO CAMP BOW WOW  
MULTI-UNIT DEVELOPMENT AGREEMENT FOR THE STATE OF ILLINOIS

This Addendum pertains to franchises sold in the State of Illinois and is for the purpose of complying with Illinois statutes and regulations. Notwithstanding anything that may be contained in the body of the Multi-Unit Development Agreement to the contrary, the Agreement is amended as follows:

1. Article II of the Multi-Unit Development Agreement is amended by adding the following;

**II** Illinois Law. Your rights upon non-renewal may be affected by Illinois law, 815ILCS 705/19 and 705/20.

2. Article VII of the Multi-Unit Development Agreement is amended by adding the following:

**VII** Illinois Law. The conditions under which your franchise can be terminated may be affected by Illinois law, 815ILCS 7051/19 and rule 200.608.

3. Article XVIII of the Multi-Unit Development Agreement is deleted in its entirety, and in its place is added:

**XVIII** This Agreement shall be interpreted under the laws of the State of Illinois except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Section 1051 *et seq.*). Litigation governed by the Illinois Franchise Disclosure Act will take place in the State of Illinois. Any provision in the Multi-Unit Development Agreement that designates jurisdiction, limitation on actions, or venue in a forum outside the State of Illinois is amended to state that Illinois law governs the franchise relationship.

The governing law clause contained in the Multi-Unit Development Agreement may not be enforceable under Illinois law. This governing law clause shall not be construed to negate the application of the Illinois Franchise Disclosure Act in all situations to which it is applicable.

5. In all other respects, the Multi-Unit Development Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Multi-Unit Director Initials

\_\_\_\_\_  
Franchisor Initials

ADDENDUM TO CAMP BOW WOW  
MULTI-UNIT DEVELOPMENT AGREEMENT FOR THE STATE OF MARYLAND

This Addendum applies to Maryland residents and to franchises to be located in the State of Maryland and is for the purpose of complying with Maryland statutes and regulations. Notwithstanding anything that may be contained in the body of the Multi-Unit Development Agreement to the contrary, the Agreement is amended as follows:

1. Any provision in the Franchise Agreement, Multi-Unit Development Agreement or in the Statement of Franchisee that constitutes a general release of claims is amended to provide that, pursuant to COMAR 02.02.08.161, the general release that may be 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.

2. The Franchise Agreement and Multi-Unit Development Agreement are amended to provide that Franchisee/Multi-Unit Developer may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

3. Section III of the Multi-Unit Development Agreement is amended to include the following statement: The Maryland Securities Commissioner has required a financial assurance. Therefore, we have posted a surety bond, which is on file with the Maryland Securities Division.

4. Section 20.1 of the Franchise Agreement and Section XVIII of the Multi-Unit Development Agreement are amended to provide that these representations are not intended to nor shall they act as a release, estoppel or waiver of any liability under the Maryland Franchise Registration and Disclosure Law.

5. The Multi-Unit Development 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.*).

6. In all other respects, the Multi-Unit Development Agreement will be construed and enforced according to its terms.

\_\_\_\_\_  
Multi-Unit Director Initials

\_\_\_\_\_  
Franchisor Initials

ADDENDUM TO CAMP BOW WOW  
MULTI-UNIT DEVELOPMENT AGREEMENT FOR THE STATE OF MINNESOTA

This Addendum pertains to franchises sold in the State of Minnesota and is for the purpose of complying with Minnesota statutes and regulations. Notwithstanding anything that may be contained in the body of the Multi-Unit Development Agreement to the contrary, the Agreement is amended as follows:

1. Franchisor will undertake the defense of any claim of infringement by third parties involving the CAMP BOW WOW Mark and Multi-Unit Director will cooperate with the defense in any reasonable manner prescribed by Franchisor with any direct cost of such cooperation to be borne by Franchisor.

2. Minnesota law provides franchisees with certain termination and nonrenewal rights. As of the date of this Franchise Agreement, Minn. Stat. Sec. 80C.14, Subd. 3, 4 and 5 require, except in certain specified cases, that a franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice for nonrenewal of the Multi-Unit Development Agreement.

3. Nothing in the Multi-Unit Development Agreement can abrogate or reduce any of Multi-Unit Developer's rights as provided for in Minnesota Statutes, Chapter 80C, or Multi-Unit Developer's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction. In addition, Minn. Stat. § 80C.21 and Minn. rule 2860.4400J prohibit Franchisor from requiring litigation to be conducted outside Minnesota.

4. Minnesota Rule 2860.4400D prohibits Franchisors from requiring franchisees to assent to a general release. The Multi-Unit Development Agreement is modified accordingly, to the extent required by Minnesota law.

5. In all other respects, the Multi-Unit Development Agreement will be construed and enforced according to its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Multi-Unit Director Initials

\_\_\_\_\_  
Franchisor Initials

ADDENDUM TO CAMP BOW WOW  
MULTI-UNIT DEVELOPMENT AGREEMENT FOR THE STATE OF NORTH DAKOTA

This Addendum pertains to franchises sold in the State of North Dakota and is for the purpose of complying with North Dakota statutes and regulations. Notwithstanding anything that may be contained in the body of the Multi-Unit Development Agreement to the contrary, the Agreement is amended as follows:

1. The Sections of the Multi-Unit Development Agreement requiring that you sign a general release, as a condition of renewal and or assignment, may not be enforceable as they relate to releases of the North Dakota Franchise Investment Law.
2. The Multi-Unit Development Agreement and Non-disclosure and Non-Competition Agreement contain a covenant not to compete which may not be enforceable under North Dakota law.
3. The section of the Multi-Unit Development Agreement requiring resolution of disputes to be outside North Dakota may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.
4. The sections of the Multi-Unit Development Agreement relating to choice of law, may not be enforceable under Section 51-19-09 of the North Dakota Franchise Investment Law, and are amended accordingly to the extent required by law.
5. The section of the Multi-Unit Development Agreement requiring franchisees 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.
6. Except as amended herein, the Multi-Unit Development Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Addendum and consents to be bound by all of its terms.

\_\_\_\_\_  
Multi-Unit Developer Initials

\_\_\_\_\_  
Franchisor Initials



**EXHIBIT I**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**CONVERSION ADDENDUM**

## EXHIBIT I TO FRANCHISE DISCLOSURE DOCUMENT

### CONVERSION ADDENDUM

THE CAMP BOW WOW FRANCHISE AGREEMENT (“**Agreement**”) between \_\_\_\_\_ (“**you**” or “**your**”) whose principal address is \_\_\_\_\_ and Camp Bow Wow Franchising, Inc. a Delaware corporation located at 2542 Highlander Way, Carrollton, Texas 75006-2333 (“**we**”, “**us**”, or “**our**”) shall be amended by the addition of the following language, which shall be considered an integral part of the Agreement as of the date signed by us and set forth opposite our signature on this Addendum (“**Effective Date**”) (“**Addendum**”):

**WHEREAS**, you operate an existing pet care facility business under the name of \_\_\_\_\_ (the “**Existing Business**”);

**WHEREAS**, you desire to establish a franchise relationship with us;

**WHEREAS**, you desire to obtain the right to convert your Existing Business to a Camp Bow Wow Franchise (“**Conversion Franchise**”) and to operate the Conversion Franchise pursuant to the System in accordance with the terms and conditions of the Agreement as amended herein; and

**WHEREAS**, the parties acknowledge that, unless otherwise defined in this Addendum, all capitalized defined terms used in this Addendum shall have the same meaning as that attributed to such terms in the Agreement.

**NOW, THEREFORE**, in consideration of the undertakings and commitments of each party to the other party set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### **INCORPORATION OF TERMS OF AGREEMENT**

This Addendum shall amend and supplement the Agreement simultaneously executed by the parties herein. The terms, covenants, and conditions of this Addendum are incorporated into the Agreement, and with respect to any conflict between the two agreements, the terms of this Addendum shall be controlling with respect to the subject matter thereof.

#### **AMENDMENTS TO THE AGREEMENT**

The Agreement shall be amended as follows:

**1. Territorial Rights**

Subsection 6.1.b of the Agreement and all references to your territory selection and approval process shall be amended as follows:

The Territory for a Conversion Franchise will be a defined area around the location as determined by us. We will designate and describe your Territory in **Attachment A**.

2. **Site Selection**

Subsection 6.7 of the Agreement shall be deleted in its entirety and the following shall be substituted in lieu thereof:

You agree to bear the cost and expense for making all alterations, modifications, and improvements as we may deem necessary to convert your Existing Business to a Conversion Franchise. You acknowledge and agree that approving you to operate a Conversion Franchise at the Existing Business premises does not constitute a representation, promise, warranty, or guarantee by us that a Camp Bow Wow Camp operated at that site will be profitable or otherwise successful.

You acknowledge that Franchisor has not independently verified the condition, compliance, or performance of the Existing Business and that Franchisee assumes all risks associated with the conversion of such business.

3. **Lease of Premises**

Exhibit K of the Franchise Disclosure Document, the Lease Addendum, be deleted in their entirety.

4. **Camp Development**

Subsection 6.1 of the Agreement shall be deleted in its entirety and the following shall be substituted in lieu thereof:

Within forty-five (45) days of your execution of this Agreement and the Addendum, you agree to make all alterations, modifications and improvements to the Conversion Franchise premises as reasonably requested by us in order to meet the current standards of the Camp Bow Wow System; replacing all signage, letterhead, invoices, and documentation with the other pet care business with materials meeting our standards for such items; obtaining and replacing such computer hardware, software and other equipment (at your option), meeting our specifications and standards necessary to operate the Conversion Franchise under the System; and to cancel and/or replace all advertising, including Yellow Page advertising, under the Existing Business's name and substitute advertising approved by us using the Marks.

You shall be responsible for obtaining and maintaining all zoning classifications and clearances which may be required by the state, provincial, or local laws, ordinances, or regulations or which may be necessary or advisable because of any restrictive covenants relating to the Conversion Franchise's premises. You agree to obtain and maintain all permits, licenses, and certifications required for the lawful operation of the Conversion Franchise. You will certify in writing to us that the insurance coverage specified in Subsection 9. of this Agreement is in full force and effect and that all required approvals, clearances, permits, and certifications related thereto have been obtained within thirty (30) days of your execution of this Agreement and the Addendum. Upon request, you agree to

promptly provide us with additional copies of your insurance policies or certificates of insurance and copies of all the foregoing approvals, clearances, permits, licenses, and certifications.

**5. Computer System**

Subsection 6.6 of the Agreement shall be supplemented by the addition of the following as the last paragraph of the Section as if it were an original part of the Agreement:

With respect to a Conversion Franchise, we will inspect the existing Computer System currently used at the Existing Business and advise you within thirty (30) days of the execution of this Agreement and the Addendum whether such items meet our standards and specifications. If the computer system does not meet our standards and specifications, you agree to obtain and use the Computer System we specify within forty-five (45) days of your execution of this Agreement and Addendum.

**6. Camp Opening**

Subsection 6.1 of the Agreement shall be supplemented by the addition of the following as the last paragraph of the Section as if it were an original part of the Agreement:

With respect to a Conversion Franchise, you acknowledge that time is of the essence. Subject to your compliance with the pre-opening obligations described in Section 4, you agree to complete conversion and commence operating the business under the Camp Bow Wow System within ninety (90) days following the date of execution of this Agreement and the Addendum unless you obtain an extension of such time from us. We will inspect the Conversion Franchise prior to opening to determine whether you have complied with our specifications and standards for conversion to a Camp Bow Wow Franchised Business. We have the right to prohibit you from commencing operation of the Conversion Franchise in the event you fail to comply with such pre-opening obligations.

**7. Continuing Service and Royalty Fee**

Subsection 3.2b of the Agreement shall be supplemented by the following two (2) paragraphs:

In the event you have not commenced operation as a Conversion Franchise within ninety (90) days following the date of execution of this Agreement, effective on the first of the month after the ninety (90) days until commencement of operation of the Conversion Franchise, you will begin paying a minimum monthly service fee of Two Thousand Five Hundred Dollars (\$2,500).

You agree to provide us with your year-end financial statements and other information for the previous twelve (12) month period prior to signing the Agreement for your Existing Business.

**8. Marketing**

Subsection 6.10(a) of the Agreement shall be deleted in its entirety and the following shall be substituted in lieu thereof:

You agree to pay Ten Thousand Five Hundred Dollars (\$10,500) to CBW prior to registering for the initial training program for initial marketing and advertising for your Conversion Franchise in your local market which will be administered by our marketing department. We will create a marketing and advertising plan for your Conversion Franchise and will allocate your required initial marketing and advertising pre-paid dollars to local

programs at our sole discretion that will be scheduled to run for approximately 3-to-4 months. The programs included in the initial marketing and advertising plan include direct mail marketing programs (including a grand opening mail campaign), initial marketing materials (3-to- 4 month supply), local web search marketing including local digital advertising, virtual sales assistant customer prospecting email campaigns, telemarketing campaigns, social media campaigns and sales promotion items. There are six (6) months of virtual sales assistant customer prospecting email campaigns included in your initial marketing and advertising plan. Marketing programs are evaluated for effectiveness, and we may amend the tactics to optimize the initial marketing and advertising plan. If additional funds remain after we outline the spending on these programs and materials on the elements above, other programs such as local paid media and association marketing opportunities can be included in the pre-paid portion of the marketing plan. You agree to comply with our guidelines for this initial marketing and advertising plan. We recommend that you invest additional amounts in local marketing during the first year of the Conversion Franchise's operation.

Upon expiration of the pre-paid marketing dollars referenced above for local digital advertising, you are required to continue local digital advertising in the same geographic area as your Territory as defined in Item 12, use our designated agency and spend the minimum amount required to consistently achieve an impression share of seventy-five percent (75%) or more in your Territory. Impression share is the percentage of impressions that your digital ads receive compared to the total number of impressions your ads could get. The required minimum spending is Eight Hundred Fifty Dollars (\$850) a month and is subject to change. We will provide you with sixty (60) days' written notice before increasing the required spending. If spending a lower monthly amount keeps your local paid search impression share at least seventy-five percent (75%), you must spend the difference in additional digital media channels and/or search engine optimization to generate demand. Also, you are required to maintain virtual sales assistant customer prospecting email campaigns through our designated service at an annual cost of One Thousand Three Hundred Eighty dollars (\$1,380) (this pricing is subject to change).

Subsection 5.1(j). of the Agreement shall be supplemented by the addition of the following paragraph as if it were an original part of the Agreement:

You agree to transfer the Uniform Resource Location ("URL") for the Existing Business to us within sixty (60) days from the date of signing this Addendum. You will work with us and the domain name registrar to complete any necessary paperwork to complete the transfer of the URL to us. We will allow you to maintain the Existing Business' website, social media accounts, and email for six (6) months from the date of this Addendum for the sole purpose of maintaining the business from the Existing Business. These URL(s) should not be promoted or marketed. After this six (6) month period, you agree to discontinue the website, social media accounts and email. Upon discontinuance of the Existing Business's website, you agree to put a jump page on the Existing Business' website that is redirected to your Conversion Franchise's page.

## **9. Records, Reports, and Financial Statements**

The Agreement shall be supplemented by the addition of the following paragraph to the end of Section 4 as if it was an original part of the Agreement.

If we determine that the form and manner which you maintain the books and records of the Existing Business are not consistent with those prescribed by us under the System, you agree to prepare all books and records in the form and manner prescribed by us upon commencing operations as a Conversion Franchise.

**10. Acknowledgments**

Section 21.2 of the Agreement shall be supplemented by the addition of the following Subsections (c), (d), and (e) as if they were an original part of the Agreement.

- (c) Except for you, no other person, firm, corporation, or other entity has any right, title, interest in or to you; that your business has not been mortgaged, pledged, or assigned; and there are no judgments, liens, executions or proceedings pending which may alter, decrease or remove your interest in such business;
- (d) You acknowledge that the information submitted, and representations made to us as an inducement for us to enter into this Agreement and the Addendum are complete, true and correct;
- (e) You acknowledge that by virtue of the terms and conditions of this Agreement and the Addendum the manner and operation of its business must be in strict compliance with the System.

IN WITNESS WHEREOF, you acknowledge that you have read and understand the contents of this Addendum, that you have had an opportunity to obtain the advice of counsel, and that you intend to comply with this Addendum and be bound thereby. The parties have executed and delivered this Addendum to the Agreement on the dates noted below, to be effective as of the Effective Date.

**CAMP BOW WOW FRANCHISING, INC.**,  
a Delaware corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Dated:** \_\_\_\_\_  
(\*Effective Date of this Agreement)

**FRANCHISEE:**

**(IF YOU ARE TAKING THE FRANCHISE  
AS A CORPORATION, LIMITED  
LIABILITY COMPANY, OR  
PARTNERSHIP):**

\_\_\_\_\_  
[Print Name of Franchisee Entity]

By: \_\_\_\_\_

[signature of person signing on behalf of entity]

Title of Signator: \_\_\_\_\_

DATED: \_\_\_\_\_

**(IF YOU ARE TAKING THE FRANCHISE  
INDIVIDUALLY AND NOT AS A LEGAL  
ENTITY):**

\_\_\_\_\_  
[signature of individual franchisee]

Print Name: \_\_\_\_\_

DATED: \_\_\_\_\_



**EXHIBIT J  
TO FRANCHISE DISCLOSURE DOCUMENT**

**CONVERSION PROMISSORY NOTE (DIRECT FINANCING)**

## PROMISSORY NOTE

**Payee:** Camp Bow Wow Franchising, Inc.

**Maker:** \_\_\_\_\_

**Principal Amount:** \$35,000

**Interest Rate:** 0% annually , 20

For value received, the undersigned (whether one or more, jointly and severally), individually and personally (the “**Maker**”), promises to pay to the order of Camp Bow Wow Franchising, Inc. a Delaware corporation (“**Payee**”) its transferees, successors or assigns, at c/o Camp Bow Wow Franchising, Inc., 2542 Highlander Way, Carrollton, Texas 75006-2333, or at such other address as the Payee hereof shall specify in writing to the undersigned, the sum of Thirty-Five Thousand and no/100 Dollars (\$35,000), legal and lawful money of the United States of America from the date hereof until maturity.

The principal of Nine Hundred Seventy-Two Dollars and 22/100 (\$972.22) shall be due and payable in thirty-six (36) monthly installments on the twenty-fifth (25<sup>th</sup>) day of each month. The first payment is due thirty (30) days after commencement of operation as a Camp Bow Wow Franchised Business by Maker.

Upon the occurrence of any of the following events of default, Payee, at its option and without notice to Maker, may declare the entire unpaid principal balance of this Note together with all other indebtedness of Maker to Payee, to be immediately due and payable:

(a) Maker’s failure to pay any principal, or any other charge or expense payable hereunder, when due and payable hereunder; (b) any breach or default by Maker of any warranty, representation, covenant, term or condition stated herein, in the Agreement, or in any other security instrument, affidavit or other agreement or instrument between Maker and Payee; if the Franchise Agreement is terminated for any reason by Maker or Payee, (d) if Maker is generally not paying its debts as such debts become due; (e) the commencement of any proceedings under any bankruptcy or insolvency laws by or against Maker; or (f) the sale, assignment, transfer or conveyance of all or substantially all of Maker’s assets. Upon any such event of default, Payee may (in addition to accelerating the debt) exercise all rights and remedies available to it under this Note, under any other security instrument, affidavit or other document instrument executed in connection with or pursuant to this Note, and otherwise at law and in equity, all such rights and remedies being cumulative, and not exclusive.

Upon the occurrence of any event of default, the entire indebtedness shall be matured, at the

option of the Payee; and in the event default is made in the prompt payment of this Note when due or declared due, and the same is placed in the hands of an attorney for collection or suit is brought on the same, or the same is collected through Probate, Bankruptcy or other judicial proceedings, then Maker agrees and promises to pay a reasonable attorneys' fee for collection, which in no event shall be less than ten percent (10%) of the principal then owing. Neither the failure, partial failure, nor any delay on the part of Payee to exercise any right, power or privilege hereunder shall operate as a waiver thereof.

This Note may be prepaid, in whole or in part, without premium or penalty, as of the date of any regularly scheduled payment hereunder.

Each Maker, surety and endorser of this Note expressly waives all notices, demands for payment, presentations for payment, notices of intention to accelerate the maturity, protest and notice of protest, as to this Note and as to each, every and all installments hereof, and each consent that the Payee or any other creditor under this Note may at any time, and from time to time, upon request of or by agreement with any of us, extend the maturity date hereof or change the time or method of payments without notice to any of the other makers, sureties or endorsers, who shall remain bound for the payment hereof.

No delay or failure of Payee in exercising any right, remedy, power or privilege hereunder shall operate as a waiver or otherwise affect such right, remedy, power or privilege, nor shall any single or partial exercise thereof preclude the exercise of any other right, remedy, power or privilege. No delay or failure of Payee at any time to demand strict adherence to the terms of this Note shall be deemed to constitute a waiver of any such rights or a course of conduct inconsistent with Payee's right at any time, before or after an event of default, to demand strict adherence to the terms of this Note. Payee shall not be deemed to have waived any of its rights hereunder unless the same shall be in writing signed by Payee, and each such waiver, if any, shall be a waiver only with respect to the specific matter or matters to which the waiver relates and shall not impair the rights of Payee or the obligations of Maker in any other respect.

Maker shall not assign or otherwise transfer this Note (in whole or in part), nor shall Maker delegate any or all its obligations hereunder without the prior written consent of Payee, which consent may be withheld for any reason or for no reason. No assignment or other transfer of this Note shall be construed to release Maker from any of its obligations or liabilities hereunder, whether accruing before or after such assignment or transfer.

This Note shall be binding upon Maker and its successors and permitted assigns and shall inure to the benefit of and be enforceable by Payee and its successors and assigns.

If any term or provision of this Note or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Note, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Note shall be valid and be enforced to the fullest extent permitted by law.

The liability of each Maker executing this Note shall be joint and several and the term "Maker" shall mean each and all such Makers.

To induce Payee to extend to the Maker the loan evidenced by this Note, Maker irrevocably agrees that, subject to Payee's sole and absolute election, ALL ACTIONS OR PROCEEDINGS IN ANY WAY ARISING OUT OF OR RELATED TO THIS NOTE WILL BE LITIGATED EXCLUSIVELY IN THE STATE OR FEDERAL COURT OF GENERAL JURISDICTION IN DALLAS, TEXAS. MAKER AND PAYEE EACH WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER THIS NOTE.

**IN WITNESS WHEREOF**, the undersigned have executed this Note as of the date and year first set forth above.

MAKER:

By: \_\_\_\_\_

Title: \_\_\_\_\_

This Note is personally guaranteed by (the “Guarantor”). Guarantor unconditionally guarantees payment to Payee of all amounts owing under the Note. This Guarantee remains in effect until the Note is paid in full. Guarantor must pay all amounts due under the Note when Payee makes written demand upon Guarantor. Payee is not required to seek payment from any other source before demanding payment from Guarantor.

GUARANTOR:

By: \_\_\_\_\_



**EXHIBIT K  
TO FRANCHISE DISCLOSURE DOCUMENT  
LEASE ADDENDUM**

***THIS IS A SAMPLE AGREEMENT AND IS SUBJECT TO CHANGE OVER TIME***

**FRANCHISE LEASE ADDENDUM**

This Addendum to Lease (“Addendum”) is attached hereto and made a part hereof of the Lease (the “Lease”) dated \_\_\_\_\_ by and between \_\_\_\_\_ (as “Landlord”) and \_\_\_\_\_ (as “Tenant”) for the premises as more fully described in the Lease Agreement (the “Lease”). In the event of a conflict between the terms of this Addendum and the Lease, the terms of this Addendum shall control.

**RECITALS**

WHEREAS, Landlord acknowledges that Tenant has entered into a Franchise Agreement, dated \_\_\_\_\_, with Camp Bow Wow Franchising, Inc. (“CBW”) to allow Tenant to operate a Camp Bow Wow franchise (“Camp”);

WHEREAS, for purposes of operating the Camp at the Premises under the terms of the Franchise Agreement, Landlord and Tenant will execute the Lease, dated \_\_\_\_\_;

WHEREAS, Landlord acknowledges and agrees that the terms of this Lease Addendum are required for Tenant to comply with the Franchise Agreement; and

WHEREAS, Landlord and Tenant agree to modify the Lease provisions with the required provisions in this Addendum

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**REQUIRED LEASE TERMS**

1. Contingencies. If Tenant is unable to obtain the zoning, necessary to develop or operate the Camp from the Premises, Tenant may elect to terminate the Lease upon written notice to Landlord within 15 days of Tenant’s determination of the same. Upon such termination, both parties shall thereafter be released from all obligations under the Lease. Landlord expressly waives the remedies of specific performance and damages.

2. Approved Use. Subject to applicable law, and the terms of the Lease, Tenant is expressly permitted to keep 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.

3. Franchise Requirements. Landlord agrees that Tenant may remodel, equip, paint, and decorate the interior of the Premises and display Camp Bow Wow’s proprietary marks and signs on the interior and, subject to the Lease and all applicable laws, ordinances, and restrictive covenants, the exterior

of the Premises as Tenant is reasonably required to do pursuant to the Franchise Agreement, CBW's directives, or any successor franchise agreement under which Tenant may operate a Camp at the Premises. Notwithstanding the foregoing, any structural alterations to the Premises shall require Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed.

4. Modifications to the Lease. Landlord and Tenant recognize that Tenant has entered into a franchise agreement with CBW to open a Camp in the premises. Tenant shall have the right to sublease or assign all or any portion of the premises during the term of the Lease to: (i) any wholly-owned subsidiary or parent company of Tenant without obtaining Landlord's prior written consent (but with providing written notice to Landlord), provided such new tenant has a net worth equal to or greater than Tenant; (ii) another duly authorized franchisee of CBW's; or (iii) to CBW, who may transfer its interest to another duly authorized franchisee with at least a net worth of \$1,000,000.

5. Noise and Nuisance. Any noise, odor, disturbance, or nuisance from 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.

6. CBW's Right to Assume and/or Assign the Lease. Upon any of the following events (collectively, "**Triggering Events**"), CBW or its affiliate(s) may assume all of Tenant's right, title and interest in and to the Lease upon written notice to the Landlord: (a) termination of the Franchise Agreement; (b) a default or series of defaults under the Franchise Agreement that gives rise to termination of the Franchise Agreement; (c) CBW's acquisition of the Camp or substantially all of the assets used in operation of the Camp; (d) Tenant's default under the Lease; or (e) termination of the Lease for any reason (excepting eminent domain or casualty loss). CBW shall provide Landlord with notice of intent to assume the Lease within thirty (30) days of notice of a Triggering Event. Landlord understands that CBW is not a Party or Guarantor of this Lease until CBW gives Landlord written notice of its assumption and Landlord delivers possession of the Premises to CBW ("**Effective Date of Assumption**").

Upon the Effective Date of Assumption, CBW may assign the Lease to a new franchisee by providing Landlord with thirty days written notice. After such assignment, CBW shall be fully released from any and all liability under the Lease and this Addendum, with the exception of any liability for unpaid rent that accrued prior to the Effective Date of Assumption.

Notwithstanding anything to the contrary in the Lease, upon any default by Tenant, Landlord shall not recapture or retake possession of the Premises or refuse to allow Tenant access to the Premises unless and until every dog is returned to its owner and safely removed from the Premises. Landlord shall have the right to be present during any such transition period, at its option, but the parties recognize and agree that safe removal of the dogs requires some period of transition before the Premises can be recaptured.

Landlord will give Tenant and CBW simultaneous written notice of any Triggering Event or any other event that, with the passage of time, would constitute a default under the Lease or provide grounds for termination.

7. CBW's Post-Termination Rights. CBW shall have the right to enter the premises to make any reasonable non-structural, non-storefront modifications or reasonable non-structural, non-storefront alteration necessary to protect CBW's interest in the franchise and its proprietary marks, or to cure any default under the Franchise Agreement or any development Agreement entered into by CBW and Tenant or under the Lease. CBW also has the right to enter the premises to investigate the welfare of the animals and ensure their safety.

8. Notice. Except as otherwise stated below, notices under this Addendum shall be in writing and delivered: (a) personally; (b) via reputable courier services, charges pre-paid; or (c) via first-class registered or certified mail, postage pre-paid, using the contact information below. The parties may also deliver notices via email. The parties may update their contact information below by giving notice in writing to the other parties.

To CBW:

Name: Camp Bow Wow Franchising, Inc.  
Attn: Legal Department  
Address: 2542 Highlander Way  
City/Zip Carrollton, Texas 75006-2333  
Email: legalnotices@propelledbrands.com  
Facsimile: (866) 897-6155

To Tenant:

Name: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/Zip \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

To Landlord:

Name: \_\_\_\_\_  
Attn: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/Zip \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

Notices under this Section will be effective: (a) on the date of hand delivery, if applicable; or, upon the earlier of (b) the other party's receipt, (c) if mailed, 3 business days after dispatch, or (d) if sent via

overnight courier, 1 business day after dispatch. Notices sent via email will be effective as of the date and time stamp recorded on the sent email.

9. Consideration; No Liability.

a. Landlord acknowledges that this Addendum is required pursuant to the Franchise Agreement, and that Tenant would not lease the Premises without Landlord's agreement to this Addendum.

b. Landlord further acknowledges that Tenant is not an agent or employee of CBW, and Tenant has no authority or power to act for, create any liability on behalf of, or otherwise bind CBW or any of its affiliates in any way. Landlord has entered this Addendum with full understanding that it creates no duties, obligations or liabilities of or against CBW or its affiliates.

10. Miscellaneous.

a. *Counterparts.* This Addendum 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.

b. *Amendments.* No amendment to this Addendum or the Lease shall be binding unless made in writing and signed by the parties to this Addendum.

c. *Entire Agreement.* This Addendum shall supersede and replace all prior agreements, promises and understandings, oral or written, between the parties with respect to the subject matter hereof.

d. *Severability.* If any term, section or other provision of this Addendum is held to be invalid or unenforceable, the invalidity or unenforceability of such term, section or other provision will not affect any of the remaining provisions of this Addendum.

e. *Successors and Assigns.* This Addendum will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

f. *Conflicts.* Except as amended or modified herein, the terms of the Lease remain in full force and effect as originally written. In the event of a conflict between the Lease and this Addendum, the terms of this Addendum shall control.

g. *No Construction Against Drafting Party.* This Addendum shall not be construed more strictly against one party than the other merely by virtue of the fact that it has been prepared by counsel for one of the parties, it being recognized that the Landlord and Tenant have had the opportunity to review this Addendum with legal counsel and contribute substantially and materially to the terms and preparation of the Addendum.

*[Remainder of page intentionally left blank]*

**IN WITNESS WHEREOF**, the parties have entered this Addendum as of the date the last party signs below.

**LANDLORD:**

\_\_\_\_\_,  
a \_\_\_\_\_

**TENANT:**

\_\_\_\_\_,  
a \_\_\_\_\_

Signed:

\_\_\_\_\_

Signed:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Printed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

Date:

\_\_\_\_\_

## **SCHEDULE 11 TO FRANCHISE LEASE ADDENDUM DE-IDENTIFICATION REQUIREMENTS**

Franchisor, or its designee, is allowed (but not required) to perform the following actions in the process of removing its Intellectual Property and de-identifying the Premises:

1. 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;
2. Remove exterior signage;
3. Remove any item(s) bearing the Camp Bow Wow® 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.;
4. Remove all log trim in the camp, including but not limited to trim around the front door, on the desk, around the data poles, in the lobby, and throughout the camp;
5. 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).
6. Prime the walls of the lobby;
7. Significantly alter the front desk layout to remove the check in/check out areas, the gates and signs, and the data poles; and,
8. Remove any materials that are specific to the brand, including but not limited to items such as galvanized steel or sound baffling.

If Landlord holds any liens on the assets that Franchisor elects to purchase or remove pursuant to this Addendum or the Franchise Agreement, Landlord agrees to negotiate the purchase of the encumbered assets reasonably and in good faith. If any third-party liens exist on the assets, Landlord shall provide Franchisor with contact information for the lienholders.



**EXHIBIT L**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT**

***THIS IS A SAMPLE AGREEMENT AND IS SUBJECT TO CHANGE OVER TIME***

**RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT**

This RIGHT OF FIRST REFUSAL AND OPTION AGREEMENT (“**Agreement**”) is by and between \_\_\_\_\_, a \_\_\_\_\_ (“**Grantor**”), and Camp Bow Wow Franchising, Inc., a Delaware corporation (“**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 Camp Bow Wow® franchise (a “**Camp**”) 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 Camp, 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 5 days of receipt. Grantee shall have 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 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 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 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 30 days of Grantee’s written notice of intent to exercise the option, each party shall have 10 days to elect an independent MAI appraiser with at least 5 years of commercial real estate experience relevant to the area where the Property is located. Each appraiser shall have 30 days to submit its appraisal to each party simultaneously. If the lower appraisal is 90% or more of the higher appraisal, the Fair Market Value shall be the average of the two appraisals. If the lower appraisal is 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 30 days to submit its appraisal to each party simultaneously. The Fair Market Value shall be the average of the closest 2 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 shall exclusively be resolved pursuant to the terms of 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 Texas, 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:**

\_\_\_\_\_,  
a \_\_\_\_\_

**GRANTEE:**

**CAMP BOW WOW FRANCHISING,  
INC.,  
a Delaware corporation**

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 M  
TO FRANCHISE DISCLOSURE DOCUMENT  
ACH FORM**

**ACH FORM**

The undersigned depositor (“**Depositor**”) hereby authorizes Camp Bow Wow Franchising, Inc. (“**Company**”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account(s) indicated below and the depository designated below (“**Depository**”) to debit such account pursuant to Company’s instructions.

\_\_\_\_\_  
Depositor Branch

\_\_\_\_\_  
Account Name

\_\_\_\_\_  
Address City, State, ZIP Code

\_\_\_\_\_  
Bank Transit Number

\_\_\_\_\_  
Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Company and Depositor of the Depositor’s termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity on which to act. If an erroneous debit entry is initiated to Depositor’s account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if (a) within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or (b) forty-five (45) days after posting, whichever occurs first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws.

**Depositor:**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Depository:**

Bank of America, N.A.  
PO Box 15284 Blvd  
Wilmington, DE 19850



**EXHIBIT N  
TO FRANCHISE DISCLOSURE DOCUMENT  
INITIAL FRANCHISE FEE ACKNOWLEDGEMENT**

**INITIAL FRANCHISE FEE ACKNOWLEDGEMENT FOR 401K OR ROLLOVER  
FINANCING TO CAMP BOW WOW FRANCHISING, INC:**

\_\_\_\_\_ (“**Franchisee**”) understands that Franchisee’s application for the grant of a license to operate a CAMP BOW WOW Business in the general area of \_\_\_\_\_, has been approved and Franchisee has received a Franchise Agreement for execution. To continue the process of obtaining a license to operate a CAMP BOW WOW Business, Franchisee is submitting this Franchise Agreement, this Initial Franchise Fee Acknowledgement (“**Acknowledgement**”) and Franchisee’s deposit in the amount of Twenty Thousand Dollars (\$20,000) (“**Franchise Fee Deposit**”) to Camp Bow Wow Franchising, Inc. (“**Franchisor**”).

In connection with my deposit, Franchisee understands and acknowledges the following:

Franchisee’s entire Franchise Fee Deposit will be applied toward the initial Franchise Fee payable under the Franchise Agreement.

Upon Franchisee’s submission of the signed Franchise Agreement, this Acknowledgement and Franchisee’s Franchise Fee Deposit to Franchisor, Franchisee’s Franchise Fee Deposit will be immediately non-refundable. This amount will be deemed earned by Franchisor for processing of Franchisee’s Franchise Agreement and for services performed following the effective date of Franchisee’s Franchise Agreement.

Upon receipt of the balance of Franchisee’s funds for the Initial Franchise Fee from Franchisee’s 401(k), IRA or other qualified retirement account roll-over, Franchisee will pay Franchisor. The payment of the balance of the Initial Franchise Fee to Franchisor will be paid no later than thirty (30) days from the Effective Date of the Franchise Agreement. If Franchisee is unable to obtain the balance of Franchisee’s funds for the Initial Franchise Fee from Franchisee’s 401(k), IRA or other qualified retirement account roll-over, Franchisee will notify Franchisor.

The Franchisor will have no obligation to return Franchisee’s Franchise Fee Deposit, regardless of whether Franchisee or Franchisor performs any services or obligations following submission of Franchisee’s Franchise Fee Deposit.

Franchisor’s obligations with respect to Franchisee’s Franchise Fee Deposit are those of a debtor and not a trustee and Franchisor may maintain Franchisee’s Franchise Fee Deposit separate and apart from Franchisor’s general funds or may commingle Franchisee’s Franchise Fee Deposit with its general funds.

Franchisee has received Franchisor's Franchise Agreement, including this Acknowledgement, more than fourteen (14) calendar days before the date of Franchisee's execution hereof.

FRANCHISEE:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

FRANCHISOR: Camp Bow Wow Franchising,  
Inc., a Delaware corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

\*Dated: \_\_\_\_\_

(\*Effective Date of this Initial Franchise Fee Acknowledgement for 401K or Rollover Financing)  
FRANCHISE FEE DEPOSIT RECEIVED SUBJECT TO ABOVE TERMS



**EXHIBIT O**  
**TO FRANCHISE DISCLOSURE DOCUMENT**  
**STATE EFFECTIVE DATES PAGE**

## STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, 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:

<b>STATE</b>	<b>EFFECTIVE DATE</b>
California*	[PENDING]
Hawaii	[PENDING]
Illinois*	[PENDING]
Indiana*	[PENDING]
Maryland*	[PENDING]
Michigan	[PENDING]
Minnesota	[PENDING]
New York*	[PENDING]
North Dakota*	[PENDING]
Rhode Island	[PENDING]
South Dakota	[PENDING]
Virginia*	[PENDING]
Washington*	[PENDING]
Wisconsin	[PENDING]

\*States where Exemption Notice filed.

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 P  
TO FRANCHISE DISCLOSURE DOCUMENT  
RECEIPTS**

**RECEIPT – YOUR COPY**

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan require that we give you this Disclosure Document at least 10 business days or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if this Disclosure Document contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:

**Franchisor:** **Camp Bow Wow Franchising, Inc.**, a Delaware corporation, c/o Propelled Brands Franchising LLC, 2542 Highlander Way, Carrollton, Texas 75006, 877-700-BARK.

**Franchise Sellers:**

Julie Turner	7577 W. 103 <sup>rd</sup> Ave., Unit 209 Westminster, CO 80021	(877) 700-2275
Scott Suryan	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600
Mark Jameson	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600
Scott Krupa	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600

Issuance Date: May 1, 2026

We authorize the respective state agencies identified on Exhibit A to receive service of process for us in the particular state.

I have received a Disclosure Document dated May 1, 2026, that included the following Exhibits on the date above my signature:

- Exhibit A: List of State Agencies and Agents for Service of Process
- Exhibit B: Franchise Agreement (with Attachments)
- Exhibit C: Financial Statements
- Exhibit C-1: Guarantee of Performance
- Exhibit D: Operations Manual Table of Contents
- Exhibit E: List of Franchisees
- Exhibit F: State-Specific Addenda to the Disclosure Document
- Exhibit G: Release of Claims and Indemnification Agreement
- Exhibit H: Multi-Unit Development Agreement
- Exhibit I: Conversion Addendum
- Exhibit J: Conversion Promissory Note (Direct Financing)
- Exhibit K: Lease Addendum
- Exhibit L: Right of First Refusal and Option Agreement
- Exhibit M: ACH Form
- Exhibit N: Initial Franchise Fee Acknowledgement
- Exhibit O: State Effective Dates Page
- Exhibit P: Receipts

<b>Date</b>	<b>Signature of Prospective Franchisee</b>	<b>Printed Name</b>

**RECEIPT – OUR COPY**

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If we offer you a franchise, we must provide this Disclosure Document to you fourteen (14) calendar-days before you sign a binding agreement with, or make a payment to, us or our affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law.

New York requires that we give you this Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

Iowa and Michigan require that we give you this Disclosure Document at least 10 business days or 14 calendar days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If we do not deliver this Disclosure Document on time or if this Disclosure Document contains a false or misleading statement, or a material omission, a violation of federal and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit A.

The franchisor and the name, principal business address and telephone number of each franchise seller offering the franchise are as follows:

**Franchisor:** **Camp Bow Wow Franchising, Inc.**, a Delaware corporation, c/o Propelled Brands Franchising LLC, 2542 Highlander Way, Carrollton, Texas 75006, 877-700-BARK.

**Franchise Sellers:**

Julie Turner	7577 W. 103 <sup>rd</sup> Ave., Unit 209 Westminster, CO 80021	(877) 700-2275
Scott Suryan	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600
Mark Jameson	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600
Scott Krupa	2542 Highlander Way Carrollton, TX 75006	(214) 346-5600

Issuance Date: May 1, 2026

We authorize the respective state agencies identified on Exhibit A to receive service of process for us in the particular state.

I have received a Disclosure Document dated May 1, 2026, that included the following Exhibits on the date above my signature:

- Exhibit A: List of State Agencies and Agents for Service of Process
- Exhibit B: Franchise Agreement (with Attachments)
- Exhibit C: Financial Statements
- Exhibit C-1: Guarantee of Performance
- Exhibit D: Operations Manual Table of Contents
- Exhibit E: List of Franchisees
- Exhibit F: State-Specific Addenda to the Disclosure Document
- Exhibit G: Release of Claims and Indemnification Agreement
- Exhibit H: Multi-Unit Development Agreement
- Exhibit I: Conversion Addendum
- Exhibit J: Conversion Promissory Note (Direct Financing)
- Exhibit K: Lease Addendum
- Exhibit L: Right of First Refusal and Option Agreement
- Exhibit M: ACH Form
- Exhibit N: Initial Franchise Fee Acknowledgement
- Exhibit O: State Effective Dates Page
- Exhibit P: Receipts

Date	Signature of Prospective Franchisee	Printed Name

*Please return this copy to us. You may sign it electronically via DocuSign, mail the executed original to the above address, fax a signed copy to the fax number shown above, or email a pdf of the signed copy to your franchise seller.*