FRANCHISE DISCLOSURE DOCUMENT
BARKLEY VENTURES FRANCHISING, LLC
a Delaware limited liability company
3699 N. Dixie Hwy.
Oakland Park, Florida 33334
(866) 799-BARK
www.centralbarkusa.com

The Franchised Business is a canine care facility offering day care, boarding services, grooming services, training, specialty retail boutique for dogs, and other products and services.

The total investment necessary to begin operation of a Central Bark franchised business is between $620,100 and $1,394,250. This includes between $55,000 and $57,500 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of a Central Bark multi-unit franchised business is between $1,220,200 and $6,891,250. This includes between $195,000 and $197,500 that must be paid to the franchisor or its affiliate(s).

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

You may wish to receive your Disclosure Document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Tom Monaghan, P.O. Box 14217, West Allis, Wisconsin 53214, (866) 799-BARK, tmonaghan@centralbarkusa.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 contract carefully. Show your contract and this Disclosure Document to an advisor, like a lawyer or an accountant.

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

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

ISSUANCE DATE: June 3, 2026

HOW TO USE THIS FRANCHISE DISCLOSURE DOCUMENT

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

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

What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

Some States Require Registration

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

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

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with franchisor in Florida than in your own state.

2. **Mandatory Minimum Payments**. You must make mandatory minimum advertising contributions regardless of your sales levels. Your inability to make these payments may result in termination of your franchise and loss of your investment.

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

4. **Supplier Control**. You must purchase all or nearly all of the inventory or supplies that are necessary to operate your 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.

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

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

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.

THE FOLLOWING APPLY TO TRANSACTIONS GOVERNED BY MICHIGAN FRANCHISE INVESTMENT LAW ONLY

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

(a) A prohibition on the right of a franchisee to join an association of 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 the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

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

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

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

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

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

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

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

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

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

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000, the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training, or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

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

Any questions regarding this notice should be directed to:

Michigan Attorney General's Office
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building, 1st Floor
525 West Ottawa Street
Lansing, Michigan 48933
Telephone Number: (517) 373-7117

Note: Despite subparagraph (f) above, we intend, and we and you agree to fully enforce the arbitration provisions of the Franchise Agreement. We believe that subparagraph (f) is unconstitutional and cannot preclude us from enforcing these arbitration provisions. You acknowledge that we will seek to enforce this section as written.

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

BARKLEY VENTURES FRANCHISING, LLC

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this franchise disclosure document (this "Disclosure Document"), "we," "us," or "our" means Barkley Ventures Franchising, LLC, the franchisor. "You" or "your" means the person or entity that buys the franchise. If you are a corporation, limited liability company, partnership or other entity, certain provisions of the franchise agreement ("Franchise Agreement"), attached as Exhibit B to this Disclosure Document, and the multi-unit franchise agreement ("MUFA"), if applicable, attached as Exhibit C to this Disclosure Document, and related agreements will also apply to your owners.

The Franchisor

We are a Delaware limited liability company, formed in February 2022, for the purpose of offering franchises for CENTRAL BARK facilities. "CENTRAL BARK facilities" are personalized canine care facilities that have the flexibility to meet individual dog's developmental, social, and personality needs offering day care, overnight boarding services, grooming services, training, specialty retail boutique for dogs, and other products and services authorized by us. We do business under our corporate name and the name "CENTRAL BARK." Our principal business address is 3699 N. Dixie Hwy, Oakland Park, Florida 33334, (866) 799-BARK. Certain of our operational support activities may be conducted out of Franklin, Wisconsin. We have a mailing address in Wisconsin at P.O. Box 14217, West Allis, Wisconsin 53214. Our agents for service of process in certain states are listed in Exhibit A.

We have offered and sold franchises for CENTRAL BARK facilities since April 2022. We have not offered franchises in any other line of business. We do not operate a CENTRAL BARK facility, nor are we engaged in any other business.

Predecessor, Parents, and Affiliates

Our parent and predecessor, Barkley Ventures, Inc. ("BVI"), was originally incorporated as a Florida corporation in August 2003, but subsequently converted to a Delaware corporation in November 2021. BVI shares our principal business address. BVI offered and sold franchises for CENTRAL BARK facilities from January 2004 until March 2022, but has not operated a CENTRAL BARK facility, nor has it offered franchises in any other line of business.

On November 1, 2021, NSF Bark, LLC ("NSF Bark") became the majority owner and parent company of BVI. NSF Bark's principal business address is 555 E. Lancaster Avenue, 3rd Floor, Radnor, Pennsylvania, 19087. NSF Bark is the holding company through which private equity investors acquired the majority interest in BVI; NSF Bark is managed by NewSpring Franchise Management Company, LLC ("NSFMC"). NSFMC shares a principal business address with NSF Bark. Neither NSF Bark nor NSFMC has offered franchises in any line of business nor have they operated a CENTRAL BARK facility.

Our affiliate, Barkley Ventures IP, LLC ("BV IP") is a Delaware limited liability company formed in February 2022. BV IP owns the Marks (defined below) and licenses the Marks to us. BV IP shares our principal business address. BV IP has not operated a CENTRAL BARK facility nor has it offered franchises in any line of business.

We also have the following affiliate entities that offer franchises in other lines of business:

Affiliate	Address	Franchise Offered	# of Franchised Outlets as of 12/31/25
Blo Blow Dry Bar Inc. ("Blo")	1867 Yonge St. Suite 600 Toronto, Ontario, Canada M4S 1Y5	Since January 2010, Blo has offered franchises in the United States for full-service blow dry businesses offering public hair styling and cleansing products and accessories operating under the name Blo Blow Dry Bar®.	155 in the U.S. and internationally
Duck Donuts Holdings, LLC ("Duck Donuts")	1215 Manor Dr. Suite 302, Mechanicsburg, PA 17055	Since April 2021, Duck Donuts has offered franchises for retail businesses offering freshly made to order donuts and other authorized products under the name DUCK DONUTS®. Before that, Duck Donuts' affiliate and predecessor, Duck Donuts Franchising Company, LLC, offered Duck Donuts franchises from October 2012 through April 2021.	146 in the U.S. and internationally
TSR Franchise Group LLC ("TSR")	22 Wolf St., Philadelphia, PA 19148	Since February 2023, TSR has offered franchises for restaurants offering donuts, fried chicken, coffee and other authorized products under the name FEDERAL DONUTS®.	13 in the U.S.
OnAxis Franchising Group, LLC (Green Home Solutions) ("GHS")	136 School St. #286 Spring Mills, PA 16875	Since April 2010, GHS has offered franchises for services related to indoor environmental quality, including air quality testing, mold remediation, odor control, encapsulation, air purification, and duct cleaning, under the name "Green Home Solutions." Before that, GHS's affiliate and predecessor, JC Franchising Group, LLC, offered franchises under the "Green Home Solutions" name, providing environmentally preferred indoor services.	220 in the U.S.
Great Harvest Franchising, LLC's ("Great Harvest")	28 South MT St., Dillon, MT 59725	Since 1980, Great Harvest has offered franchises for a high-quality bakery cafe that features fresh-baked whole wheat bread, baked goods, soups, salads, sandwiches, and related menu items under the trademark "Great Harvest".	155 locations in the U.S.
Shake Smart, Inc. (Shake Smart)	3608 Tallison Terr. Austin, TX 78704	Since 2024, Shake Smart has offered franchises that focuses on providing healthy and convenient food options, particularly protein shakes, for on-the-go individuals, especially college students.	52 units with 25 franchised locations in the U.S.

None of our affiliates offer CENTRAL BARK franchises. We have no other predecessors, parents, or affiliates required to be disclosed.

The Franchise We Offer

We offer qualified individuals the right to operate a **CENTRAL BARK®** facility from a single "Location" within a designated territory (the "Franchised Business") under a Franchise Agreement. Each CENTRAL BARK facility operates under our proprietary trademarks, service marks, trade names, and logos (collectively, the "Marks") and must adhere to our mandatory specifications, standards, operating procedures, and rules (collectively, the "System Standards").

We also offer qualified individuals the opportunity to enter into a Multi-Unit Franchise Agreement ("MUFA"), under which you agree to develop and operate multiple CENTRAL BARK facilities within a defined geographic area (the "Multi-Unit Territory") according to a specified development schedule (the "Development Schedule"). Each CENTRAL BARK facility must be operated under a separate Franchise Agreement, which may differ from the form provided to you at the time you sign the MUFA or thereafter. You will sign the first Franchise Agreement at the same time as the MUFA. Each individual or entity holding a 20% or greater ownership interest in the franchisee must personally guarantee the obligations under the MUFA and each Franchise Agreement.

Market and Competition

CENTRAL BARK facilities operate in the pet care industry, offering services such as dog daycare, boarding, grooming, training, and retail sales of pet-related products. The industry is highly competitive and fragmented, with competition from independent pet care providers, national and regional pet care franchises, veterinary clinics offering boarding and grooming, and online platforms connecting pet owners with individual caregivers.

The market is mature in some urban areas but continues to grow in suburban and emerging markets, driven by increasing pet ownership and the humanization of pets. Consumers increasingly seek high-quality, trustworthy, and comprehensive pet care services, creating opportunities for branded, standardized operations like CENTRAL BARK. The market is not seasonal, although demand may increase periodically during holidays and vacation periods.

Regulations

Operating a CENTRAL BARK facility requires compliance with a range of local, state, and federal regulations, which may include zoning and land use regulations governing the operation of pet care facilities, business licenses and retail permits issued by local municipalities, kennel licenses or animal boarding permits that may include inspections and facility standards, animal welfare regulations including requirements for sanitation, ventilation, space, and humane treatment, grooming and animal handling certifications that may be required for staff, health and safety regulations including OSHA compliance and emergency protocols, and insurance requirements such as general liability, animal bailee, and workers' compensation coverage. You are responsible for ensuring that your facility and operations comply with all applicable laws and regulations, which may vary significantly by jurisdiction and may change over time.

ITEM 2

BUSINESS EXPERIENCE

Robert Wilson Crawford, III – Chief Executive Officer

Mr. Crawford has been Chief Executive Officer of ours and BVI since April 2022. Prior to that, Mr. Crawford was employed by Brook Furniture Rental, Inc. in Lake Forest, Illinois, and served as its Senior Advisor from September 2020 to August 2021, and as its Chief Executive Officer

from April 2012 to August 2020. Mr. Crawford was between positions from September 2021 to March 2022.

Jason Perras – Chief Financial Officer

Mr. Perras has been our Chief Financial Officer since March of 2024. Prior to that, Mr. Perras served as Chief Financial Officer of X-Golf America in Torrance, California, as well as Secretary of one of its subsidiaries, X-Golf Franchise Corporation, from September 2019 to December 2023 and Chief Financial Officer of another subsidiary, X-Golf Canada Franchising LTD., from January 2021 to December 2023. In addition, since 2016, Mr. Perras has been a franchisee in X-Golf franchises in Michigan and Indiana.

Thomas Monaghan – Chief Development Officer

Mr. Monaghan has been our Chief Development Officer since February 2025. He also serves as Chief Development Officer for our affiliate franchise company – OnAxis Franchising Group, LLC (doing business as Green Home Solutions) since October 2023. Before that Mr. Monaghan was International Chief Development Officer for Prosperity Brands (BNI and Corporate Connections) from August 2022 to October 2023 in Charlotte, North Carolina. Before that he was the Senior Vice President of Franchise Recruiting for CertaPro Painters from August 2020 to June 2022 in Audubon, Pennsylvania.

Athena Olsen- Vice President of Operations

Ms. Olsen has been our and BVI's Vice President of Operations since January 2025. From November 2024 until January 2025, she was Vice President of Operations Services of BVI and us. From February 2024 to November 2024, she was Director of Operations of BVI and us. From September 2022 to February 2024, she was Senior Operations Manager of BVI and us. From March 2017 until September 2022, she was Operations Manager of BVI and us.

Michele Whaley — Vice President of Marketing

Ms. Whaley has been our Vice President of Marketing since September of 2025. Prior to that, Ms. Whaley served as Vice President of Marketing for FYZICAL Therapy & Balance Centers from June 2019 to June 2024, in Sarasota, FL. In addition, Ms. Whaley served as Vice President of Marketing for The Melting Pot Restaurants, Inc., in Tampa, FL from August 2014 to June 2019.

Director: Patrick Sugrue

Mr. Sugrue is a director. Mr. Sugrue is a partner of joined NewSpring Capital in Radnor, Pennsylvania as a partner in June 2020.

ITEM 3

LITIGATION

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

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

Unit Franchise Agreement

You must pay us a non-refundable initial franchise fee of $55,000 in a lump sum when you sign the Franchise Agreement. If you are signing a Franchise Agreement pursuant to a Multi-Unit Franchise Agreement ("MUFA"), the initial franchise fee for each Franchise Agreement after the first is $35,000.

If, during the initial training program, we determine that you (or your Managing Owner, as defined in Item 11), or your designated manager, if applicable, are unable to complete the program to our satisfaction, we may terminate your Franchise Agreement. In that event, we will refund $10,000 of your initial franchise fee, provided that you sign a general release, in a form we prescribe, of any and all claims against us as a condition of receiving the refund.

We are a member of the International Franchise Association ("IFA") and participate in the IFA's VetFran Program. Under this program, we offer a 10% discount on the initial franchise fee for the first CENTRAL BARK location to qualifying veterans of the U.S. Armed Forces who meet the VetFran Program's eligibility requirements at the time they sign the Franchise Agreement.

Multi-Unit Franchise Agreement

If you enter into a MUFA, you must pay us a multi-unit rights fee equal to $15,000 multiplied by the number of CENTRAL BARK facilities you agree to develop, minus one. A typical MUFA involves the development of between two and five CENTRAL BARK facilities, depending on the size of the Multi-Unit Territory, resulting in a multi-unit rights fee ranging from $15,000 to $75,000. At the time you sign the MUFA, you will also sign the Franchise Agreement for your first CENTRAL BARK facility and pay the $55,000 initial franchise fee for that facility. For each subsequent facility developed under the MUFA, we will credit $15,000 of the multi-unit rights fee toward the $35,000 initial franchise fee due upon execution of each additional Franchise Agreement (so that your net initial franchise fee for each such additional Franchise Agreement is $20,000).

Lease Review Fee

You are responsible for obtaining a fully executed lease assignment agreement in connection with the lease for your CENTRAL BARK facility. Our current form of lease assignment agreement is attached as Exhibit D to this disclosure document. Our approval of your lease is contingent upon our receipt of the lease assignment agreement, signed by both you and the landlord, without modification, unless we approve such modifications in writing. If you or the landlord request

modifications to the lease assignment agreement and we agree to consider them, you must reimburse us for all expenses we incur in connection with our review, including attorneys' fees. We may reject any proposed modifications in our discretion. We estimate that this review may cost up to $2,500, depending on the extent of the requested changes. This reimbursement is not refundable under any circumstances.

Except as expressly described above, the initial franchise fee, the multi-unit rights fee, and all other fees described in this Item are non-refundable and are deemed fully earned when paid.

ITEM 6

OTHER FEES[1]

Type of Fee	Amount	Due Date	Remarks
Fees You Will Pay Us			
Royalty Fee	6% of Gross Sales[2]	On the first business day after the 15th day of the following month	Transmitted via electronic funds transfer.[3] We reserve the right to change the frequency of Royalty Fee collection (including to weekly collection) upon written notice to you.
Brand Fund	The greater of (i) 2% of Gross Sales[2] or (ii) $500[4]	On the first business day after the 15th day of the following month	Transmitted via electronic funds transfer.[3] See Item 11. We reserve the right to change the frequency of Royalty Fee collection (including to weekly collection) upon written notice to you.
National Convention Fee	Then-current fee; currently $475 per attendee[7]	As billed by us	We will charge you a fee for attending the National Convention. You (or your Managing Owner) must attend the National Convention annually, and one additional manager of the Franchised Business may attend. You are responsible for all costs and expenses for travel, lodging and meals for your attendees.
Technology Fee	Then-current fee; currently, $495 per month[3, 7]	On the first business day after the 15th day of the following month	For ongoing subscription, maintenance and support of various technology systems, platforms and resources. We periodically may increase the technology fee upon 30 days' notice to you. This fee may be paid to us or to our third-party supplier.
Email Fee	Then-current fee; currently no fee for 3 email addresses, and $5 per month for each additional email address.[3, 7]	As incurred	
Fees We Charge Based On Your Request or Need			
Transfer Fee – Franchise Agreement	$15,000	Upon approval of assignment	Payable only if you or your owners engage in a "transfer" as defined in the Franchise Agreement.
Transfer Fee – MUFA	$2,500 multiplied by the number of unexecuted Franchise Agreements remaining on the Development Schedule	Upon approval of assignment	Payable only if you or your owners engage in an "assignment" as defined in the MUFA.

Type of Fee	Amount	Due Date	Remarks
Local Advertising Cooperative ("LAC") contribution	An amount determined by the members of the LAC, which we currently anticipate will not exceed 2% of Gross Sales[5,6]	On the first business day after the 15th day of the following month	A majority of the members of the LAC may approve a higher contribution rate. If there is an LAC in your area, LAC contributions will be transmitted via electronic funds and credited to your Local Expenditures. See Item 11.
Renewal – Franchise Agreement	$15,000.	Upon signing of renewal Franchise Agreement	Payable if you wish to renew your Franchise Agreement at the end of its term.
Training Fee	Then-current fee; currently, $5,000[7]	As billed by us	If you are an entity and designate a new Managing Owner after the Franchised Business has commenced operation, the new Managing Owner will need to complete the initial training program to our satisfaction and you will be required to pay the training fee.
Additional Training/On-Site Assistance	Then-current fee; currently $500 per day for our personnel plus lodging and meals estimated at $200 to $500 per day[7]	After the CENTRAL BARK facility opens	See Item 11.
Operating Procedure Review and Inspection	Then-current fee; currently $100 per hour[7]	Immediately upon demand	If you ask us to use any operating procedure that does not strictly comply with System Standards, we may, at your expense, review materials and/or inspect the Franchised Business.
Supplier and Product Testing Fee	Then-current fee; currently $250[7]	As incurred	We may charge you a fee for evaluating a new supplier or new products that you propose to use.
Mystery Shopper Fee	Then-current fee; currently $200[7]	Immediately upon demand	You must reimburse us for our costs and expenses associated with the inspections of third-party mystery shoppers who will pose as normal customers and perform specific tasks (such as making a purchase, asking questions, or seeking customer service) and evaluate the services received at the Franchised Business
Fees We Charge Only Under Certain Circumstances			
Insurance	Reimbursement of actual costs and premiums incurred to obtain insurance	As incurred	If you fail to obtain or maintain the minimum required insurance, we may maintain the insurance on your behalf and you will be required to reimburse us.
Unauthorized Advertising Fee	Then-current fee; currently $500[7]	Immediately upon demand	This fee is payable to the Brand Fund if you use unapproved or disapproved advertising or promotional materials.
Interest	Maximum permitted by law or 1.5% per month	From date payment is due until paid in full	We may charge interest on overdue amounts at the maximum rate allowed by law, or 1.5% per month if no legal maximum applies, from the due date until paid in full.
Indemnification	Actual losses and expenses	From date payment is due until paid in full	Indemnify and hold us harmless with respect to losses and expenses arising out of your act.
Late Payments	$250 for each financial report that is past due	Immediately upon demand	Payable if you fail to submit financial reports when due
Audit	Actual cost of audit plus interest on overdue amount	Immediately upon demand	See note 8.

Type of Fee	Amount	Due Date	Remarks
Costs and Attorneys' Fees	Actual costs and fees	Immediately upon demand	The prevailing party in any legal proceeding is entitled to reimbursement of costs and attorneys' fees under the Franchise Agreement or the MUFA.
Liquidated Damages	Will vary under the circumstances	As incurred	If the Franchise Agreement is terminated because of your (or any of your owner's) default or by you without cause, you will pay us the then net present value of Royalty Fees, Brand Fund contributions, and LAC contributions that would have become due from the date of termination to the scheduled expiration date of the Franchise Agreement. See note 9.

Note 1: All fees are payable to us except as otherwise indicated. All fees are non-refundable and, unless otherwise stated, are uniformly imposed and collected.

Note 2: The term "Gross Sales" means the total revenue for all services rendered and for the sale of all merchandise including, but not limited to, sales from the CENTRAL BARK facility, kiosk, cart, vending machines, catalogues, cable television, any Online Presence (as defined in Item 11), or mail order, whether sold to or for the benefit of your customers, whether for cash or credit, less credits for returned, repaired, or replaced goods, allowances expressly granted to such customers (such as trade and quantity discounts), and excise, sales, use, and similar taxes paid by you, but only if such credits and taxes were included in the computation of Gross Sales for the same or prior periods. Any and all credit card fees collected from customers are included in Gross Sales. Any gift certificate and/or gift card payments are included in Gross Sales in accordance with our then-current guidelines for calculating Gross Sales; provided that such gift card and/or gift certificate payments are only included in Gross Sales, at our option, as either (i) the gross amount of such payments when such gift certificates or gift cards are redeemed at the Franchised Business or (ii) the face value of such gift certificates or gift cards at the time of sale, and not upon redemption.

Note 3: You must remit Royalty Fees, Brand Fund contributions, LAC contributions, and any other amounts due to us via electronic funds transfer or other similar means. On or before the 10th day of each month, you must report to us, by electronic means, your true and correct Gross Sales for the immediately preceding month. You authorize us to initiate direct debits from your business bank operating account. You must authorize us to initiate debit entries and/or credit correction entries to a designated checking or savings account for payments of Royalty Fees, Brand Fund contributions, LAC contributions, any other amounts payable under the Franchise Agreement, and any interest charges. You must make the funds available for withdrawal by us by electronic transfer no later than the first business day following the 15th day of the month. If we are notified that a debit is returned due to insufficient funds, we will promptly notify you; and, if sufficient funds are not available within 3 business days after our notice, interest will begin to accrue at the rate provided in the Franchise Agreement, and the failure to have funds available will be considered a default under the Franchise Agreement. The amount transferred from your accounts is based on the Gross Sales indicated by your reports to us. If you have not reported Gross Sales as required, we may debit your account in an amount equal to the fees transferred for the last reporting period for which a report was provided. If, at any time, we determine that you have underreported Gross

Sales or underpaid Royalty Fees, Brand Fund contributions, LAC contributions, or other amounts, we may immediately debit your account in the appropriate amount, plus interest as provided in the Franchise Agreement. Any overpayment is credited to your account effective as of the first reporting period after the parties determine that a credit is due. We reserve the right to change the collection of Royalty Fees, Brand Fund contributions, LAC contributions, and any other amounts due to us to include weekly payments.

Note 4: If you do not spend at least 2% of your annual Gross Sales on local advertising and promotion, then within 100 days after the close of your fiscal year you must pay the difference between 2% of your annual Gross Sales and the amount you spent on local advertising and promotion into the Brand Fund, in addition to the monthly payments required to be made to the Fund.

Note 5: You will pay the LAC contribution to us and we will remit it to the LAC. Each CENTRAL BARK facility contributing to a particular LAC (including those owned by us or our affiliates) has 1 vote on matters involving the activities of the LAC. We and our affiliates do not hold controlling voting power in any LAC.

Note 6: After your initial opening period, you must spend 2% of your Gross Sales each year on advertising and promotion for your CENTRAL BARK facility. (See Item 11)

Note 7: Any fee listed above as "then-current" fee may be increased annually. We reserve the right to increase such fees by up to 10% per year, calculated on a cumulative basis over the term of the Franchise Agreement. In addition, if third-party providers of the underlying products or services increase their fees, we may pass through those increases to you in addition to the capped 10% annual increase.

Note 8: We have the right to audit all your books and records at any time. If the audit shows that actual Gross Sales exceed the amount you reported for any period, then the total amount of the fees payable on account of the deficiency is immediately due together with interest at the maximum rate then permitted by law. In addition, if the amount of the deficiency is more than 2% of the Gross Sales reported by you, you must pay all costs and expenses incurred by us in connection with the audit and collection of the deficiency including, all accountants' and attorneys' fees in addition to the deficiency amount.

Note 9: For this purpose, Royalty Fees, Brand Fund contributions, and LAC contributions are calculated based on Gross Sales of the CENTRAL BARK facility for the 12 months preceding the termination date. In the event the CENTRAL BARK facility has not operated at least 12 months preceding the termination date, Royalty Fees, Brand Fund contributions, and LAC contributions are calculated based on the average monthly Gross Sales of all CENTRAL BARK facilities during the fiscal year immediately preceding the termination date.

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ITEM 7

ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Payable	To Whom Payment is to be Made
Initial Franchise Fee (1)	$35,000	$55,000	Lump sum	On signing the Franchise Agreement	Us
Leasehold Improvements (2)	$441,000	$850,000	Progress payments to contractors	Prior to opening	Contractors
Architectural Fee	$20,000	$35,000	As incurred	Prior to Opening	Architectural Firm
Equipment, Fixtures (3)	$27,600	$135,000	By agreement with vendors	Prior to opening	Vendors
Store Signage	$3,000	$19,000	As incurred	Prior to opening	Supplier
Security Deposits (4)	$5,000	$30,000	Lump sum	Prior to opening	Landlord, utilities, insurance
Opening Inventory (5)	$2,000	$10,000	Lump sum	Prior to opening	Suppliers
Initial Launch Advertising (6)	$26,000	$26,000	As incurred	90 days prior to opening to 180 days after opening	Various Media, PR Vendors
Pre-Opening Promotional Package (7)	$0	$9,000	As incurred	As incurred	Suppliers
Pre-Opening Training travel and lodging expense (8)	$1,500	$5,000	As incurred	Prior to opening	Employees, Suppliers
Training Materials	$0	$500	Lump Sum	Prior to opening	Vendors
Misc. (legal, permits) (9)	$2,500	$8,000	As incurred	Prior to opening	Attorneys, local gov't
Supplies	$5,000	$20,000	As incurred	Prior to opening	Vendors
Insurance	$3,000	$7,000	As incurred	Prior to opening	Vendors
Computer Hardware and Software (10)	$1,000	$6,000	As incurred	By agreement with supplier	Suppliers and Designated Supplier
Microsite Fees (11)	$1,500	$4,000	Lump Sum	As incurred	Supplier
Lease Assignment Agreement Review (12)	$0	$5,000	As incurred	As incurred	Us and Outside Professionals
Vehicle	$0	$2,250	As incurred	By agreement with supplier	Supplier
Rent (13)	$6,000	$17,500	Lump Sum	Prior to opening	Landlord
Additional Funds (3 mos.) (14)	$40,000	$150,000	As incurred	Prior to opening to first 3 months	Contingency may be paid to various vendors
TOTAL	**$620,100**	**$1,394,250**			

Unless specifically negotiated with vendor or specified in the footnotes, fees are not refundable.

NOTES:

1. As described in Item 5, the standard initial franchise fee is $55,000. If you sign a MUFA, the initial franchise fee for each Franchise Agreement after the first Franchise Agreement is $35,000. A portion of the initial franchise fee is refundable in certain circumstances. (See Item 5)

2. Leasehold improvements will vary depending upon the size of the premises, location, material cost, labor cost, amount of the leasehold improvements provided by the landlord, if any, and other economic factors.

3. Equipment and fixtures may vary based upon the size and design of your CENTRAL BARK facility.

4. The estimate includes deposits which may be refundable to you at a later time. In most cases, your lease will require you to pay electric, gas, water and other utilities directly; however, some landlords cover some utility charges through Common Area Maintenance fees or operating fees.

5. You will need an opening inventory. The approximate estimated cost is based upon the size of your CENTRAL BARK facility. Higher inventories will be required for larger facilities.

6. Promotion costs may vary due to the type of media you choose to use. Costs vary by location as well. Public relations event costs will also vary by type of event and location.

7. You must purchase a pre-opening promotional package consisting, at a minimum, of an event signage kit, stationery, collateral and branded promotional items that you will use to promote your CENTRAL BARK facility during the period before opening your franchised business. The low end of the range is the minimum you will spend.

8. The estimate includes payroll for time spent by employees for training. Your payroll expense may vary depending on a variety of factors, including the prevailing minimum wage rate in your jurisdiction. It also includes travel and living expenses (such as lodging and meals) for attendees of the initial training program.

9. The estimate includes attorneys' fees and local government permits.

10. See Item 11 for additional information about the required purchases for computer hardware and software.

11. This estimate includes development of your microsite and search engine optimization for six months.

12. This estimate includes fees you pay us if we need to review revisions by your landlord to our form lease assignment agreement, as well as our estimate of fees you may pay outside professionals.

13. This is the range of the rental deposit, typically equal to one month's rent. The amount will vary depending on the size of the premises, location, and other economic factors. The typical size of a CENTRAL BARK facility is 5,000 to 8,000 square feet, plus adjoining outside space.

14. Additional Funds represents an estimate of the funds you will need during your first three months of operation. This estimate includes expected operating expenses such as payroll

and related labor costs including wages, payroll taxes, and workers compensation, rent and utilities, ongoing operating supplies and inventory replenishment, local advertising and promotional spending after opening, and other routine working capital expenses necessary to operate during the initial months. These estimates are based on our affiliates and officers having more than 25 years of experience, as well as input from our franchisees.

(Multi-Unit Franchise Agreement)
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Multi-Unit Rights Fee (1) (2)	$15,000- $75,000	Lump sum	On signing the Multi-Unit Franchise Agreement	Us
Initial Franchise Fee (1)	$90,000 - $195,000	Lump sum	On signing the Franchise Agreement	Us
Leasehold Improvements (2)	$441,000 - $850,000	Progress payments to contractors	Prior to opening	Contractors
Architectural Fee	$20,000 - $35,000	As incurred	Prior to Opening	Architectural Firm
Equipment, Fixtures (3)	$27,600 - $135,000	By agreement with vendors	Prior to opening	Vendors
Store Signage	$3,000 - $19,000	As incurred	Prior to opening	Supplier
Security Deposits (4)	$5,000 - $30,000	Lump sum	Prior to opening	Landlord, utilities, insurance
Opening Inventory (5)	$2,000 - $5,000	Lump sum	Prior to opening	Suppliers
Initial Launch Advertising (6)	$26,000 - $26,000	As incurred	90 days prior to opening to 180 days after opening	Various Media, PR Vendors
Pre-Opening Promotional Package (7)	$1,500- $9,000	As incurred	As incurred	Suppliers
Pre-Opening Training travel and lodging expense (8)	$1,500 - $5,000	As incurred	Prior to opening	Employees, Suppliers
Training Materials	$0 - $500	Lump Sum	Prior to opening	Vendors
Misc. (legal, permits) (9)	$2,500 - $8,000	As incurred	Prior to opening	Attorneys, local gov't
Supplies	$5,000 - $20,000	As incurred	Prior to opening	Vendors
Insurance	$3,000 - $7,000	As incurred	Prior to opening	Vendors
Computer Hardware and Software (10)	$1,000 - $6,000	As incurred	By agreement with supplier	Suppliers and Designated Supplier
Microsite Fees (11)	$1,500 - $4,000	Lump Sum	As incurred	Supplier
Lease Assignment Agreement Review (12)	$0 - $5,000	As incurred	As incurred	Us and Outside Professionals
Vehicle	$0 - $2,250	As incurred	By agreement with supplier	Supplier
Rent (13)	$6,000 - $17,500	Lump Sum	Prior to opening	Landlord
Additional Funds (3 mos.) (14)	$40,000 - $150,000	As incurred	Prior to opening to first 3 months	Contingency may be paid to various vendors
TOTAL	**$691,800 to $1,604,250**			
Multi-Franchise Totals	If you purchase a Multi-2 Franchise under the MUFA, you will incur all the costs listed above for each Central Bark Business you open, except that the Initial Franchise Fees will total $90,000 and			

	allow you to open up to two Central Bark Businesses. If you were to open a Multi-2 Franchise to operate two Central Bark Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $1,220,200 and $2,768,500. If you purchase a Multi-3 Franchise under the MUFA, you will incur all the costs listed above for each Central Bark Business you open, except that the Initial Franchise Fees will total $125,000 and allow you to open up to three Central Bark Businesses. If you were to open a Multi-3 Franchise to operate three Central Bark Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $1,820,300 and $4,142,750. If you purchase a Multi-4 Franchise under the MUFA, you will incur all the costs listed above for each Central Bark Business you open, except that the Initial Franchise Fees will total $160,000 and allow you to open up to four Central Bark Businesses. If you were to open a Multi-4 Franchise to operate four Central Bark Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $2,420,400 and $5,517,000. If you purchase a Multi-5 Franchise under the MUFA, you will incur all the costs listed above for each Central Bark Business you open, except that the Initial Franchise Fees will total $195,000 and allow you to open up to five Central Bark Businesses. If you were to open a Multi-5 Franchise to operate five Central Bark Businesses, using the same estimated initial expenses above, we estimate this total cost to range between $3,020,500 and $6,891,250.

Explanatory Notes

(1) The actual amount of the Multi-Unit Rights Fee will depend on the number of CENTRAL BARK facilities you agree to develop, as the Multi-Unit Rights Fee is equal to $15,000 times the number of CENTRAL BARK facilities you agree to open, less one. For example, if you agree to open 2 CENTRAL BARK facilities, the Multi-Unit Rights Fee would be $15,000; if you agree to open 5 CENTRAL BARK facilities, the Multi-Unit Rights Fee would be $75,000. This fee is non-refundable.

(2) This investment is in addition to the fees and expenses you will incur in opening each CENTRAL BARK facility you commit to develop under the MUFA. You are required to sign your 1st Franchise Agreement when you sign the MUFA, so see the preceding chart for an explanation of the estimated investment associated with that agreement. We do not offer financing directly or indirectly for any part of the initial investment.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Neither we nor our affiliates are currently approved suppliers of any services, supplies, equipment, inventory, or real estate related to the establishment or operation of your Franchised Business. However, we and our affiliates may become designated or approved suppliers in the future. If you purchase any products or services from us or our affiliates, we will receive revenue from those purchases.

We own all information relating to clients of the Franchised Business, including names, addresses, telephone numbers, email addresses, purchasing history, preferences, demographic data, and other related information ("Client Information").

You must purchase or lease certain equipment, fixtures, supplies, products, and services necessary to operate your CENTRAL BARK facility from suppliers we designate or approve in writing. These include, among other things, point-of-sale systems, web-based client management and scheduling software, accounting software, signage, search engine optimization services, business forms, promotional items, private-label apparel, advertising materials, website design, and online marketing services. The Operating Manual contains a list of required and approved items and suppliers, which we may update from time to time. We may collect fees from you on behalf of approved suppliers (for example, through the Technology Fee) and remit those amounts to the applicable suppliers.

We will not unreasonably withhold approval of a supplier that meets our standards for quality, reliability, and compatibility with our System. However, you may not use any supplier that we have not approved, and you must discontinue use of any product or service that we determine does not meet our standards. Beginning one year after your Franchised Business opens, you may request our approval to use a new supplier by submitting a written request, three product samples, and a non-refundable application fee (currently $250). We review supplier requests on a quarterly basis and will notify you of our decision during the following quarter. We may investigate the proposed supplier, require product testing, and condition approval on our ability to inspect the supplier's facilities and products. We may withhold approval in our discretion, including if we have designated an exclusive supplier for the applicable product or service.

You must purchase or lease and maintain the following technology and equipment: a desktop computer with monitor and point-of-sale system; a laptop with required software and an external storage device; a color multifunction printer/scanner/fax; a backup system; high-speed internet service; a compatible electronic cash drawer, barcode scanner, and receipt printer; a touchscreen monitor with magnetic card reader; and an iPad or comparable tablet for front desk operations. You must obtain the point-of-sale system and client management software from our designated vendor and subscribe to QuickBooks Online.

You must maintain, at your expense, insurance coverage for the Franchised Business, including: (i) commercial general liability insurance with limits of at least $2,000,000 per occurrence and in the aggregate; (ii) business interruption and extra expense coverage for 12 months (actual loss sustained); (iii) hired and non-owned automobile liability coverage with a limit of at least $1,000,000; (iv) animal bailee coverage for each animal with a limit of at least $50,000 (covering on-premises and in-transit risks); (v) pet groomers professional liability coverage of at least $50,000; and (vi) property insurance covering the premises and its contents at not less than full replacement cost against fire and other risks typically covered under a standard extended coverage endorsement. All policies must be issued by insurers acceptable to us, name us as an additional insured using a form of endorsement we approve, include a waiver of subrogation in our favor, and provide that we will receive at least 30 days' prior written notice of cancellation, termination, or material modification. We may, on reasonable prior notice, require increased limits or additional types of coverage to reflect inflation, changes in liability standards, or other relevant factors.

We may negotiate purchase arrangements with suppliers, including pricing terms, for the benefit of franchisees and may receive payments from suppliers based on franchisee purchases. Currently, no purchase arrangements are in place. During the fiscal year ended December 31, 2025, we

received $96,431, or 3.1% of our total revenue of $3,124,421, in payments from suppliers based on franchisee purchases of products, services or sponsorships. We do not provide material benefits (including, for example, renewal or granting additional franchises) to you based on your purchase of particular products or services or use of designated or approved suppliers.

We may establish and enforce standards and specifications for equipment, fixtures, furnishings, signage, supplies, construction, displays, promotional materials, and other items associated with the Franchised Business, as described in the Operating Manual. You may not use any items that deviate from our standards without our prior written approval. All packaging and paper goods must comply with our specifications and display our proprietary marks with appropriate trademark notices.

We estimate that approximately 75% of your purchases and leases, both for the establishment and ongoing operation of your CENTRAL BARK facility, will be subject to our specifications. There are currently no purchasing or distribution cooperatives. Except as disclosed above, none of our officers has an ownership interest in any approved supplier.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

Obligation	Section in Franchise Agreement	Disclosure Document Item
a. Site selection and acquisition/lease	Franchise Agreement (FA) Sect. III. MUFA – Article 2, Sect. 6.1	Items 7 and 11
b. Pre-opening purchases/leases	FA Sect. III./V. MUFA – Sect. 6.1	Items 7 and 8
c. Site development and other pre-opening requirements	FA Sect. III./V. MUFA – Article 2	Items 7, 8 and 11
d. Initial and ongoing training	FA Sect. V./X. MUFA – Article 5	Items 6, 7 and 11
e. Opening	FA Sect. III./V. MUFA – Not Applicable	Item 11
f. Fees	FA Sect. I./VI./XII. MUFA – Article 4	Items 5, 6 and 7
g. Compliance with standards and policies/Operating Manual	FA Sect. VII./IX./X. MUFA – Not Applicable	Items 8 and 11

Obligation	Section in Franchise Agreement	Disclosure Document Item
h. Trademarks and proprietary information	FA Sect. IV. MUFA – Not Applicable	Items 13 and 14
i. Restrictions on products/services offered	FA Sect. X. MUFA – Not Applicable	Items 8, 11 and 16
j. Warranty and customer service requirements	FA Sect. X. MUFA – Not Applicable	Item 11
k. Territorial development and sales quotas	FA Sect. I. MUFA – Article 2	Item 12
l. Ongoing product/service purchases	FA Sect. X. MUFA – Not Applicable	Item 8 and 11
m. Maintenance, appearance and remodeling requirements	FA Sect. III./X. MUFA – Not Applicable	Item 7, 8, and 11
n. Insurance	FA Sect. X. MUFA – Not Applicable	Items 6, 7 and 8
o. Advertising	FA Sect. VI. MUFA – Not Applicable	Items 6, 7, and 11
p. Indemnification	FA Sect. XIII. Lease Assignment Agreement (LAA) Sec. 7 MUFA – Sect. 10.2	Item 6
q. Owners participation/ management/staffing	FA Sect. V./X. MUFA – Not Applicable	Items 11 and 15
r. Records and reports	FA Sect. IX. MUFA – Sect. 2.4	Item 6 and 11
s. Inspections and audits	FA Sect. IX./X. MUFA – Not Applicable	Items 6 and 11
t. Transfer	FA Sect. XVIII. MUFA – Article 7	Item 6 and 17
u. Renewal	FA Sect. II. MUFA – Not Applicable	Items 6 and 17
v. Post-termination obligations	FA Sect. XVI. LAA Sect. 5 MUFA – Sect. 9.2	Item 17
w. Non-competition covenants	FA Sect. XIV./XVI. MUFA – Sect. 8.1	Item 17

Obligation	Section in Franchise Agreement	Disclosure Document Item
x. Dispute resolution	FA Sect. XXX. MUFA – Sect. 10.16	Item 17
y. Liquidated Damages	FA Section XVI.A	Item 6

ITEM 10

FINANCING

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

ITEM 11

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

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

Our Pre-Opening Obligations – Franchise Agreement:

Before you open the CENTRAL BARK facility, we or our affiliates will provide the following assistance:

1. You are solely responsible for selecting the Location and signing a lease for the Location within 180 days after you sign the Franchise Agreement. In general, you will lease the site for your Location from a third party and not from us. If you are unable to acquire a site acceptable to us and open the Franchised Business within 300 days after you sign the Franchise Agreement, or during any extended period agreed to by us and you, we may at any time terminate the Franchise Agreement. (Franchise Agreement – Section XV.A.(9)) The Location must be approved by us. Factors to be considered in selecting a site include zoning, accessibility, traffic patterns, character of neighborhood, competition from other canine care facilities, kennels, boarding services, grooming services, training services, and retail outlets within the area, the proximity to other businesses and CENTRAL BARK facilities, the nature of other business in proximity to the site and premises and other commercial characteristics, and the size, appearance and other physical characteristics of the site and premises. You may be required, as a condition to our approval, to submit to us site analysis, maps, customer counts, completed checklists, photographs, copies of proposed leases, diagrams of the premises with measurements and further informational materials as we may reasonably require to evaluate your proposed location and We may conduct on-site inspection of the proposed location (at our sole cost and expense). After review of the above information, we will approve or disapprove of your Location within a reasonable amount of time, not to exceed 30 days following our receipt of all requested information. Your Location should be 5,000 to 8,000 square feet, with optional adjoining outside space. The final lease agreement cannot be executed without the our prior written approval.

2. We will supply you with prototype plans and specifications which will reflect all requirements for dimensions, exterior design, interior design and layout, image, building materials,

fixtures, equipment, furniture, signs and decor. You must ensure your premises complies with all required building, utility, sign, health, sanitation, business and other permits and licenses required to operate the Franchised Business. (Franchise Agreement - Section III.D.)

3. We will provide you with advice and guidance in preparing to open the Franchised Business, including standards and procedures for obtaining inventory and supplies, providing approved services, advertising and promoting the business and operating the business. (Franchise Agreement – Section V.C. and V.D.)

4. We will provide initial training for you or your Managing Owner (as defined below). We will also provide opening assistance. (See description below) (Franchise Agreement – Section V)

5. We will provide you with the use of the Operating Manual and other manuals and training aids we designate, as we may revised them. (Franchise Agreement – Section VII.)

Our Obligations to Franchisees During the Operation of the Franchised Business – Franchise Agreement

After the opening of your Franchised Business, we will provide you with the following assistance:

1. We will advise you of operating problems of the Franchised Business disclosed by reports submitted to or inspections we make. Operating assistance may include advice and guidance with respect to: (1) methods, standards and operating procedures utilized by a CENTRAL BARK facility; (2) products and services authorized for sale by a CENTRAL BARK facility; (3) selecting, purchasing, and displaying inventory; (4) advertising and promotional programs; and (5) administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the Franchised Business. (Franchise Agreement – Section V.D.)

2. Guidance is furnished in the form of our Operating Manual, bulletins, or other written materials, telephonic consultations and/or consultations at our offices or at your Location in connection with an inspection of the Franchised Business. (Franchise Agreement – Section V.D.)

3. We will administer a Brand Fund. (Franchise Agreement – Section VI.A.)

4. We will maintain a Website to advertise, market and promote CENTRAL BARK facilities. (Franchise Agreement – Section VI.D.)

5. We may periodically set a maximum or minimum price that you charge for products and services offered by your CENTRAL BARK facility, though we are not obligated to do so. We also may require you to comply with an advertising policy which will prohibit you from advertising any price for a product or service that is different than our suggested retail price. (Franchise Agreement – Section X.I.)

Marketing Programs.

Brand Fund

You must contribute a monthly marketing fee equal to the greater of (i) 2% of the Gross Sales of your Franchised Business or (ii) $500 (the "Fund Contribution") to our system-wide Brand Fund (the "Fund" or "Brand Fund"). Fund Contributions are due at the same time and in the same manner as the Royalty Fee under the Franchise Agreement.

We use the Fund to develop and implement advertising, marketing, media placement, public relations, website development and maintenance, research, and other promotional activities that we determine are appropriate to promote the CENTRAL BARK brand and franchise system. These activities may include, but are not limited to: production of video, audio, and print advertising; digital marketing (e.g., search engine, social media, email, and display campaigns); development and maintenance of websites and mobile apps; public relations efforts; and the creation of promotional materials and brand assets.

The Fund may also be used to pay for: (i) reasonable salaries and expenses of our employees who manage or support Fund activities; (ii) interest on borrowed funds; (iii) administrative costs and overhead related to Fund operations; and (iv) software and technology platforms used in marketing. We may produce marketing materials in-house or engage outside agencies. You will receive reasonable quantities of marketing materials at the same cost, terms, and conditions as other franchisees.

We may spend more or less than the total contributions to the Fund in any fiscal year. The Fund may borrow from us or third parties to cover shortfalls or invest surpluses for future use. While it is our intent to spend all contributions in the year received, unspent funds may be carried over to the following year.

During the fiscal year ended December 31, 2025, Fund expenditures were allocated as follows: 2.0% to creative production, 34.4% to technology and website development and maintenance, 39.4% to administrative expenses, 24.2% to media placement and promotion.

The Fund is not a trust and is not our asset. It is accounted for separately from our other funds. We do not owe fiduciary duties to you in administering the Fund and assume no direct or indirect liability for its operation. We will provide an unaudited annual statement of Fund revenues and expenditures upon written request. We do not guarantee that your contributions will result in proportional or direct benefits to your Franchised Business. Our company-owned and affiliate-owned locations may contribute to the Fund on a different basis than franchisees, and some franchisees may also contribute on different terms.

We will not use Fund contributions primarily to solicit new franchisees.

Initial Launch Advertising

You must spend at least $26,000 on initial launch advertising during the period beginning 90 days before and ending 180 days after the opening of your Franchised Business. You must use approved vendors and service providers for all such advertising and promotional activities. Permitted

expenditures may include digital marketing (such as search engine marketing, display advertising, and retargeting), social media advertising (including Facebook and Instagram), traditional media (such as television, radio, newspapers, magazines, billboards, and direct mail), microsite development and search engine optimization, demographic and analytics tools, grand opening event coordination, and public relations services.

Local Expenditures

After the initial launch advertising period, you must spend at least 2% of your annual Gross Sales on local advertising and promotion. You must incur these expenditures directly, and all local advertising is subject to our approval. Local advertising must be conducted within your Designated Area unless otherwise approved in writing by our Marketing Department. Within 90 days after the end of each fiscal year, you must submit to us a complete and accurate accounting of your local advertising expenditures for the preceding year. If you do not meet the required 2% expenditure, you must pay the shortfall to the Brand Fund within 100 days after the end of the fiscal year. Qualifying expenditures include costs for advertising media (such as television, radio, print, digital media, billboards, community events, and sponsorships), promotional and collateral materials, direct mail, local outreach initiatives, advertising required under your lease, advertising on public vehicles, and the production of approved materials used in these media. We may require you to use designated or approved suppliers (which may include us or our affiliates) to create local advertising materials. You must submit for our prior written approval any advertising or promotional materials that we have not previously approved.

Local Advertising Cooperative

We or our affiliates or designees may establish a local advertising cooperative ("LAC") in any geographic area with two or more CENTRAL BARK facilities. Each LAC will be organized and governed under written documents, in a form and manner that we determine, and will begin operations on a date we designate. We may modify, merge, or dissolve any LAC at our discretion. The purpose of each LAC is, subject to our approval, to administer regional advertising programs and develop advertising, marketing, and promotional materials. If a LAC has been established for your area (either at the time you sign the Franchise Agreement or at any time thereafter), you must join the LAC, comply with its governing documents, and make the required contributions. LAC contribution amounts will be established under the LAC's governing documents and are currently expected not to exceed 2% of Gross Sales, although a higher amount may be approved by the required vote of the members. Your LAC contributions will be credited toward your required local advertising expenditures, subject to any caps or limitations set forth in the LAC's governing documents and approved by us. You must pay LAC contributions electronically, and we may collect and remit those amounts to the LAC. CENTRAL BARK facilities owned by us or our affiliates will contribute on the same percentage basis as other participants.

Each participating CENTRAL BARK facility will have one vote in the LAC. The LAC may not use any advertising or promotional materials without our prior written approval, but, subject to our approval, may determine creative concepts and campaigns. LAC funds may be used to develop and produce advertising materials; purchase media; implement direct marketing programs; and retain advertising, marketing, and public relations firms.

All amounts collected for a LAC will be maintained separately and will not be used to defray our general operating expenses. You must provide any reports we or the LAC reasonably require. Each

LAC will prepare annual financial statements, which will be made available to participating members. Your Franchised Business may not receive a direct or proportional benefit from its contributions, and no LAC is intended to benefit another. We may, but are not obligated to, enforce collection of LAC contributions on behalf of a LAC.

Franchise System Website

We have established a centralized website (the "Franchise System Website") to promote CENTRAL BARK facilities and the System. We currently provide you with a microsite on the Franchise System Website, but we are not obligated to continue doing so. While a microsite is provided, you must pay all applicable fees to us or our designated or approved third-party vendors. These currently include a $1,500 development fee payable to a designated vendor and a $2,500 fee payable to a separate vendor for the initial six months of search engine optimization. You may also be required to pay ongoing maintenance or hosting fees.

You may not create, maintain, or authorize any website, domain name, email account, social media account, username, or other online presence (collectively, "Online Presence") that references you, the Franchised Business, or any of the Marks, except in compliance with our then-current policies. If you are permitted to operate any website or Online Presence, you must comply with all applicable laws, our System Standards, and any requirements we prescribe in writing, including maintaining a compliant privacy policy.

Advertising Council

We have established a National Franchise Advisory Board ("NFAB") to serve in an advisory capacity. The NFAB was created by us and consists of members nominated by franchisees and elected by franchisees and/or appointed by us. The NFAB does not have operational or decision-making authority. We reserve the right to modify or dissolve the NFAB at our sole discretion.

Computer Systems.

You are required to purchase or lease specific hardware and software for the operation of your Franchised Business. This includes a desktop computer with monitor and point-of-sale system ("POS system"); a laptop with required software and an external USB drive; a color multifunction device (printer, fax, scanner); a color monitor; a backup system; and high-speed internet service. You must also purchase one electronic cash drawer compatible with the approved POS system, one barcode scanner, one receipt printer, one touchscreen flat panel monitor with magnetic card reader, and one iPad or equivalent tablet for the front desk POS system. All hardware must be compatible with the required software. We currently do not have independent access to the data collected on the electronic cash drawer but may require such access in the future. We may also require you to grant our designated vendors access to your computer system on our behalf. We estimate the total cost of the required hardware and software to be approximately $4,000.

You must obtain the POS system and web-based client management and scheduling software from our designated vendor, currently Moego, which charges a monthly subscription fee of $495. You must also subscribe to QuickBooks Online (currently $50 per month) and Microsoft Office 365 (currently $99 per year, subject to change based on selected options). These fees are subject to change by the respective third-party vendors.

You must use only the approved POS system, client management and scheduling software, and computer hardware brands, types, makes, and models that we specify. We may require you to purchase, update, lease, or license new or modified hardware or software, and to obtain service and support for the computer system during the term of the Franchise Agreement. There are no contractual limitations on our right to impose such requirements. You must obtain any newly required components within 120 days of receiving notice from us. We are not obligated to provide maintenance, repairs, updates, upgrades, or support services for your computer system.

You must also pay a monthly "Technology Fee," currently $495, for ongoing subscription, maintenance, and support of various technology systems, platforms, and resources. This fee is payable at the times and in the manner we designate and may be increased upon 30 days' prior written notice.

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Additional Resources

• Operations Training Manuals (21)	278
• Marketing Guide Books (21)	125
• Keys to Success (7)	14
TOTAL:	417

Opening of Franchised Business. The typical period between signing your Franchise Agreement and opening your Franchised Business ranges from nine to twenty-four months. The time required will vary depending on factors such as site selection, lease negotiation, permitting and licensing, construction and build-out, financing, hiring and training staff, and ordering and installing required fixtures, furniture, and equipment. You may not open your Franchised Business without our prior written approval. You must complete all required development and open your Franchised Business within 300 days after signing your Franchise Agreement, or we will have the right to terminate your Franchise Agreement.

Training.

Before opening your CENTRAL BARK facility, you (or, if you are an entity, your designated principal owner with at least a 51% ownership interest and voting power who will serve as the chief executive officer (the "Managing Owner")) must attend and successfully complete our initial training program. The program currently consists of approximately 10 days of instruction and is conducted at our headquarters in Franklin, Wisconsin, at another location we designate, or virtually, at our discretion. You (or your Managing Owner) must complete all phases of the program to our satisfaction and participate in all required pre-opening activities. We may modify the content, format, or duration of the training program at any time.

You may also send managers or other key personnel to attend training. Any attendee who is not a party to the Franchise Agreement or an Owner's Guaranty must sign our then-current confidentiality agreement. You must pay our then-current training fee for any additional attendees (currently $500 per person, per day, or as otherwise specified by us). You are responsible for all compensation, travel, lodging, and living expenses incurred in connection with training.

We will provide on-site opening assistance for approximately five (5) days, typically beginning at least two (2) days before your scheduled opening date, which will include the presence of one member of our operations or field support team during your initial opening period. If you request additional on-site assistance and our personnel are available, you must pay our then-current fee (currently $500 per day), plus the cost of lodging and meals for our personnel.

If you are opening your third or subsequent CENTRAL BARK facility under a multi-unit development arrangement, we may waive the requirement that you complete the initial training program. After opening, we may provide training for your managers or other personnel, subject to reasonable limitations on scheduling and frequency. We may charge a reasonable fee for this training (currently $500 per day).

If you (or your Managing Owner) complete the initial training program to our satisfaction and do not notify us of any deficiencies, we will consider you sufficiently trained to operate your Franchised Business.

If, at any time, we determine that you (or your Managing Owner) have not successfully completed the training program to our satisfaction, we may require you to complete additional training at your expense. If, after additional training, you (or your Managing Owner) are still unable to meet our training requirements, we may terminate your Franchise Agreement. In that event, your post-termination obligations under the Franchise Agreement, including the covenant not to compete, will apply.

If we terminate your Franchise Agreement before opening under these circumstances, we will have the right, but not the obligation, to exercise any collateral assignment of your lease, subject to the terms of the Franchise Agreement. If we elect to do so, we will reimburse you for reasonable, documented, out-of-pocket costs actually incurred in developing the premises, provided that those costs reflect fair market value and are supported by satisfactory evidence of payment. We will not reimburse internal costs, overhead, lost profits, or financing expenses.

The initial training program is scheduled based on operational needs and availability. While we will attempt to schedule training as close as possible to your anticipated opening date, you are required only to complete the program before opening. As of the date of this Disclosure Document, we have provided the following initial training:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On Job Training	Location
Corporate Mission and Structure	2 hours	1.5 hours	Franklin, Wisconsin or other location we designate
Running the Facility • Tour Corporate Training Center • New Franchisee Orientation • Pre Training Assessments • Service Requirements • Operational Basics • Daily Routine and Breakdown of Schedule • Intranet Tour & Operations Training Manuals • Behavior Assessment Process Walkthrough • Retail, Upselling, Cross Selling, Social Media and Marketing • Keys to Success Review	20 hours	14 hours	Franklin, Wisconsin or other location we designate

• POS Training • Knowledge Review • Post Training Assessment			
Dog Handling • Behavior Basics Seminar • Safe Social Interactions between People and Dogs • Dog Body Language • Playgroup management techniques • Group Play Skills • Grooming Review • Dog Handling & Playgroup Management Review • Hands-On Playgroup Management	10 hours	20 hours	Franklin, Wisconsin or other location we designate
Customer Service • New Customer Experience Training • Difficult client conversations and documenting • Hands-On Customer Service Training • New Dog Experience Challenge	15 hours	1 hour	Franklin, Wisconsin or other location we designate
Human Resources • Review of Enrichment Specialist Levels Criteria • Creating consistency with your team	2 hours	0 hours	Franklin, Wisconsin or other location we designate
Marketing Central Bark Brand Marketing Foundations National Brand Development Fund Local Marketing Strategy & Responsibility Pre-Opening Marketing Soft Opening Marketing Grand Opening Marketing Marketing Tools, Resources & Compliance Ongoing Marketing Support	22 hours	0 hours	Virtual or other location we designate
Computer System POS System Training and setup	1.5 hours	3 hours	Virtual or other location we designate
Accounting and Financial General Information	0 hours	2 hours	Virtual or other location we designate

Mandatory Reporting			
Emergencies Dog Employee Weather Building Pet First Aid & CPR Certification	1.5 hours	2 hours	Franklin, Wisconsin or other location we designate
Totals	**74 Hours**	**43.5 Hours**	**117.5 Hours**

1. Athena Olsen oversees our training program. Carla Dusel serves as the primary training instructor. Ms. Olsen has 19 years of experience in the canine care business (including with franchisees of BVI) and has over 9 years of experience with us and our predecessor BVI. Ms. Dusel has 15 years of experience in the canine care business and 7 years of experience with us and our predecessor BVI.

2. Our instruction materials consist of training videos, a training-specific learning management software (LMS), and our Operating Manual.

3. A portion of the classroom training may be completed remotely online.

We also may offer additional or refresher training courses and require you (or your Managing Owner) and other employees to attend these courses, including courses and programs provided by third-parties we designate. These courses may be conducted at our headquarters or at any other locations selected by us, or virtually, in our determination, and will be offered at the times we designate. You must pay all costs and expenses you and your employees incur when attending the training courses, including, without limitation, costs of travel, living expenses, wages and third party certifications (example: Pet First Aid & CPR Certifications).

ITEM 12

TERRITORY

Franchise Agreement:

While your Franchise Agreement is in effect and you are not in default, we will not operate or license another CENTRAL BARK facility within your designated territory (the "Designated Area"). We determine the size and configuration of the Designated Area, which will generally include approximately 20,000 households. The Designated Area may be defined using a radius, zip codes, municipal boundaries, or natural or man-made features (such as rivers or highways) and will be identified on a map attached to your Franchise Agreement. If a site has not been selected when you sign the Franchise Agreement, we will establish the Designated Area after you have secured a site and signed a lease that we have approved. Your rights in the Designated Area are not conditioned on achieving any sales levels or performance metrics.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. We and our affiliates reserve the right, directly or indirectly, to: (1) operate or license CENTRAL BARK facilities outside your Designated Area; (2) operate, license, or otherwise engage in businesses offering similar or competing products or services under different marks, including within your Designated Area; (3) sell branded or non-branded products or services authorized for CENTRAL BARK facilities under the Marks or other marks through any distribution channel; (4) market, solicit, and accept sales through catalog, direct mail, online platforms, or other channels, including within your Designated Area; (5) acquire, merge with, or otherwise combine with businesses offering similar or competing products or services, regardless of location, including businesses operating within your Designated Area; and (6) engage in any other activities not expressly prohibited by the Franchise Agreement. We are not obligated to compensate you if we exercise any of these rights.

You must operate the Franchised Business only at the approved location and may not relocate without our prior written consent, which we will not unreasonably withhold. You may not conduct catalog, internet, or other direct marketing activities without our prior written approval. You do not receive any option, right of first refusal, or similar right to acquire additional franchises in or near your Designated Area. We do not currently operate a competing business under a different mark, but we reserve the right to do so without obligation to you.

Multi-Unit Franchise Agreement

Under the MUFA, you will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control. You may face competition from other franchisees, company-owned outlets, or other brands and distribution channels we control. However, while the MUFA and all related Franchise Agreements remain in effect and you are in compliance, we will not establish or license another CENTRAL BARK facility within your multi-unit territory (the "Multi-Unit Territory"), except as described below.

We determine the size and configuration of the Multi-Unit Territory, which will be described in Addendum 1 to the MUFA and may be defined by zip codes, municipal boundaries, or natural or man-made features. In establishing the Multi-Unit Territory, we consider factors such as demographics, traffic patterns, competition, site availability, your operational capacity, and other market conditions. Your territorial protection is not conditioned on achieving specified sales levels. However, failure to comply with your Development Schedule is a material breach of the MUFA and may result in termination. Upon expiration or termination of the MUFA, all territorial rights terminate, and your rights will be limited to any CENTRAL BARK facilities you continue to operate under then-current Franchise Agreements.

We and our affiliates reserve the right, directly or indirectly, to: (1) use and license the Marks and the CENTRAL BARK system outside your Multi-Unit Territory; (2) operate, license, or otherwise engage in businesses offering similar or competing products or services under different marks, including within your Multi-Unit Territory; (3) sell branded or non-branded products or services authorized for CENTRAL BARK facilities through any distribution channel; (4) maintain and operate websites or digital platforms using the Marks or variations of the Marks; (5) operate or

license CENTRAL BARK facilities that we acquire through a right of first refusal, purchase option, or similar right, including within your Multi-Unit Territory; (6) acquire, merge with, or otherwise combine with businesses offering similar or competing products or services, regardless of location, including within your Multi-Unit Territory; and (7) engage in any other activities not expressly prohibited by the MUFA. We are not obligated to compensate you if we exercise any of these rights.

You may not conduct promotional or marketing activities through the internet, catalog, telemarketing, or other direct channels without our prior written consent. The MUFA does not grant you any option, right of first refusal, or similar right to acquire additional franchises.

ITEM 13

TRADEMARKS

Under the Franchise Agreement, you are granted the right to operate under the Marks for the operation of the Franchised Business. The following principal Marks are registered on the Principal Register of the United States Patent and Trademark Office ("USPTO"):

Mark	Registration Number	Registration Date
CENTRAL BARK	2,573,057	May 28, 2002
	3,043,863	January 17, 2006
	6,179,924	October 20, 2020

Mark	Registration Number	Registration Date
	7,072,492	June 6, 2023
PUPPY HOUR (Word Mark)	8,139,155	February 2, 2026

The Marks are owned by our affiliate BV IP. All required affidavits and renewals have been filed for these Marks.

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, and the trademark administrator of any State or any court, nor are there any pending infringement, opposition or cancellation proceedings or material litigation involving the principal trademarks.

We and BV IP have entered into an Intellectual Property License Agreement effective as of March 31, 2022 (the "License Agreement"), in which BV IP granted a non-exclusive license to us to use and sublicense the use of the Marks. The License Agreement has a 99-year term, and may be terminated immediately upon a breach by us of a material term of the License Agreement, by either party upon 30 days' written notice, and without notice upon our bankruptcy or insolvency. Your rights to use the Marks under the Franchise Agreement will not be affected by the termination of the License Agreement.

Except for the License Agreement, no agreements limit our right to use or license the use of the Marks.

We will protect you against any claims of infringement or unfair competition brought against you and arising out of the use of the Marks and will defend you in any legal action arising therefrom provided you have promptly notified us in writing of the facts of the claim or challenge, and provided you have used the Marks in strict accordance with the provisions of the Franchise Agreement.

We and BV IP have the exclusive right to control or settle any legal actions or proceedings. we and BV IP may prosecute or defend any other actions or proceeding necessary or desirable for the protection of our trade names, logos, or future service marks and you agree not to contest our or BV IP's right, title, or interest in the Marks. If it becomes advisable at any time our discretion to substitute names or marks, you are obligated to do so at your expense. We and BV IP have no obligation to reimburse you for any expenses incurred to modify, discontinue or adopt additional or substitute names, service marks, logos or symbols.

Dogs Are Us, Inc., located at 710 Village Center Drive, Colorado Springs, Colorado, is currently doing business as Central Bark Dog Day Care. BVI and Dogs Are Us, Inc. entered into an

agreement prohibiting Dogs Are Us, Inc.'s use of the trademark "CENTRAL BARK" outside of the Colorado Springs, Colorado metropolitan area.

We do not know of any infringing uses that could materially affect your use of the Marks.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

Patents and Copyrights

There are no patents material to the operation of your CENTRAL BARK franchise. We claim copyright protection in the CENTRAL BARK Operating Manual, training materials, marketing and advertising content, and other proprietary documents and media (collectively, the "Copyrighted Materials"). These materials may or may not be registered with the U.S. Copyright Office but are considered proprietary, confidential, and our intellectual property. You may use them only as expressly permitted under the Franchise Agreement.

We reserve the right to register any of our Copyrighted Materials at any time. As of the date of this Disclosure Document, there are no effective determinations by the U.S. Copyright Office or any court regarding these materials. We are not aware of any agreements that materially limit our ability to use or license these materials, nor are we aware of any infringing uses that would materially affect your use of them. We are not obligated to protect or defend any patent, trademark, or copyright, although we may choose to do so at our discretion.

Confidential Information

Our confidential and proprietary information includes, but is not limited to, the Operating Manual, marketing strategies, customer data, vendor relationships, and operational methods and techniques (collectively, the "Confidential Information"). You do not acquire any ownership interest in this information. Your right to use it is limited to the development and operation of your CENTRAL BARK franchise during the term of the Franchise Agreement.

You must take reasonable steps to prevent unauthorized use or disclosure of our Confidential Information, including informing your employees of their obligations and, if required, having them sign a non-disclosure agreement. You must promptly notify us of any unauthorized use or disclosure. While we are not obligated to take enforcement action, we may do so at our discretion. We are not required to indemnify you for any third-party claims arising from your use of our Confidential Information or Copyrighted Materials.

Improvements

If you develop or acquire any enhancements, adaptations, modifications, or new processes related to the operation of your CENTRAL BARK franchise (collectively, "Improvements"), you agree to assign all rights in those Improvements to us without additional compensation. We may incorporate such Improvements into our system for use by us, our affiliates, and other franchisees.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

You must actively manage your CENTRAL BARK facility. If you are an entity, the Franchised Business must be actively managed by your designated Managing Owner. You are responsible for hiring, training, supervising, and compensating your employees, and for implementing and maintaining a training program that complies with our System Standards. You must maintain a sufficient number of trained personnel at all times to operate the Franchised Business in accordance with our System Standards.

If you are a corporation, partnership, limited liability company, or joint venture, each individual who owns a 20% or greater interest in you must sign our then-current Owner's Guaranty and Assumption of Obligations, personally agreeing to perform your obligations under the Franchise Agreement. In addition, the spouse of each such owner must sign a written consent acknowledging the guaranty and agreeing to bind the marital estate to its terms, to the extent permitted by law.

The Franchised Business must be under the direct, on-premises supervision of you or your Managing Owner, who must devote full time, energy, and best efforts to its operation. The Managing Owner must maintain all required licenses and registrations and must complete all required initial training to our satisfaction, as well as participate in all pre-opening activities required by us. We may require employees or other personnel with access to confidential information to sign non-disclosure and non-competition agreements in a form we prescribe.

If you or your affiliates operate two or more CENTRAL BARK facilities, you may designate a manager to oversee the day-to-day operations of one or more locations, subject to our prior approval. Any designated manager must complete our required training and sign a confidentiality agreement. A designated manager is not required to have an ownership interest in the Franchised Business, but you remain fully responsible for compliance with the Franchise Agreement.

If your Managing Owner ceases to maintain at least a 51% ownership interest in you, you must designate a replacement Managing Owner within thirty (30) days and submit that individual for our approval. Any replacement Managing Owner must complete our required training within the time period we specify. You must keep us informed at all times of the identity of your Managing Owner.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer all products and services that we designate as required for all franchisees. We may require you to remove products which we believe to be inconsistent with the system image. You are not restricted in the customers to whom you may sell approved products or services.

You must operate the Franchised Business in strict conformity with all System Standards, whether provided in the Operating Manual or otherwise in writing by us. You must use the Location only for the operation of the Franchised Business and may not operate any other business at or from the

location without our prior written consent. You must participate in all gift card, loyalty, coupon, and discount programs as we require.

We may change or designate additional required or optional services. There are no limits on our right to do so.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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

Provision	Section in franchise agreement, multi-unit franchise agreement, or other agreement	Summary
a. Length of the term	Franchise Agreement (FA) - II.A. MUFA – 3.1	10 years Varies. The MUFA expires on the earlier of the signing of the last Franchise Agreement required to be executed under the agreement or the date by which the last Franchise Agreement is required to be executed as set forth on the Development Schedule.
b. Renewal or extension of the term	FA - II.B. MUFA – N/A	If you are in full compliance, you may acquire renewal franchises on our then-current terms (which may be materially different from existing terms) for an additional 10 year term. N/A
c. Requirements for franchisee to renew or extend	FA - II.B. MUFA – N/A	Give us timely notice; maintain possession of your Franchised Business or find acceptable substitute premises; remodel your Franchised Business according to our then-current standards (regardless of cost); pay renewal fee; and sign new franchise agreement and other documents we use to grant franchises. If you seek to renew your franchise at the expiration of the initial term, you will be required to sign a new franchise agreement that contains terms materially different from those in your previous franchise agreement, such as different fee requirements. N/A
d. Termination by franchisee	FA – N/A MUFA – N/A	You may terminate the Franchise Agreement on any grounds available by law. You may terminate the MUFA on any grounds available by law.
e. Termination by franchisor without cause	FA – N/A MUFA – N/A	We may not terminate the Franchise Agreement without cause. We may not terminate the MUFA without cause.

Provision	Section in franchise agreement, multi-unit franchise agreement, or other agreement	Summary
f. Termination by franchisor with cause	FA - XV. MUFA – Article 9	We may terminate only if you or your owners commit one of several violations. We may not terminate the Franchise Agreement based on the termination of the MUFA. We may terminate only if you or your owners commit one of several violations. We may terminate the MUFA based on the termination of a Franchise Agreement.
g. "Cause" defined – curable defaults	FA – XV. MUFA – 9.1	Under Franchise Agreement, you have 30 days to cure operational defaults and other defaults not listed in (h) below Under MUFA, you have 30 days to cure operational defaults and other defaults not listed in (h) below
h. "Cause" defined – non-curable defaults	FA - XV. MUFA – 9.1(b)	Non-curable defaults under Franchise Agreement include: bankruptcy; assignment for the benefit of creditors, abandonment; failure to complete training; engaging in conduct likely to adversely affect reputation or impair goodwill of Marks; conviction of a felony; arrested or under the influence of drugs or alcohol while supervising the premises of the Franchised Business; unapproved transfer of control of Franchised Business; material misrepresentations or omissions; failure to select site and sign lease for Franchised Business within 120 days; failure to open for business within 300 days; failure to maintain possession of Franchised Business; unauthorized transfer of Franchised Business; unauthorized use or disclosure of the Operating Manual; understating Gross Sales; monetary defaults; repeated violations (even if cured); failure to comply with other agreements with us or our affiliates and do not correct such failure within the applicable cure period, if any; and failure to pay any third-party, including the lessor of the Location, any amounts owed in connection with the CENTRAL BARK facility when due. Non-curable defaults under MUFA include: assignment or attempted assignment without our consent; failure to satisfy the Development Obligation within each Development Period; failure to pay us or our affiliates any amounts when due, which failure is not cured within ten days of notice to you; opening a CENTRAL BARK facility except as permitted under the MUFA; breach of non-competition or confidentiality obligations; repeated violations (even if cured); bankruptcy or assignment for the benefit of creditors; failure to comply with other agreements with us or our affiliates and do not correct such failure within the applicable cure period, if any.
i. Franchisee's obligations on termination/non-renewal	FA - XVI.	Obligations include: payment of amounts due; payment of liquidated damages, if applicable; cease operating the business; cease all use of the Marks; cease identifying yourself as a franchisee and cancel any assumed name containing any of the Marks; cease using and return confidential information; return to us all items containing the Marks; assign telephone and other numbers and all Online Presences to us or our designee; complete de-identification; and comply with covenant not to compete.

Provision	Section in franchise agreement, multi-unit franchise agreement, or other agreement	Summary
	MUFA – Article 8, Section 9.2	Return all proprietary information; comply with post-term obligations regarding confidentiality and noncompetition
j. Assignment of contract by franchisor	FA - XVIII.A. MUFA – 7.1	No restriction on our right to assign; We may assign without your approval. No restriction on our right to assign; We may assign without your approval.
k. "Transfer" by franchisee – defined	FA - XVIII.B. MUFA – 7.3(a), 7.3(e)	Includes transfer of Franchise Agreement sale of Franchised Business' assets, transfer of ownership interest (in one transaction or a series of transaction) in you or your owners resulting in at least a 20% change in ownership interest of you Includes transfer of MUFA, sale of Developer's business assets, transfer of ownership interest (in one transaction or a series of transaction) in you or your owners resulting in at least a 20% change in ownership interest of you
l. Franchisor approval of transfer by franchisee	FA - XVIII.B. MUFA -7.3(b)	No transfer without our prior written consent No transfer without our prior written consent
m. Conditions for franchisor approval of transfer	FA - XVIII.C. MUFA – 7.3(c)	New franchisee qualifies; you provide us 90 days prior written notice; you pay us, our affiliates, and third party vendors all amounts due and submit all required reports; transferee agrees to complete training; transferee signs then-current franchise agreement (which terms may materially differ from the Franchise Agreement), guarantees, and other documents; you pay transfer fee; you or transferee pay additional training fee (if required); we approve purchase price and payment terms; you subordinate amounts due to you; you and your owners sign non-competes and general release (subject to state law); you agree not to identify yourself as our franchisee; lease transferred; you use our designated broker, if required, and pay broker's fees and expenses; transferee agrees to upgrade and remodel; you provide us with closing documents and all other information we request about the proposed transfer. You and any guarantors are in compliance with your or their obligations; your or the proposed assignee provide us all information and documents it requests regarding the proposed assignment, the proposed assignee, and its owners; you provide us with executed versions of all relevant documents to effect the assignment; if you or the transferor offer the assignee financing, all of assignee's obligations under the financing must be subordinate to assignee's obligations to pay all amounts due us, our affiliates, and third-party vendors; you and your owners sign non-competes and general release (subject to state law); you pay all amounts due to us, our affiliates, and third-party vendors; you and your owners have not violated any term of the MUFA or any other agreement during the 60 day period before your request and through the

Provision	Section in franchise agreement, multi-unit franchise agreement, or other agreement	Summary
		effective date of the assignment; the assignee signs our then-current form of multi-unit franchise agreement and related documents; you or the transferee pays the assignment fee; the assignment is not made separate from the assignment of all franchise agreements under the MUFA
n. Franchisor's right of first refusal to acquire franchisee's business	FA - XVIII.G. MUFA – 7.3(d)	We can match any offer for the franchise business We can match any offer for the franchise business
o. Franchisor's option to purchase franchisee's business	FA - XVI.E. MUFA – N/A	We may buy your Franchised Business, after the Franchise Agreement is terminated or expires (without renewal) N/A
p. Death or disability of franchisee	FA - XVIII.E. MUFA – 9.1(b)(i)	Assignment of franchise or an ownership interest in you to approved party within 6 months Assignment of development obligations or an ownership interest in you to approved party within 60 days
q. Non-competition covenants during the term of the franchise	FA - XIV.A. <

Provision	Section in franchise agreement, multi-unit franchise agreement, or other agreement	Summary
s. Modification of the agreement	FA - XXV. MUFA – 10.12	No modifications except in writing, but We may change Operating Manual No modifications except in writing
t. Integration/merger clause	FA - XXV. MUFA – 10.12	Only the terms of the Franchise Agreement are binding (subject to state law). Any other promises might not be enforceable. However, nothing in the Franchise Agreement or any related agreement is intended to disclaim our representations made in the Disclosure Document. Only the terms of the MUFA are binding (subject to state law). Any other promises might not be enforceable. However, nothing in the MUFA or any related agreement is intended to disclaim our representations made in the Disclosure Document.
u. Dispute resolution by arbitration or mediation	FA - XXX. and MUFA – 10.16	We and you must arbitrate all disputes at a location within 50 miles of our or, as applicable, its successor's or assign's then-current principal place of business (currently Oakland Park, Florida) (subject to state law)
v. Choice of forum	FA - XXVIII. and MUFA -10.8	Subject to arbitration requirement, litigation generally must be in courts nearest our or, as applicable, its successor's or assign's then-current principal place of business (currently Oakland Park, Florida) (subject to state law)
w. Choice of law	FA - XXVII. and MUFA – 10.7	Except for U.S. Federal Arbitration Act and other federal laws in the U.S., laws of the State of Florida (subject to state law)

Applicable state law might require additional disclosures related to the information in this Item 17. These additional disclosures, if any, appear in Exhibit J.

ITEM 18

PUBLIC FIGURES

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

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ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

The financial performance information in this Item 19 is organized into five categories: (A) Average Gross Sales, (B) Average Owner Profit, (C) Annual Gross Sales; (D) Expense and Operating Profit Percentages as a Share of Gross Sales; and (E) Revenue Mix by Service Category. All data is based on reporting received from franchisees using a standardized chart of accounts provided by us. Each category reflects aggregated data from the same Sales Group of 36 franchised CENTRAL BARK facilities described below.

The information presented in this Item 19 is based on data from 36 franchised CENTRAL BARK facilities that were open and operating throughout our 2025 fiscal year (January 1, 2025 – December 31, 2025) (the "Sales Group"). No additional selection criteria were applied. Eight additional locations were excluded because they (i) were not open for the full fiscal year, (ii) did not report a full 12 months of financial data, or (iii) did not submit data in the required standardized format. The Sales Group excludes franchised facilities that opened during the 2025 fiscal year, as reflected in Item 20, and includes only those franchised facilities that were open and operating. It is based on self-reported information from a geographically diverse group of franchisees and is presented as an average of their responses. The information is based on self-reported financial data submitted by franchisees and has not been audited or independently verified.

As used in this Item 19, "Gross Sales" has the same meaning as defined in the Franchise Agreement. It includes all revenue from the sale of all products and services, whether generated at or through the CENTRAL BARK facility, any kiosk, cart, vending machine, catalogue, cable television, Online Presence (as defined in Item 11), or mail order, and whether paid in cash or by credit. Gross Sales excludes only (i) amounts refunded or credited for returned, repaired, or replaced goods, (ii) bona fide discounts or allowances granted to customers (such as trade or quantity discounts), and (iii) excise, sales, use, or similar taxes paid by you, but only to the extent such amounts were included in the computation of Gross Sales for the same or prior periods. Credit card fees collected from customers are included in Gross Sales. Gift certificates and gift card payments are included in Gross Sales in accordance with our then-current policies. At our option, we may include such amounts either (i) when the gift certificate or gift card is redeemed, based on the total amount redeemed at the Franchised Business, or (ii) at the time of sale, based on the face value of the gift certificate or gift card, but not both.

A. Average Gross Sales – CENTRAL BARK Facilities

This Section A includes information regarding Gross Sales of the CENTRAL BARK facilities in the Sales Group during our 2025 fiscal year. The results shown in this Section A reflect the historical Gross Sales of each of the CENTRAL BARK facilities included in the Sales Group.

Gross Sales of Sales Group During 2025 Fiscal Year

	Gross Sales
Average	$902,805
CENTRAL BARK facilities ("facilities") exceeding Average	16 (43%)
High	$2,025,786
Median	$812,437
Low	$413,760

Range of Average Gross Sales of Sales Group During 2025 Fiscal Year, by Tercile

	Top Tercile		**Middle Tercile**		**Low Tercile**	
	High	**Low**	**High**	**Low**	**High**	**Low**
Gross Sales	$2,025,786	$1,012,637	$1,011,490	$715,125	$701,927	$413,760

1. The top tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median Gross Sales for the top tercile of the 2025 Sales Group was $1,190,219. Six of Twelve (or 50%) CENTRAL BARK facilities met or exceeded the median Gross Sales.

2. The middle tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median Gross Sales for the middle tercile of the 2025 Sales Group was $812,437. Six of twelve (or 50%) CENTRAL BARK facilities met or exceeded the median Gross Sales.

3. The low tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median Gross Sales for the low tercile of the 2025 Sales Group was $592,866. Six of twelve (or 50 %) CENTRAL BARK facilities met or exceeded the median Gross Sales.

B. Operating Profit – CENTRAL BARK Facilities

This Section B includes information regarding average Profit of the Sales Group during the 2025 fiscal year. For purposes of this Section B, "Operating Profit" means the adjusted profit of each CENTRAL BARK facility. Operating Profit is calculated as follows: the earnings before interest, income taxes, depreciation, amortization, Owner's Compensation, Draw or Dividends, and other Owner's expenses (including automobile, travel and entertainment and contributions) of each CENTRAL BARK facility as a percentage of Gross Sales, as reported to us by our franchisees. For clarity, "Operating Profit" is not a measure of net income or cash flow. It excludes, among other items, Owner's Compensation, interest, income taxes, depreciation, amortization, and certain owner-specific expenses.

Operating Profit of Sales Group During 2025 Fiscal Year

	Operating Profit
Average	$177,589
CENTRAL BARK facilities ("facilities") exceeding Average	15 (42%)
High	$554,950
Median	$147,734
Low	$44,577

Average Operating Profit of Sales Group During 2025 Fiscal Year, by Tercile[1]

	Top Tercile	Middle Tercile	Low Tercile
Sales Group	25.3% [2]	19.3% [3]	12.2% [4]

1. The Top Tercile, Middle Tercile, and Low Tercile in this chart are comprised of the same CENTRAL BARK facilities that make up the Top Tercile, Middle Tercile, and Low Tercile groups in the Average Gross Sales of the Sales Group during the 2025 fiscal year, by Tercile chart in Section A of this Item 19.

2. The top tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median for the top tercile of the 2025 Group was $256,568. 6 of 12 (or 50%) CENTRAL BARK facilities met or exceeded the average Operating Profit.

3. The middle tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median for the middle tercile of the 2025 Group was $147,734. 6 of 12 (or 50%) CENTRAL BARK facilities met or exceeded the average Operating Profit.

4. The low tercile for the 2025 Sales Group includes 12 CENTRAL BARK facilities. The median for the low tercile of the 2025 Group was $83,833. 6 of 12 (or 50%) CENTRAL BARK facilities met or exceeded the average Operating Profit.

C. Annual Gross Sales – CENTRAL BARK Facilities

Below are the annual Gross Sales for the years 2025, 2024, 2023, 2022 and 2021 for the CENTRAL BARK Facilities in the Sales Group. Certain locations may not have been open for all periods shown and may reflect ramp-up or partial-period operations.

		Revenue by Location By Year					
Location	Opening Date	2025	2024	2023	2022	2021	2021 vs 2025
1	April 2014	$2,025,786	$1,828,699	$1,480,971	$1,376,540	$1,082,428	87.2%
2	August 2005	$1,605,516	$1,404,239	$1,210,786	$1,177,034	$1,050,676	52.8%
3	December 2006	$1,298,764	$1,327,502	$1,284,551	$1,004,143	$884,034	46.9%
4	August 2007	$1,261,562	$1,234,344	$1,169,833	$1,108,690	$949,055	32.9%

Revenue by Location By Year

Location	Opening Date	2025	2024	2023	2022	2021	2021 vs 2025
5	September 2006	$1,207,074	$1,131,865	$1,094,861	$1,012,900	$984,584	22.6%
6	September 2007	$1,196,078	$1,207,885	$1,187,303	$1,005,646	$602,856	98.4%
7	October 2024	$1,184,361	$61,296				
8	February 2009	$1,136,963	$1,047,850	$1,051,924	$996,002	$635,524	78.9%
9	June 2019	$1,135,155	$1,020,106	$892,426	$950,367	$798,469	42.2%
10	October 2008	$1,131,323	$1,105,760	$1,001,286	$788,401	$783,401	44.4%
11	June 2007	$1,033,224	$945,187	$885,722	$858,347	$680,128	51.9%
12	August 2008	$1,012,367	$1,008,213	$994,041	$823,232	$467,872	116.4%
13	November 2020	$1,011,490	$913,168	$922,427	$890,178	$824,611	22.7%
14	January 1997	$1,000,019	$1,007,428	$1,087,538	$1,016,484	$799,472	25.1%
15	November 2020	$986,149	$897,067	$926,075	$749,639	$451,212	118.6%
16	March 2024	$948,209	$304,186				
17	August 2019	$859,066	$793,563	$808,684	$718,442	$578,103	48.6%
18	January 1999	$835,549	$791,442	$799,313	$789,050	$733,378	13.9%
19	March 2008	$789,324	$629,952	$592,598	$545,326	$570,217	38.4%
20	February 2000	$787,400	$675,957	$630,067	$458,841	$224,102	251.4%
21	August 2020	$758,993	$770,229	$744,811	$592,635	$484,524	56.6%
22	April 2014	$748,286	$743,773	$722,871	$651,281	$552,858	35.3%
23	June 2013	$725,316	$653,158	$671,275	$659,836	$536,269	35.3%
24	June 2019	$715,125	$652,777	$646,459	$697,059	$606,936	17.8%
25	January 2024	$701,927	$526,437				
26	March 2009	$693,189	$676,065	$668,361	$555,057	$390,862	77.3%
27	November 2006	$691,139	$703,841	$676,964	$625,638	$585,486	18.0%
28	March 2008	$669,867	$412,805	$538,209	$533,992	$268,168	149.8%
29	November 2020	$661,060	$141,135				
30	August 2024	$601,024	$561,487	$484,145	$363,734	$273,844	119.5%
31	October 2022	$592,866	$468,877	$250,283	$16,228		
32	February 2020	$590,260	$668,845	$635,756	$544,888	$462,829	27.5%
33	February 2021	$538,801	$549,570	$592,885	$562,812	$207,980	159.1%
34	December 2022	$483,528	$405,599	$208,014			
35	January 2024	$470,444	$237,647				
36	August 2006	$413,760	$383,802	$415,454	$385,834	$274,598	50.7%
	Total	$32,500,964	$27,891,754	$25,275,890	$22,458,257	$17,744,474	
	Average	$902,805	$774,771	$815,351	$748,609	$611,878	
	YOY Growth	16.5%	10.3%	12.5%	26.6%		
	High	$2,025,786	$1,828,699	$1,480,971	$1,376,540	$1,082,428	
	Median	$812,437	$723,807	$799,313	$734,040	$585,486	
	Low	$413,760	$61,296	$208,014	$16,228	$207,980	

D. Expense and Operating Profit Percentages as a Share of Gross Sales

This Section D presents the average percentages of various expense categories and operating profit, each expressed as a percentage of Gross Sales, as reported by the Sales Group for the 2025 fiscal year. Additional detail, including the median, high, and low values for each category, is provided in the explanatory notes that follow the table. The Operating Profit percentages shown in this Section D are based on the same Operating Profit metric described in Section B above and are calculated using the same underlying financial data reported by the Sales Group for the 2025 fiscal year. Accordingly, the Operating Profit dollar amounts disclosed in Section B and the Operating Profit percentages disclosed in this Section D reflect different presentations of the same historical results.

P&L Category	Average
Cost of Labor	44.5%
Cost of Goods Sold	1.5%
Gross Profit	54.0%
Operating Expenses	13.0%
Rent	10.8%
Royalties and Brand Fund	7.9%
Marketing Expenses	2.7%
Operating Profit	19.7%

Notes:

1. "Cost of Labor" includes wages, commissions, bonuses, benefits (if any), payroll taxes, and workers' compensation for employees and/or contractors involved in service delivery. It excludes compensation paid to the principal of the Franchised Business. Among the CENTRAL BARK Facilities in the Sales Group, the median Cost of Labor was 44.6%, with a high of 54.7% and a low of 31.3%.

2. "Cost of Goods Sold" refers to the direct costs of products, supplies, materials, and shipping associated with delivering services. For the Sales Group, the median was 1.3%, the high was 5.3%, and the low was 0.1%.

3. "Gross Profit" means Gross Sales minus the sum of Cost of Goods Sold and Cost of Labor. For the Sales Group, the median was 46.9%, the high was 56.9%, and the low was 31.4%.

4. "Operating Expenses" means costs such as automobile expenses, bank and credit card fees, maintenance and repairs, office supplies, utilities, telephone, insurance, computer costs, professional fees, and taxes. The Sales Group reported a median of 10.8%, a high of 24.8%, and a low of 7.3%.

5. "Rent" represents the cost of operating out of the physical location, excluding utilities. Among the Sales Group, the median Rent was 10.5%, with a high of 24.8% and a low of 4.7%.

6. "Royalties" and "Brand Fund" are as defined in Item 6 of this Disclosure Document. For the Sales Group, the median was 8.0%, the high was 8.0%, and the low was 6.5%.

7. "Marketing Expenses" means all costs related to direct customer marketing, such as printed materials, home shows, direct mail, online media, radio, TV, local networking, and sponsorships. The Sales Group reported a median of 2.4%, a high of 5.4%, and a low of 1.2%.

8. "Operating Profit" means Gross Profit minus the sum of Operating Expenses, Royalties and Brand Fund, and Marketing Expenses. This amount does not include interest, amortization, deprecation or taxes. The Sales Group reported a median of 19.3%, a high of 34.6%, and a low of 6.2%.

E. Sales Mix by Revenue Category for 36 Reporting Locations (as a Percentage of Gross Sales)

This Section E presents the average percentage of Gross Sales attributable to each major revenue category, based on data reported by the Sales Group. Additional detail, including the median, high, and low percentages for each category, is provided in the explanatory notes that follow the table.

Category	Average
Day Care	59%
Sleepovers + Stay & Play	20%
Grooming	17%
Retail	2%
Misc. (Enrichment, Training, Cab, Parties)	2%

Notes:

1. "Day Care" means full-day and half-day dog care services. For the Sales Group, the median was 60%, the high was 77%, and the low was 35%.

2. "Sleepovers + Stay & Play" means overnight boarding services, often combined with day care activities. For the Sales Group, the median was 21%, the high was 35%, and the low was 9%.

3. "Grooming" means brushing, nail trimming, and other grooming services. For the Sales Group, the median was 16%, the high was 34%, and the low was 7%.

4. "Retail" means the sale of pet-related products such as food, toys, and accessories. For the Sales Group, the median was 1%, the high was 4%, and the low was 0.1%.

5. "Misc. (Enrichment, Training, Cab, Parties)" means training classes, enrichment activities, pet taxi services, and birthday parties. For the Sales Group, the median was 2%, the high was 14%, and the low was 0.1%.

We will provide written substantiation for these financial performance representations to prospective franchisees upon reasonable request.

Some CENTRAL BARK facilities have earned this amount. Your individual results may differ. There is no assurance that you will earn or sell as much.

Other than the preceding financial performance representation, we do not make any financial performance representations. we also do not authorize our employees or representatives to make

any such representations either orally or in writing. If you receive any other financial performance information or projection of your future income, you should report it to our management by contacting Jason Perras at (866) 398-1349, P.O. Box 14217, West Allis, Wisconsin 53214; the Federal Trade Commission; and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

TABLE NO. 1

SYSTEMWIDE FACILITY SUMMARY FOR YEARS 2023 to 2025[1]

Outlet Type	Year	Facilities at the Start of the Year	Facilities at the End of the Year	Net Change
Franchised	2023	34	36	+2
	2024	36	40	+4
	2025	40	44	+4
Company-Owned	2023	1	0	-1
	2024	0	0	0
	2025	0	0	0
Total Outlets	**2023**	**3**	**6**	**2**
	2024	**36**	**40**	**+4**
	2025	**40**	**44**	**+4**

1. The above figures are as of December 31st of each year.

TABLE NO. 2

TRANSFERS OF FACILITIES FROM FRANCHISEES TO NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE) FOR YEARS 2023 to 2025 [1]

State	Year	Number of Transfers
Florida	2023	1
	2024	0
	2025	0
South Carolina	2023	0
	2024	0
	2025	1
Wisconsin	2023	0
	2024	0
	2025	1
Total	2023	**1**
	2024	**0**
	2025	**2**

1. The numbers in this table are as of December 31st of each year.

TABLE NO. 3

STATUS OF FRANCHISED FACILITIES
FOR YEARS 2023 to 2025[1]

State	Year	Facilities at Start of Year	Facilities Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Facilities at End of Year
Arizona	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Connecticut	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
	2025	0	1	0	0	0	0	1
Florida	2023	5	0	0	0	0	0	5
	2024	5	1	0	0	0	0	6
	2025	6	0	0	0	0	1	5
Georgia	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Illinois	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	1	0	0	0	0	4
Maryland	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Minnesota	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	1	0	0	0	0	3
New York	2023	0	0	0	0	0	0	0
	2024	0	2	0	0	0	0	2
	2025	2	0	0	0	0	0	2
North Carolina	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
	2025	2	1	0	0	0	0	3
Ohio	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Oregon	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

State	Year	Facilities at Start of Year	Facilities Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations-Other Reasons	Facilities at End of Year
	2025	1	0	0	0	0	0	1
Pennsylvania	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
	2025	3	0	0	0	0	0	3
South Carolina	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Texas	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	1	2
	2025	2	0	0	0	0	0	2
Wisconsin	2023	15	0	0	0	0	0	15
	2024	15	0	0	0	0	0	15
	2025	15	0	0	0	0	1	14
Totals	**2023**	**35**	**2**	**0**	**0**	**0**	**0**	**37**
	2024	**37**	**5**	**0**	**0**	**0**	**1**	**41**
	2025	**41**	**5**	**0**	**0**	**0**	**2**	**44**

1. The figures above are as of December 31st of each year.

TABLE NO. 4

STATUS OF COMPANY-OWNED FACILITIES FOR YEARS 2023 to 2025 [1]

State	Year	Facilities at Start of Year	Facilities Opened	Facilities Reacquired from Franchisee	Facilities Closed	Facilities Sold to Franchisee	Facilities at End of Year
Totals	**2023**	**0**	**0**	**0**	**0**	**0**	**0**
	2024	**0**	**0**	**0**	**0**	**0**	**0**
	2025	**0**	**0**	**0**	**0**	**0**	**0**

1. The above figures are as of December 31st of each year.

TABLE NO. 5

PROJECTED OPENINGS
AS OF DECEMBER 31, 2025 FOR 2026

State	Franchise Agreements Signed But Facility Not Opened	Projected New Facilities in the Next Fiscal Year	Projected New Company-Owned Facilities in the Next Fiscal Year
Connecticut	2	0	0
Georgia	5	1	0
Illinois	2	0	0
Nevada	3	1	0
New Jersey	3	0	0
New York	5	0	0
North Carolina	4	0	0
Pennsylvania	10	2	0
Texas	1	1	0
Totals	**35**	**5**	**0**

Exhibit F is a list of names, addresses and telephone numbers of our franchisees as of December 31, 2025 Exhibit F also includes a list of the names, cities, states and telephone numbers (or, if unknown, the last known home telephone numbers) of each franchisee who had an outlet terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under a Franchise Agreement during the most recently completed fiscal year, or who had not communicated with us within 10 weeks of the issuance date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, current and former franchisees have signed confidentiality clauses. In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us and the CENTRAL BARK franchise system. You may wish to speak with current and former franchisees but be aware that not all of those franchisees will be able to communicate with you.

We have created an advisory council, the "National Franchise Advisory Board" or "NFAB," comprised of franchisee representatives. The NFAB can be reached at:

National Franchise Advisory Board
c/o Barkley Ventures Franchising, LLC
a Delaware limited liability company
3699 N. Dixie Hwy.
Oakland Park, Florida 33334
Phone: (866) 799-BARK

The following independent franchisee organization has asked to be included in this disclosure document:

Barkley Franchisee Association (BFA)
c/o American Association of Franchisees & Dealers
276 Hazard Ave, Suite 11
Enfield, CT 06082
Phone: 619.290.3775
Email:BFA@aafdchapters.org

ITEM 21

FINANCIAL STATEMENTS

Attached as Exhibit E is our audited financial statements for fiscal year end December 31, 2025, December 31, 2024, and December 31, 2023. We are also attaching non-audited financial statements dated April 30, 2026. Our fiscal year end is December 31.

ITEM 22

CONTRACTS

Attached are copies of the following agreements relating to the offer of the franchise:

Exhibit B	Franchise Agreement
Exhibit C	Multi-Unit Franchise Agreement
Exhibit D	Lease Assignment Agreement
Exhibit G	Representations and Acknowledgment Statement
Exhibit H	Form of Consent to Transfer
Exhibit I	Form of General Release
Exhibit J	State Addenda and Agreement Riders

ITEM 23

RECEIPTS

Our and your copies of the Disclosure Document receipts are attached as Exhibit K.

EXHIBIT A
(TO DISCLOSURE DOCUMENT)

LIST OF STATE AGENCIES/
AGENTS FOR SERVICE OF PROCESS

LIST OF STATE AGENCIES/AGENTS
FOR SERVICE OF PROCESS

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. Barkley Ventures Franchising, LLC may not be registered to sell franchises in any or all of these states.

California

Department of Financial Protection & Innovation
Toll Free: 1 (866) 275-2677

Los Angeles

Suite 750
320 West 4th Street
Los Angeles, California 90005
(213) 576-7500

Sacramento

651 Bannon Street, Suite 300,
Sacramento, CA 95811
(916) 445-7205

San Diego

1455 Frazee Road, Suite 315
San Diego, California 92108
(619) 610-2093

San Francisco

One Sansone Street, Suite 600
San Francisco, California 94104
(415) 972-8559

Hawaii

(state administrator)
Business Registration Division
Securities Compliance Branch
Department of Commerce and Consumer Affairs
P.O. Box 40
Honolulu, Hawaii 96810
(808) 586-2727

(agent for service of process)

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Commissioner of Securities
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706
(217) 782-4465

Indiana

(for service of process)
Indiana Secretary of State
201 State House
200 West Washington Street
Indianapolis, Indiana 46204
(317) 232-6531

(state agency)
Indiana Secretary of State
Securities Division
Room E-111
302 West Washington Street
Indianapolis, IN 46204
(317) 232-6681

Maryland

(state agency)
Office of the Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

(for service of process)
Maryland Securities Commissioner
at the Office of Attorney General-
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202-2021
(410) 576-6360

Michigan

(state agency)
Michigan Attorney General's Office
Consumer Protection Division
Attention: Franchise Section

G. Mennen Williams Building, 1st Floor

525 West Ottawa Street
Lansing, Michigan 48909
(517) 373-7117

(for service of process)
Michigan Department of Commerce,
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, MI 48909

Minnesota

Minnesota Department of Commerce
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
(651) 539-1600

New York

(state administrator)

Office of the New York State Attorney General
Investor Protection Bureau
Franchise Section
28 Liberty Street, 21st Floor
New York, NY 10005
(212) 416-8236 Phone
(212) 416-6042 Fax

(for service of process)

Attention: New York Secretary of State
New York Department of State
One Commerce Plaza,
99 Washington Avenue, 6th Floor
Albany, NY 12231-0001
(518) 473-2492

North Dakota

(state administrator)

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

(agent for service of process)

Insurance Commissioner
600 East Boulevard Avenue, Dept. 401
Bismarck, North Dakota 58505
(701) 328-2910

Oregon

Department of Insurance and Finance
Corporate Securities Section
Labor and Industries Building
Salem, Oregon 97310
(503) 378-4387

Rhode Island

Department of Business Regulation
Division of Securities
John O. Pastore Complex
Building 69-1
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9645

South Dakota

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

Virginia

(for service of process)
Clerk, State Corporation Commission
1300 East Main Street, 1st Floor
Richmond, Virginia 23219
(804) 371-9733

(for other matters)
State Corporation Commission
Division of Securities and Retail Franchising
1300 East Main Street, 9th Floor
Richmond, Virginia 23219
(804) 371-9051

Washington

(state administrator)

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

(agent for service of process)

Director
Department of Financial Institutions
Securities Division
150 Israel Road, S.W.
Tumwater, Washington 98501

Wisconsin

(state administrator)

Securities and Franchise Registration
Wisconsin Department of Financial Institutions
4022 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-1064

(agent for service of process)

Office of the Secretary
Wisconsin Department of Financial Institutions
P.O. Box 8861
Madison, Wisconsin 53708-8861
(608) 261-9555

FRANCHISE AGREEMENT

BARKLEY VENTURES FRANCHISING, LLC

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EXHIBITS

Exhibit A Owner's Guaranty and Assumption of Franchisee's Obligations
Exhibit B Designated Area

FRANCHISE AGREEMENT

THIS AGREEMENT, made as of _____, by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware with a principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"), and _____ _____, whose principal address is _____ (hereinafter "Franchisee").

WHEREAS, Franchisor and its affiliates have developed and own a proprietary system (the "System") for operating canine care facilities under the CENTRAL BARK® brand, offering services such as dog day care, boarding, grooming, training, retail sales, and other authorized services (each, a "Central Bark Facility"); and

WHEREAS, the System includes proprietary marketing strategies, operational procedures, training programs, administrative systems, and product and equipment specifications, all of which may be updated by Franchisor from time to time; and

WHEREAS, Franchisor owns and licenses the trademarks, service marks, trade names, logos, and other commercial symbols associated with the CENTRAL BARK® brand (the "Marks"), which identify the System and distinguish Central Bark Facilities as operating to Franchisor's quality standards; and

WHEREAS, Franchisee desires to operate a Central Bark Facility using the System and the Marks in accordance with Franchisor's mandatory specifications, standards, operating procedures, and rules, as they may be updated from time to time ("System Standards"); and

WHEREAS, Franchisee acknowledges the importance of Franchisor's high and uniform standards of quality and service, and agrees to operate the Franchised Business in strict conformity with such standards; and

WHEREAS, Franchisee represents and warrants to Franchisor, as an inducement to Franchisor's execution of this Agreement, that all information provided in Franchisee's application and related materials is true, complete, and accurate, and that Franchisee has not made any misrepresentations or material omissions in obtaining the franchise;

NOW, THEREFORE, the parties, in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

I GRANT OF FRANCHISE AND FRANCHISE FEE

A. GRANT OF FRANCHISE

Franchisor hereby grants unto Franchisee the right to use the Marks and the System for the operation of the Franchised Business continuously and without interruption throughout the term of this Agreement.

Franchisor will not, so long as this Agreement is in force and effect, and Franchisee is not in default under any of the terms hereof, operate or grant a franchise for the operation of any other Central Bark Facility located within the area described on Exhibit B attached hereto (hereinafter "Designated Area"). If Franchisee has not identified a site, and Franchisor has not approved a site and lease, by the time this Agreement is executed, then Exhibit B must be completed and signed by Franchisor and Franchisee after Franchisee has selected a site and signed a lease approved by Franchisor.

Franchisor retains the right, in Franchisor's sole discretion, and without granting any right to Franchisee:

1. To operate and grant others the right to operate Central Bark Facilities anywhere outside the Designated Area;

2. To operate and grant to others the right to operate a canine care facility offering day care, boarding services, grooming services, training, and a specialty retail boutique for dogs using any trademark or service mark (other than the Marks) at any location (including within the Designated Area) and on such terms and conditions as Franchisor deems appropriate;

3. To sell the products authorized for Central Bark Facilities under the Marks, or under other trademarks and service marks, through similar or dissimilar channels of distribution and on such terms and conditions as Franchisor deems appropriate;

4. To solicit orders by means of a catalogue, direct mail, mail order, cable television sales, internet, or other means within or outside Franchisee's Designated Area;

5. To acquire or be acquired (whether through an acquisition of assets or ownership interests, regardless of the form of transaction), by a business providing products and services the same as or similar to those provided at Central Bark Facilities, or by another business, even if such business operates, franchises and/or licenses competitive businesses in the Designated Area; and

6. To engage in any activities not expressly prohibited under this Agreement.

Franchisee agrees that Franchisee will at all times faithfully, honestly and diligently perform Franchisee's obligations hereunder, continuously exert Franchisee's best efforts to promote and enhance the Franchised Business and not engage in any other business or activity that may conflict with Franchisee's obligations hereunder. Franchisee may not operate the Franchised Business at any other site, except as set forth herein, without Franchisor's prior written consent. Franchisee may not solicit orders by means of a catalogue, direct mail, mail order, cable television sales, internet, or other means, without the prior written consent of Franchisor, which consent may be withheld at Franchisor's sole and exclusive discretion.

B. FRANCHISE FEE

In consideration of the franchise granted herein, Franchisee shall pay to Franchisor an initial franchise fee of Fifty-five Thousand Dollars ($55,000). The initial franchise fee shall be payable in a lump sum when Franchisee signs this Agreement. The initial franchise fee shall be deemed fully earned upon execution hereof and, except as provided in Section V.A. below, the initial franchise fee shall be nonrefundable.

II TERM AND RENEWAL FRANCHISE

A. TERM

This Agreement shall be effective and binding from the date of its execution and shall continue for a period of ten (10) years thereafter.

B. GRANT OF RENEWAL FRANCHISE

When this Agreement expires:

1. if Franchisee (and each of its owners) have substantially complied with this Agreement during its term; and

2. if Franchisee (and each of its owners) are, both on the date Franchisee give Franchisor written notice of Franchisee's election to acquire a renewal franchise (as provided below) and on the date on which the term of the renewal franchise would commence, in full compliance with this Agreement and all System Standards; and

3. provided that (a) Franchisee maintains possession of and agrees (regardless of cost) to remodel and/or expand the Franchised Business, add or replace improvements, furniture, fixtures and equipment, and otherwise modify the Franchised Business as Franchisor requires to comply with System Standards then applicable for new Central Bark Facilities, or (b) at Franchisee's option, Franchisee secures a substitute premises that Franchisor approves and Franchisee develops those premises according to System Standards then applicable for Central Bark Facilities;

then Franchisee may acquire a renewal franchise to operate the Franchised Business as a Central Bark Facility for one (1) additional ten (10) year term. Franchisee agrees to sign the franchise agreement Franchisor then uses to grant franchises for Central Bark Facilities (modified as necessary to reflect the fact that it is for a renewal franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement; provided that Franchisor will waive the initial franchise fee. However, Franchisee must pay a renewal fee of $15,000. If Franchisee (and each of its owners) are not, both on the date Franchisee gives Franchisor written notice of Franchisee's election to acquire a renewal franchise and on the date on which the term of the renewal franchise commences, in full compliance with this Agreement and all System Standards, Franchisee acknowledges that Franchisor need not grant Franchisee a renewal franchise, whether or not Franchisor had, or chose to exercise, the right to terminate this Agreement during its term under Section XV.

Franchisee agrees to give Franchisor written notice of Franchisee's election to acquire a renewal franchise no more than two hundred twenty (220) days and no less than one hundred eighty (180) days before this Agreement expires. Franchisor agrees to give Franchisee written notice ("Franchisor's Notice"), not more than sixty (60) days after Franchisor receives Franchisee's notice, of Franchisor's decision:

1. to grant Franchisee a renewal franchise;

2. to grant Franchisee a renewal franchise on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in Franchisee's operation of the Franchised Business;

3. not to grant Franchisee a renewal franchise based on Franchisor's determination that Franchisee and its owners have not substantially complied with this Agreement during its term or were not in full compliance with this Agreement and all System Standards on the date Franchisee gave Franchisor written notice of Franchisee's election to acquire a renewal franchise; or

4. not to grant Franchisee a renewal franchise because Franchisor is no longer granting franchises for Central Bark Facilities.

If applicable, Franchisor's Notice will:

(a) describe the remodeling, expansion, improvements, and/or modifications required to bring the Franchised Business into compliance with then applicable System Standards for new Central Bark Facilities; and

(b) state the actions Franchisee must take to correct operating deficiencies and the time period in which Franchisee must correct these deficiencies.

If Franchisor elects not to grant Franchisee a renewal franchise, Franchisor's Notice will describe the reasons for its decision. If Franchisor elects to grant Franchisee a renewal franchise, Franchisee's right to acquire a renewal franchise is subject to Franchisee's full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to Franchisee's compliance with the obligations described in the Franchisor's Notice.

If Franchisor's Notice states that Franchisee must cure certain deficiencies of the Franchised Business or its operation as a condition to Franchisor granting Franchisee a renewal franchise, Franchisor will give Franchisee written notice of Franchisor's decision not to grant a renewal franchise, based upon Franchisee's failure to cure those deficiencies, not less than sixty (60) days before this Agreement expires, provided, however, that Franchisor need not give Franchisee this sixty (60) days' notice if Franchisor decides not to grant Franchisee a renewal franchise due to Franchisee's breach of this Agreement during the sixty (60) day period before it expires. If Franchisor fails to give Franchisee:

1. notice of deficiencies in the Franchised Business, or in Franchisee's operation of the Franchised Business, within ninety (90) days after Franchisor receives

Franchisee's timely election to acquire a renewal franchise (if Franchisor elect to grant Franchisee a renewal franchise under subparagraphs (2) and (b) above); or

2. notice of Franchisor's decision not to grant a renewal franchise at least sixty (60) days before this Agreement expires, if this notice is required,

Franchisor may extend this Agreement's term for the time period necessary to give Franchisee either reasonable time to correct deficiencies or the sixty (60) days' notice of Franchisor's refusal to grant a renewal franchise. If Franchisee fails to notify Franchisor of its election to acquire a renewal franchise within the prescribed time period, Franchisor need not grant Franchisee a renewal franchise.

C. AGREEMENTS/RELEASES

If Franchisee satisfies all of the other conditions for a renewal franchise, Franchisee and its owners agree to execute the form of franchise agreement and any ancillary agreements Franchisor then customarily uses in granting franchises for Central Bark Facilities (modified as necessary to reflect the fact that it is for a renewal franchise), which may contain provisions that differ materially from any and all of those contained in this Agreement. Franchisee and its owners further agree to sign general releases, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its owners, officers, directors, employees, agents, successors, and assigns. Franchisor will consider Franchisee or its owners' failure to sign these agreements and releases and to deliver them to Franchisor for acceptance and execution (together with the successor franchise fee) within thirty (30) days after their delivery to Franchisee to be an election not to acquire a successor franchise.

D. HOLDOVER FRANCHISE

If Franchisee continues to operate the Franchised Business after the expiration of the term of this Agreement or any renewal term without entering into a successor franchise agreement with Franchisor, such continued operation shall be deemed to be on a month-to-month basis under the terms of this Agreement, except that Franchisee shall no longer have the right to obtain a renewal franchise pursuant to Section II.B. Either party may terminate the month-to-month arrangement upon thirty (30) days' prior written notice, or as otherwise required by applicable law. If the holdover period exceeds ninety (90) days, Franchisor may terminate this Agreement immediately upon written notice, unless applicable law requires a longer notice period. Upon termination of the holdover period, Franchisee and all persons acting in concert with Franchisee, including its owners, officers, directors, partners, managing agents, and family members, shall remain subject to all post-termination obligations set forth in this Agreement, including but not limited to those in Sections XVI and XIV.

[This Area is Intentionally Left Blank]

III SITE SELECTION, LEASE OF PREMISES AND DEVELOPMENT OF FRANCHISED BUSINESS

A. SITE SELECTION

Franchisee acknowledges that Franchisor must approve the site at which Franchisee operates the Franchised Business (the "Franchise Location"). Franchisee must select a site and sign a lease approved by Franchisor for the Franchise Location within one hundred eighty days (180) days after the date of this Agreement. Franchisee acknowledges and understands that Franchisor's engaging in site selection activities, Franchisor's suggestions, Franchisor's approval of the Franchise Location, and any information communicated to Franchisee regarding the Franchise Location do not constitute a representation or warranty of any kind, express or implied, as to the suitability of the Franchise Location for the Franchised Business or for any other purpose and shall in no way give rise to any liability of Franchisor with regard to the viability of any location selected. Franchisor's approval of the premises indicates only that Franchisor believes that the Franchise Location falls within the acceptable criteria established by Franchisor as of the time period encompassing the evaluation. Both Franchisee and Franchisor acknowledge that application of criteria that have been effective with respect to other sites and premises may not be predictive of potential for all sites and premises and that, subsequent to Franchisor's approval of a site and premises, demographic and/or economic factors, including competition from other canine care facilities, kennels, boarding services, grooming services, training services, and retail outlets, included in or excluded from Franchisor's criteria could change, thereby altering the potential of a site and premises. The uncertainty and instability of such criteria are beyond Franchisor's control, and Franchisor shall not be responsible for the failure of a site and premises approved by Franchisor to meet expectations as to potential revenue or operational criteria. Franchisee further acknowledges and agrees that Franchisee's acceptance of a franchise for the operation of the Franchised Business at the Franchise Location is based on Franchisee's own independent investigation of the suitability of the site.

The Franchise Location shall be used for no purpose other than the operation of the Franchised Business. Franchisee shall not assign Franchisee's lease or sublet the Franchise Location, or any portion of the Franchise Location, without the prior written consent of Franchisor.

B. LEASE OF FRANCHISE LOCATION

Franchisee acknowledges that Franchisor must approve the lease for the Franchise Location prior to the execution of the lease by Franchisee. The lease for the Franchise Location must contain certain provisions that Franchisor requires, including, without limitation, collateral assignment of the lease, pursuant to the form of lease assignment agreement we require. The lease assignment agreement is intended to provide Franchisor certain protections under Franchisee's lease, and may not benefit Franchisee or the landlord. It is Franchisee's sole responsibility to obtain a fully-executed lease assignment agreement in connection with the execution of the lease. If Franchisee or the landlord request that Franchisor consider any modifications to the lease assignment agreement, and Franchisor elects to do so, Franchisor may also require Franchisee to reimburse Franchisor all expenses Franchisor incurs (including attorneys' fees) in connection with such review. Franchisor may also reject any request for modifications to the lease assignment

agreement for any reason. Franchisee agrees that Franchisee will not execute a lease which Franchisor has disapproved. Franchisee acknowledges that Franchisor's approval of the lease for the Franchise Location does not constitute a guarantee or warranty by Franchisor, express or implied, of the successful operation or profitability of the Franchised Business. Such approval indicates only that Franchisor believes that the Franchise Location and the terms of the lease fall within the acceptable criteria established by Franchisor as of the time period encompassing the evaluation. Franchisee shall deliver a copy of the signed lease to Franchisor within fifteen (15) days after its execution and shall duly and timely perform all of the terms, conditions, covenants and obligations imposed upon Franchisee under the lease.

C. DEVELOPMENT OF FRANCHISED BUSINESS

Franchisor will furnish to Franchisee prototype or protostyle plans and specifications for the Franchised Business which reflect Franchisor's requirements for dimensions, exterior design, interior design and layout, image, building materials, fixtures, equipment, furniture, signs and decor. Promptly after obtaining possession of the premises and having been furnished with these plans and specifications, Franchisee will do or cause to be done the following at Franchisee's sole expense:

1. Prepare and submit to Franchisor for Franchisor's prior approval (which may be granted or withheld in Franchisor's sole discretion) detailed drawings for the subject premises, acceptable to Franchisee's landlord. Such plans and specifications shall be modified only to the extent necessary to comply with applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;

2. Obtain all required building, utility, sign, health, sanitation, business and other permits and licenses required for construction and operation of the Franchised Business;

3. Construct all required improvements to the Franchise Location, purchase and install all required fixtures and equipment and decorate the Franchise Location in compliance with the plans and specifications Franchisor approves and all applicable ordinances, building codes, permit requirements and lease or deed requirements and restrictions;

4. Purchase in accordance with Franchisor's specifications and requirements an opening inventory and supplies required for the Franchised Business;

5. Establish filing, accounting and inventory control systems conforming to the requirements prescribed by Franchisor; and

6. Use a licensed general contractor reasonably satisfactory to Franchisor to perform construction work at the site. If Franchisor shall request, Franchisee shall immediately furnish to Franchisor prior to commencement of construction and/or remodeling and/or refurbishing of Franchisee's location, and from time to time thereafter upon request, the names and addresses of any subcontractor and/or supplier to be involved in such construction, remodeling, refurbishing, or design activity; copies of all permits,

licenses, contractor's liability insurance certificates or other items required for the lawful construction, equipping and operation of the Franchised Business; and copies of all construction contracts and documents. Franchisor shall not be responsible for delays in the construction, equipping or decoration of the premises, or for any loss resulting from the location design or construction.

Franchisor will provide such consultation in connection with the development of the Franchised Business as Franchisor deems appropriate.

Franchisee specifically agrees not to hold Franchisor liable for any defects or alleged defects in the premises, plans and specifications and the equipment specifications to be furnished by Franchisor to Franchisee. Franchisee shall indemnify Franchisor and hold Franchisor harmless from any damage occurring to third parties should there be any defect in said plans and specifications.

D. FIXTURES, EQUIPMENT, FURNITURE AND SIGNS

Franchisee agrees to use in constructing and operating the Franchised Business only those brands or types of fixtures, equipment, furniture and signs (collectively, "Operating Assets") that Franchisor has approved as meeting Franchisor's specifications and standards for appearance, function and performance. Franchisor may require Franchisee to purchase Operating Assets from suppliers approved or designated by Franchisor. Franchisor may designate a single supplier for any product, which may be Franchisor or its affiliate. If Franchisee proposes to purchase any brand or type, or to purchase a brand or type from any supplier, which Franchisor has not approved, Franchisee must submit its request in writing before purchasing any such product, or from any such supplier. Franchisor will not be obligated to respond to Franchisee's request, and any actions Franchisor takes in response to Franchisee's request will be at its discretion, including the assessment of a fee to compensate Franchisor for the time and resources Franchisor spends in evaluating the proposed product or supplier. Franchisor may, with or without cause, revoke its approval of any product or supplier at any time.

All signs to be used in connection with the Franchised Business, both exterior and interior, must conform to Franchisor's sign criteria as to type, color, size, design, and location. All signs must be approved in writing by Franchisor prior to installation or display.

E. LIQUIDITY

Franchisee acknowledges and agrees that Franchisee will, at all times, maintain sufficient working capital reserves as necessary and appropriate to comply with Franchisee's obligations under this Agreement. On Franchisor's request, Franchisee will provide Franchisor with evidence of working capital availability. Franchisor reserves the right, from time to time, to establish certain levels of working capital reserves, and Franchisee will comply with such requirements. Franchisor may from time to time designate the maximum amount of debt that Central Bark Facilities may service, and Franchisee will ensure that Franchisee will comply with such limits. Franchisee agrees to apply for and diligently pursue any government-issued, government-sponsored, or government-guaranteed grants, non-recourse loans, or bail-outs for which Franchisee qualifies and that are made available to small businesses as an economic stimulus, if necessary to comply with Franchisee's obligations under this Agreement.

F. PRE-OPENING ENROLLMENT

Franchisee must commence marketing activities ninety (90) days before opening of the Franchised Business, as further detailed in Section VI.B. During that time, it is highly recommended and encouraged that Franchisee acquire at least one hundred (100) completed customer enrollment forms, unless prohibited by applicable law. All enrollment activities must comply with the standards and specifications described in the Operating Manual (defined below) or otherwise in writing. Franchisee is responsible for ensuring that its enrollment activities comply with all applicable laws and other legal requirements.

G. OPENING

Franchisor shall be permitted, at Franchisor's option, to conduct a final inspection of the premises and may require such corrections and modifications as Franchisor deems necessary to bring the premises into compliance with approved plans and specifications. Franchisee agrees that the Franchised Business will not open for business until Franchisee has satisfied all of its pre-opening obligations under this Agreement (including Section III.F), and Franchisee has obtained Franchisor's prior written approval. Franchisee agrees to complete all required development and open the Franchised Business for business within three hundred (300) days after the date of this Agreement. Once Franchisee has commenced operation of the Franchised Business, Franchisee must actively and continuously operate the Franchised Business for the entire duration of the term.

IV **PROPRIETARY MARKS**

A. OWNERSHIP AND GOODWILL OF MARKS

Franchisee's right to use the Marks and the System is derived solely from this Agreement, does not give Franchisee any ownership interest therein, and is limited to the conduct of the Franchised Business pursuant to and in compliance with this Agreement and the System Standards. Franchisor, and/or Franchisor's assignees, reserves the right to change, improve, discontinue, and substitute Franchisor's trade names, trademarks, service marks and logotypes, and may require Franchisee to change, discontinue, and substitute trade names, trademarks, service marks and logotypes being used in the Franchised Business, at Franchisee's expense. All provisions of this Agreement applicable to the Marks shall apply to any additional trademarks, service marks, and trade names Franchisor hereafter authorizes or designates Franchisee to use.

Franchisee acknowledges that Franchisor and its licensor are the owner of all right, title and interest in and to the System and the Marks and the identification schemes, standards, specifications, operating procedures, and other concepts embodied in the System. Franchisee accordingly agrees that any unauthorized use of the System and the Marks is, and shall be deemed, an infringement of Franchisor's and its licensor's intellectual property rights; that, except as expressly provided by this Agreement, Franchisee acquires no right, title or interest therein; that any and all goodwill associated with the System and the Marks shall inure exclusively to Franchisor's and its licensor's benefit; and that, upon the expiration or termination of this Agreement, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System and the Marks.

B. LIMITATIONS ON FRANCHISEE'S USE OF MARKS

Franchisee acknowledges that the use of the Marks outside of the scope of this Agreement, without Franchisor's prior written consent, is an infringement of Franchisor's license to the right, title and interest in and to the Marks, and expressly covenants that during the term of this Agreement, and after the expiration or termination hereof, Franchisee shall not, directly or indirectly, commit an act of infringement or contest or aid in contesting the validity or ownership of Franchisor's Marks, or take any other action in derogation thereof.

Franchisee shall operate the Franchised Business under the trade name, "CENTRAL BARK," or any name designated by Franchisor and shall use no other name.

Franchisee shall not use the Marks: (a) as part of Franchisee's corporate or other legal name, nor hold out or otherwise employ the Marks to perform any activity, or to incur any obligation or indebtedness, in such a manner as could reasonably result in making Franchisor liable therefor; (b) as part of any website, domain name, email address, social media account, user name, other online presence or identification of Franchisee in any electronic medium of any kind ("Online Presence"), except in accordance with Franchisor's guidelines set forth in the Operating Manual or otherwise in writing from time to time; or (c) in advertising any prospective transfer that would require Franchisor's approval under XVIII.

Franchisee understands and acknowledges that each and every detail of Franchisor's System is important in order to develop and maintain high and uniform standards of quality and service and hence to protect and enhance the reputation and goodwill of Franchisor. Franchisee accordingly agrees:

1. Except as provided herein, to refrain from using any of the Marks in conjunction with any other word or symbol without Franchisor's prior written consent;

2. To adopt and use the Marks licensed hereunder solely in the manner prescribed by Franchisor;

3. To observe all such requirements with respect to service mark, trademark and copyright notices, fictitious name registrations, and the display of the legal name or other identifications of Franchisee as Franchisor may direct in writing from time to time; and

4. To execute and convey all documents requested by Franchisor or Franchisor's counsel that are necessary to obtain protection for the Marks or to maintain their continued validity or enforceability, and to take no action that would jeopardize the validity or enforceability thereof.

C. NOTIFICATION OF INFRINGEMENTS AND CLAIMS

Franchisee shall promptly notify Franchisor of any use by any person or legal entity other than Franchisor, or another of Franchisor's franchisees, of any Marks licensed hereunder, any colorable variation thereof, or any other mark in which Franchisor has or claims a proprietary

interest. Franchisee further agrees to notify Franchisor promptly of any litigation instituted by any person or legal entity against Franchisor or Franchisee involving the Marks. In the event Franchisor, in Franchisor's sole discretion, undertakes the defense or prosecution of any litigation relating to the Marks, Franchisee agrees to execute and convey to Franchisor any and all documents, and to render such assistance as may, in the opinion of Franchisor's counsel, be reasonably necessary to carry out such defense or prosecution. Franchisor alone has the right to control or settle any litigation or proceedings relating to the Marks.

D. INDEMNIFICATION OF FRANCHISEE/DISCONTINUANCE OF USE OF MARKS

Franchisor agrees to indemnify Franchisee against and to reimburse Franchisee for all damages for which Franchisee is held liable in any proceeding in which Franchisee's proper use of any Mark in compliance with this Agreement is held to constitute trademark infringement, unfair competition or dilution, and for all costs Franchisee reasonably incurs in defending any such claim brought against Franchisee or any proceeding in which Franchisee is named as a party, provided that Franchisee has timely notified Franchisor of such claim or proceeding and has complied with this Agreement. Franchisor, at Franchisor's option, shall be entitled to defend and control the defense of any proceeding arising out of Franchisee's use of any Mark pursuant to and in compliance with this Agreement.

If it becomes advisable at any time, in Franchisor's sole discretion, for Franchisor and/or Franchisee to modify or discontinue use of any Mark and/or use one or more additional or substitute trademarks or service marks, Franchisee agrees to comply with Franchisor's directions to modify or discontinue the use of such Mark and/or use one or more additional or substitute trademarks or service marks within a reasonable time after notice thereof by Franchisor. Franchisor's sole obligation in any such event shall be to reimburse Franchisee for Franchisee's reasonable out-of-pocket costs of changing signage. Franchisor shall not be obligated to reimburse Franchisee for any loss of goodwill associated with any modified or discontinued Mark or for any expenditures made by Franchisee to promote a modified or substitute trademark or service mark.

E. OWNERS BOUND

Unless otherwise specified, each and every one of Franchisee's obligations to take or refrain from taking specific actions, or to engage or refrain from engaging in specific activities, as set forth in this Section IV, shall also apply to each of Franchisee's owners.

V TRAINING AND ASSISTANCE

A. TRAINING

Prior to the opening of the Franchised Business, Franchisee (or, if Franchisee is a partnership, limited liability company, or corporation, an individual with at least 51% ownership interest and voting power in Franchisee and who will have the authority of a chief executive officer ("Managing Owner")) and Franchisee's Designated Manager (defined in Section X.F), if applicable, shall attend, and complete to Franchisor's satisfaction, a ten (10) day training program on the operation of the Franchised Business in Franklin, Wisconsin, or such other location, at such time as Franchisor designates, or virtually, as Franchisor determines in its discretion. Franchisee

(or its Managing Owner) and the Designated Manager, if applicable, shall be required to complete all phases of the initial training program to Franchisor's satisfaction and to participate in all other activities required to open the Franchised Business. The training program shall cover all aspects of the operation of the Franchised Business, including, financial controls, set-up and maintenance of chart of accounts, income, marketing techniques, purchasing, animal care, customer service, and maintenance of quality standards. Franchisor shall have the sole and exclusive right to determine the duration of and curriculum of the training program. Franchisee shall be solely responsible for the compensation, travel, lodging and living expenses which Franchisee (or its designated person) incurs in connection with the initial training program or any supplemental or refresher training programs.

Subsequent to the opening of the Franchised Business, Franchisor will provide training (subject to reasonable limitations Franchisor prescribes as to frequency and time) to any new manager of the Franchised Business. Franchisor shall have the right to charge Franchisee reasonable fees for such training. Franchisor shall also have the right to require that Franchisee (or its designated person) and/or any managers complete supplemental and refresher training programs at such times and places or virtually as Franchisor may designate, including courses and programs provided by third-parties Franchisor designates.

Franchisee acknowledges that, unless Franchisee (or Managing Owner) or the Designated Manager, if applicable, expressly informs Franchisor at the end of Franchisor's initial training program that Franchisee does not feel completely trained in the operation of the Franchised Business, if Franchisee completes all phases of the initial training program to Franchisor's satisfaction, Franchisee shall be deemed to have been sufficiently trained in the operation of the Franchised Business.

If, during the initial training program, Franchisor determines, in Franchisor’s sole discretion, that Franchisee (or its Managing Owner) or the Designated Manager, if applicable, is unable to complete the initial training program to Franchisor's satisfaction, Franchisor may terminate this Agreement. If this Agreement is terminated, and provided that Franchisee executes all releases, waivers and other documents prescribed by Franchisor, Franchisor shall refund Ten Thousand Dollars ($10,000) of Franchisee's initial franchise fee provided for in Section I.B. above. Franchisee agrees and acknowledges that, in the event of such termination, Franchisee is bound by the terms and conditions of Section XVI.D. of this Agreement. Moreover, Franchisor shall have the option, but not the obligation, to exercise Franchisor’s right to a collateral assignment of Franchisee's lease for the premises within twenty (20) days after receiving all written agreements relating to the lease, and/or the premises, including copies of all permits and licenses and such other documents that Franchisor requests. If Franchisor exercises Franchisor’s option to take a collateral assignment of the lease, Franchisor shall reimburse Franchisee for all of Franchisee’s reasonable out-of-pocket costs of developing the premises.

Franchisor may require Franchisee (or its Managing Owner), the Designated Manager, if applicable, and/or previously trained and experienced employees to attend and satisfactorily complete various training courses that Franchisor periodically chooses to provide at the times and locations that Franchisor designates, or virtually, if Franchisor so determines. Franchisee agrees to pay all costs to attend.

B. HIRING AND TRAINING OF EMPLOYEES BY FRANCHISEE

Franchisee shall hire all employees of the Franchised Business, be exclusively responsible for the terms of their employment, including hiring, firing, compensation, work hours and schedules, work assignments, safety and security, discipline, supervisions and training. Franchisee will implement an employee training program for the handling and care of canines that complies with Franchisor's requirements. Franchisee agrees to maintain at all times a staff of trained employees sufficient in number to operate the Franchised Business in compliance with Franchisor's standards. Franchisee agrees that any employee, agent or independent contractor that Franchisee hires will be its employee or contractor, and not Franchisor's employee or contractor. Franchisee agrees to manage the human resource function of the business in compliance with both Federal and State employment laws.

C. OPENING ASSISTANCE

Franchisor shall provide Franchisee with such supervisory assistance and guidance in connection with the Franchised Business's opening and initial operation for a period of five (5) days commencing at least two (2) days prior to opening the Franchised Business. This assistance includes the providing, by Franchisor, of one (1) member of Franchisor's operational staff or store personnel to assist Franchisee. Franchisor shall provide such staff at Franchisor's expense. During this period, such representative will assist Franchisee in establishing and standardizing procedures and techniques essential to the operation of a canine care facility offering day care, boarding services, grooming services, training, and a specialty retail boutique for dogs and shall assist in training personnel. Notwithstanding the foregoing, Franchisor will not be required to send any of its representatives to the Franchised Business to provide training or assistance, whether pursuant to this Section V.C, or pursuant to Section V.D, if in Franchisor's sole determination it is unsafe to do so. Such determination by Franchisor will not relieve Franchisee from its obligations under this Agreement (including, without limitation, to pay monies owed) and will not serve as a basis for Franchisee's termination of this Agreement.

D. OPERATING ASSISTANCE

Franchisor shall advise Franchisee from time to time of operating problems of the Franchised Business disclosed by reports submitted to or inspections made by Franchisor. Further, Franchisor shall furnish to Franchisee such guidance and assistance in connection with the operation of the Franchised Business as Franchisor deems appropriate. Operating assistance may consist of advice and guidance with respect to:

1. Methods, standards and operating procedures utilized by the Franchised Business;

2. Products and services authorized for sale by the Franchised Business;

3. Selecting, purchasing and displaying inventory;

4. Advertising and promotional programs; and

5. Administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the Franchised Business.

Such guidance shall, in Franchisor's discretion, be furnished in the form of Franchisor's Operating Manual, bulletins or other written materials, telephonic consultations and/or consultations at Franchisor's offices or at the Franchised Business in conjunction with an inspection of the Franchised Business. Additional guidance and assistance may, in Franchisor's discretion, be made available to Franchisee.

E. NATIONAL CONVENTION

Franchisee (or the Managing Owner) shall attend annually the National Convention for the System, if held, and wherever held, or virtually, as Franchisor determines. One (1) additional manager of the Franchised Business may also attend. Franchisee shall bear all costs and expenses for travel, lodging and meals for all attendees of the National Convention. Franchisor reserves the right to charge a fee for the National Convention. Franchisee shall not be required to attend more than one (1) annual convention in any calendar year.

F. DELEGATION OF PERFORMANCE

Franchisee acknowledges and agrees that Franchisor has the right to delegate the performance of any portion or all of its obligations under this Agreement to third-party designees, whether these designees are Franchisor's agents or independent contractors with whom Franchisor has contracted to perform these obligations.

VI **ADVERTISING**

A. CREATION OF MARKETING PROGRAMS BY FRANCHISOR

Recognizing the value of advertising and marketing to the goodwill and public image of the Franchised Business, Franchisor will institute, maintain and administer a marketing fund (the "Fund") for the creation and development of such advertising, marketing, media placement, media and public relations programs, research, and relative activities that Franchisor deems necessary or appropriate to advertise or promote the Franchised Business. Franchisee shall pay Franchisor, for deposit into the Fund, an advertising fee in an amount equal to the greater of (i) two percent (2%) of the Franchised Business's Gross Sales or (ii) five hundred dollars ($500), which sum shall be payable monthly together with the Royalty Fee due under this Agreement. Such payment shall be made in addition to and exclusive of any sums that Franchisee may be required to spend in local advertising and promotion. Franchisor is not required to make contributions to the Fund equivalent to the contributions required of franchisees within the System for each of Franchisor's company-owned and/or affiliate-owned stores. Not all franchisees contribute to the Fund on the same basis.

Franchisor will direct all advertising, media placement, marketing and public relations programs and activities financed by the Fund, with sole discretion over strategic direction, creative concepts, materials and endorsements used therein, and the geographic, market and media placement and allocation thereof. The Fund may be used to pay various costs and expenses, including preparing and producing video, audio and written advertising materials; interest on borrowed funds; reasonable salaries and expenses of employees of Franchisor or Franchisor's affiliates working for or on behalf of the Fund; or on advertising, marketing, public relations materials, programs or activities or promotions for the benefit of the Fund; website development

and maintenance; administering online advertising and marketing campaigns (including search engine, social media, email, and display ad campaigns); developing and administering software, apps, and related integrations; administering advertising programs, including, without limitation, purchasing direct mail and other media advertising and employing advertising agencies to assist therewith; and supporting public relations, market research and other advertising; promotional and marketing activities, including testing and test market programs, fulfillment charges, and development, implementation and testing of trade dress and design prototypes. Franchisee must participate in all advertising, marketing, promotions, research and public relations programs instituted by the Fund. The Fund shall furnish Franchisee with reasonable quantities of marketing, advertising and promotional formats and materials at the same cost, terms, and conditions that such materials are furnished to other franchisees.

The Fund will not be Franchisor's asset. All sums paid by the Franchisee to the Fund shall be accounted for separately from Franchisor's other funds. The Fund is not a trust. Franchisor does not owe any fiduciary obligations to Franchisee for administering the Fund for any reason. The Fund shall not be used to defray any of Franchisor's general operating expenses, except for such reasonable salaries, administrative costs and overhead as Franchisor or its affiliates may incur in activities related to the administration of the Fund and its marketing programs, including, without limitation, conducting market research, preparing advertising and marketing materials and collecting and accounting for contributions to the Fund. Franchisor may spend in any fiscal year an amount greater or less than the aggregate contributions to the Fund in that year, and the Fund may borrow from Franchisor or other lenders to cover deficits of the Fund or cause the Fund to invest any surplus for future use by the Fund. It is anticipated, and it is the intent of Franchisor that all contributions to the Fund shall be expended for advertising and promotional purposes during the Franchisor's fiscal year within which year contributions are made. Any funds not expended in the fiscal year contributed shall be applied and used for Fund expenses in the following year. All interest earned on monies contributed to the Fund will be used to pay advertising costs incurred by the Fund before other assets of the Fund are expended. An unaudited statement of monies collected and costs incurred by the Fund shall be prepared annually by Franchisor and a copy of the statement shall be furnished to Franchisee upon written request to Franchisor. Franchisor will have the right to cause the Fund to be incorporated or operated through an entity separate from Franchisor at such time as Franchisor deems appropriate, and such successor entity shall have all rights and duties of Franchisor pursuant to this Section VI.A. Except as expressly provided in this Section VI.A., Franchisor assumes no direct or indirect liability or obligation to Franchisee with respect to the maintenance, direction or administration of the Fund. Franchisee agrees and acknowledges that the Fund is intended to maximize the general public recognition and acceptance of the Marks for the benefit of the System, patronage of Central Bark Facilities and the CENTRAL BARK brand generally, and that Franchisor makes no representations and undertakes no obligations in administering the Fund to make the expenditures for Franchisee which are equivalent or proportionate to Franchisee's contribution, or to insure that any particular Franchisee benefits directly or pro rata from the Fund. Franchisee further acknowledges and agrees that the failure of any other Franchisee to make the appropriate amount of contributions to the Fund shall not in any way release Franchisee from, or reduce, Franchisee's obligations under this Section VI.A., such obligations being separate and independent obligations of Franchisee under this Agreement.

Franchisor reserves the right to suspend contributions to and operations of the Fund for one or more periods, and the right to terminate the Fund, upon thirty (30) days' prior written notice to Franchisee. If Franchisor terminates the Fund, Franchisor will spend all remaining contributions prior to its termination. Franchisor shall have the right to reinstate the Fund upon the same terms and conditions set forth herein upon thirty (30) days' prior written notice to Franchisee.

B. LOCAL ADVERTISING BY FRANCHISEE

Franchisee must spend $26,000 on local advertising and promotional activities through approved vendors and service providers during the period beginning ninety (90) days before and ending one hundred eighty (180) days after the opening of the Franchised Business (the "Initial Launch Period"). All advertising and promotional activities must be conducted within Franchisee's Designated Area unless otherwise approved in writing by Franchisor. These activities may include digital marketing, social media advertising, television, radio, print media, grand opening events, website development, search engine optimization, demographic software, and other promotional initiatives designated by Franchisor.

Following the Initial Launch Period, Franchisee must spend at least two percent (2%) of its annual Gross Sales each fiscal year on local advertising and promotion ("Local Expenditures"). All Local Expenditures must be made directly by Franchisee, are subject to Franchisor's approval, and must be incurred for advertising conducted within Franchisee's Designated Area unless otherwise approved in writing by Franchisor. Within ninety (90) days after the end of each fiscal year, Franchisee must submit to Franchisor an accurate accounting of its Local Expenditures in a format prescribed by Franchisor. If Franchisee fails to meet the required minimum, Franchisee must pay the shortfall to the Brand Fund within one hundred (100) days after the end of the fiscal year.

Local Expenditures may include costs associated with advertising through television, radio, newspapers, community events, local sponsorships, billboards, magazines, directories, posters, direct mail, promotional items (such as branded merchandise), digital media, lease-required advertising, and advertising on public vehicles. If not provided by Franchisor, costs of producing approved advertising materials and related agency fees may also qualify. However, expenditures will not count toward the Local Expenditures requirement if they are reimbursed or paid by a supplier on Franchisee's behalf. In addition, expenditures for permanent signage, lighting, discounts, giveaways, sweepstakes, employee incentives, or any other items Franchisor determines are not appropriate for local advertising will not qualify.

Franchisee must obtain Franchisor's prior written approval for any advertising or promotional materials that are not prepared or previously approved by Franchisor. Franchisee must submit such materials for review before use, and if Franchisor does not provide written approval within fifteen (15) days after receipt, the materials will be deemed disapproved. Franchisee may not use any materials that have not been approved or that have been disapproved. Franchisor may revoke any prior approval on a prospective basis. Use of unapproved materials may result in the imposition of an unauthorized advertising fee.

Franchisor may require Franchisee to use designated or approved suppliers (which may include Franchisor or its affiliates) to prepare advertising and promotional materials. Franchisor

may also conduct market research within Franchisee's Designated Area and may require Franchisee to display Franchisor-approved promotional materials at the Franchised Business.

C. LOCAL ADVERTISING COOPERATIVE

Franchisee agrees that, subject to the terms of this Section, Franchisor, its affiliates, or designees may establish or direct the establishment of a local advertising cooperative ("LAC") in any geographic area (as determined by Franchisor) where two or more Central Bark Facilities are operating. Each LAC will be organized and governed by written documents in a form and manner determined by Franchisor, and will begin operations on a date set by Franchisor. These governing documents will be made available to participating members. Franchisor may modify, dissolve, or merge LACs at its discretion.

The purpose of each LAC is to administer local advertising programs and develop marketing and promotional materials for the area it covers, subject to Franchisor's approval. If a LAC exists in Franchisee's geographic area at the time this Agreement is signed—or is established during the term of this Agreement—Franchisee agrees to join the LAC, sign any required participation documents, and comply with its terms.

If a LAC is established in Franchisee's area, Franchisee must participate and contribute its share of the LAC's budget. These contributions will count toward Franchisee's required Local Expenditures under Section VI.B and are payable monthly along with the Royalty Fee. Contribution amounts may be capped as provided in the LAC's bylaws, subject to Franchisor's approval. Franchisee will remit payments electronically to Franchisor, who will forward them to the LAC. Franchisor-owned Central Bark Facilities will contribute to the LAC on the same basis as franchisees.

Each Central Bark Facility contributing to a LAC will have one vote on matters concerning the LAC's activities. All advertising, marketing, and promotional materials used by the LAC must be approved in advance by Franchisor. Franchisor may assist in developing marketing plans, which will be implemented under the LAC's direction. Subject to Franchisor's approval and available funds, the LAC will have discretion over the creative concepts, materials, and endorsements it uses. LAC funds may be used to cover the costs of producing and distributing advertising materials (including video, audio, and print), purchasing media placements, implementing direct sales programs, and hiring marketing or public relations firms to support local campaigns. All funds collected for the LAC will be accounted for separately from Franchisor's general funds and will not be used to cover Franchisor's operating expenses.

Franchisee agrees to submit any reports required by Franchisor or the LAC. Franchisee acknowledges that it may not benefit directly or proportionally from its contributions to the LAC and that each LAC is intended to serve only the facilities within its designated area.

Franchisor may, but is not obligated to, use collection agents or initiate legal proceedings to collect unpaid LAC contributions on behalf of the LAC. Franchisor may also settle, waive, or compromise claims involving the LAC. Except as expressly stated in this Section, Franchisor assumes no liability or obligation for the operation or administration of any LAC.

D. ONLINE PRESENCE

Franchisor has established a centralized website (the "Franchise System Website") to promote Central Bark Facilities, their products and services, and the CENTRAL BARK franchise opportunity. Franchisor may, but is not obligated to, provide Franchisee with a microsite on the Franchise System Website referencing the Franchised Business. As long as a microsite is provided, Franchisee must: (i) supply all information and materials Franchisor requests to create, update, or modify the microsite; (ii) promptly notify Franchisor of any inaccuracies; (iii) notify Franchisor of any changes made by Franchisee (if permitted to modify the microsite); and (iv) pay Franchisor or its designated supplier the then-current setup and monthly maintenance fees. Franchisor owns all rights in the Franchise System Website and its content, including Franchisee's microsite, domain names, visitor data, and any personal or business information submitted by users.

Franchisor may use Fund assets to develop, maintain, and update the Franchise System Website and may charge Franchisee a separate website fee. Franchisor may update or modify the Franchise System Website, including Franchisee's microsite, at any time and has final approval over all content. Franchisee's microsite will only remain active while Franchisee is in full compliance with this Agreement and all applicable System Standards. If Franchisee defaults, Franchisor may suspend or remove the microsite until the default is cured. Upon expiration or termination of this Agreement, the microsite will be permanently removed.

Franchisee must include the Franchise System Website's domain name in all advertising and promotional materials in the manner Franchisor specifies. Franchisee may not create or maintain any other online presence that references the Franchised Business or uses the Marks without Franchisor's prior written approval.

If Franchisor authorizes Franchisee to use social media or other online platforms (e.g., LinkedIn®, twitter®, Facebook®, Instagram® or YouTube®), Franchisee must comply with Franchisor's Online Presence policy and any related guidelines. Franchisor may require prior approval of any content before it is posted and may require removal of any content at its discretion. If Franchisee is permitted to maintain a separate website, it must include a privacy policy that complies with all applicable laws, System Standards, and Franchisor's requirements.

Franchisor will retain ownership of all Online Presences related to the Franchised Business. Franchisee agrees to grant Franchisor access to such accounts and to execute any documents necessary to confirm Franchisor's ownership or to transfer control upon request.

Franchisee must also maintain listings in online directories and platforms designated by Franchisor (such as Yelp® and Google®) and establish any other Online Presences Franchisor requires or authorizes.

VII CONFIDENTIAL OPERATIONS MANUAL

In order to protect the reputation and goodwill associated with the Marks and to maintain the uniform standards of operation thereunder, Franchisee shall conduct the Franchised Business in strict accordance with Franchisor's System Standards, whether set forth in the Confidential Operations Manual (the "Operating Manual") or otherwise in writing.

Franchisor will loan to Franchisee during the term of this Agreement one (1) copy of the Operating Manual which may consist of one or more manuals and other written materials. The Operating Manual shall contain mandatory System Standards and suggested specifications, standards and operating procedures that Franchisor prescribes and information relating to Franchisee's other obligations hereunder. Franchisor shall have the right to add to and otherwise modify the Operating Manual to reflect changes in the System Standards, provided that no such addition or modification shall alter Franchisee's fundamental status and rights under this Agreement. Franchisee shall keep Franchisee's copy of the Operating Manual current, and the master copy that Franchisor maintains at Franchisor's principal office shall be controlling in the event of a dispute relating to the contents of the Operating Manual.

Franchisee shall at all times treat as confidential, and shall not at any time disclose, copy, duplicate, record or reproduce, in whole or in part, or otherwise make available to any unauthorized person or source, the contents of the Operating Manual. The Operating Manual shall at all times remain the sole property of Franchisor and shall promptly be returned upon the expiration or other termination of this Agreement.

At Franchisor's option, Franchisor may make some or all of the Operating Manual available through an Online Presence. If Franchisor does so, Franchisee agrees to monitor and access that Online Presence for any updates to the Operating Manual or System Standards. Any passwords or other digital identifications necessary to access the Operating Manual on any Online Presence will be deemed to be part of Confidential Information.

VIII **CONFIDENTIAL INFORMATION**

Franchisee and its owners and personnel may from time to time be provided and/or have access to certain confidential information, some of which constitutes trade secrets under applicable law (the "Confidential Information"), relating to developing and operating Central Bark Facilities, whether or not marked confidential, including (without limitation): (1) site and premises selection criteria; (2) training and operations materials and manuals, including, without limitation, the Operating Manual; (3) the System Standards and other plans, methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating the Franchised Business; (4) market research, promotional, marketing and advertising programs for the Franchised Business; (5) knowledge of specifications for, and suppliers of, Operating Assets and other products, materials, supplies equipment and furnishings; (6) any computer software or similar technology which is proprietary to Franchisor, its affiliates, or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (7) knowledge of the operating results and financial performance of Central Bark Facilities, other than Franchisee's Franchised Business; and (8) information generated by, or used or developed in, Franchisee's Franchised Business' operation, including information relating to clients such as client names, addresses, telephone numbers, e-mail addresses, buying habits, preferences, demographic information and related information.

All Confidential Information furnished to Franchisee by Franchisor or on Franchisor's behalf, whether orally or by means of written material (i) shall be deemed proprietary, (ii) shall be held by Franchisee in strict confidence, (iii) shall not be copied, disclosed or revealed to or shared with any other person except to Franchisee's employees or contractors who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than Franchisee's obligations hereunder, or to individuals or entities specifically authorized by Franchisor in advance, and (iv) shall not be used in connection with any other business or capacity. Franchisee will not acquire any interest in Confidential Information other than the right to use it as Franchisor specifies in operating the Franchised Business during this Agreement's term. Franchisee agrees to adopt and implement reasonable procedures to prevent unauthorized access, use or disclosure of the Confidential Information, including by establishing reasonable security and access measures and restricting its disclosure to key personnel. Franchisor may require Franchisee to have its employees and contractors execute individual undertakings and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements. Franchisee acknowledges that any form of agreement that Franchisor requires Franchisee to use, provides to Franchisee, or regulates the terms of may or may not be enforceable in a particular jurisdiction. Franchisee agrees that it is solely responsible for obtaining its own professional advice with respect to the adequacy of the terms and provisions of any agreement that Franchisee's employees and contractors sign.

Franchisee acknowledges and agrees that, as between Franchisor and Franchisee, Franchisor is the sole owner of all right, title, and interest in and to the System and any Confidential Information. All improvements, developments, derivative works, enhancements, or modifications to the System and any Confidential Information (collectively, "Innovations") made or created by Franchisee, its employees or its contractors, whether developed separately or in conjunction with Franchisor, shall be owned solely by Franchisor. Franchisee represents, warrants, and covenants that its employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to Franchisee. To the extent that Franchisee, its employees or its contractors are deemed to have any interest in such Innovations, Franchisee hereby agrees to assign, and does assign, all right, title and interest in and to such Innovations to Franchisor. To that end, Franchisee shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as Franchisor may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. Franchisee's obligation to assist Franchisor with respect to such ownership rights shall continue beyond the expiration or termination of this Agreement. In the event Franchisor is unable for any reason, after reasonable effort, to secure Franchisee's signature on any document needed in connection with the actions specified in this Section VIII, Franchisee hereby irrevocably designates and appoints Franchisor and its duly authorized officers and agents as Franchisee's agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on Franchisee's behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this Section VIII with the same legal force and effect as if executed by Franchisee. The obligations of this Section VIII shall survive any expiration or termination of the Agreement.

Confidential Information does not include information, knowledge, or know-how which Franchisee can demonstrate lawfully came to its attention before Franchisor provided it to Franchisee directly or indirectly; which, at the time Franchisor disclosed it to Franchisee, already had lawfully become generally known through publication or communication by others (without violation an obligation to Franchisor or its affiliates); or which, after Franchisor discloses it to Franchisee, lawfully becomes generally known through publication or communication by others (without violating an obligation to Franchisor or its affiliates). However, if Franchisor includes any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled. Notwithstanding anything to the contrary contained in this Agreement and provided Franchisee shall have obtained Franchisor's prior written consent, which shall not be unreasonably withheld, the restrictions on Franchisee's disclosure and use of Confidential Information shall not apply todisclosure of Confidential Information in judicial or administrative proceedings to the extent that Franchisee is legally compelled to disclose such information, provided Franchisee shall have used Franchisee's best efforts and afforded Franchisor the opportunity to obtain an appropriate protective order or other assurance satisfactory to Franchisor of confidential treatment for the information required to be disclosed.

IX **RECORDS AND REPORTS**

A. ACCOUNTING AND RECORDS

During the term of this Agreement, Franchisee shall maintain and preserve, for at least three (3) years from the dates of their preparation, full, complete and accurate books, records (including invoices and records relating to advertising expenditures) and accounts (utilizing the standard chart of accounts furnished and required by Franchisor), copies of sales tax returns and copies of such portions of Franchisee's State and Federal income tax returns as reflect Franchisee's operation. The financial statements and/or other periodic reports described below must be prepared to segregate the income and related expenses of the Franchised Business from those of any other business which may be conducted by Franchisee, and for which Royalty Fees are not payable to Franchisor.

B. REPORTS AND TAX RETURNS

During the term of this Agreement, Franchisee shall establish and maintain, at Franchisee's expense, a bookkeeping, accounting, record keeping and data processing system conforming to the requirements and formats that Franchisor prescribes from time to time. Franchisee shall furnish to Franchisor in such forms that Franchisor prescribes the following:

1. By the tenth (10th) day of each month, a correct statement of Gross Sales. Each statement shall report Gross Sales made during the immediately preceding calendar month;

2. Within sixty (60) days after the end of each of the Franchisee's quarters, a profit and loss statement for such quarter, a year-to-date profit and loss statement, and a balance sheet of financial condition as of the end of such quarter;

3. Within ninety (90) days after the end of Franchisee's fiscal year, a balance sheet, profit and loss statement and statement of financial condition for the Franchised Business as of the end of such fiscal year; and

4. Within ten (10) days after Franchisor's request, exact copies of Federal and State income, service, sales and any other tax returns and such other forms, records, books and other information as Franchisor may periodically require.

Each report and financial statement shall be signed and verified by Franchisee in the manner Franchisor prescribes. Franchisor shall have the right to disclose data derived from such sales reports. Franchisor reserves the right to require Franchisee to have audited or reviewed financial statements prepared on an annual basis. If Franchisee fails to submit any report required by Franchisor by date prescribed above, Franchisor may charge a late fee of $250 for each report that is past due.

Further, at Franchisor's request, Franchisee will provide financial information of Franchisee's owners and guarantors sufficient to demonstrate such owners' and guarantors' ability to satisfy their financial obligations under this Agreement and their individual guaranties.

C. FRANCHISOR'S RIGHT TO AUDIT

Franchisor, or Franchisor's designated agents, shall have the right at any time during business hours, with prior notice to Franchisee, to examine, audit, and copy, or cause to be examined, audited, and copied, at Franchisor's expense, the books, records, cash control devices, bookkeeping and accounting records, bank statements, sales and income tax records and returns, and other books and records and the books and records of any corporation, partnership or limited liability company which holds the franchise. Franchisor shall also have the right, at any time, to have an independent audit made of the books of the Franchisee. If an inspection should reveal that any payments due Franchisor have not been paid or have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount previously unreported or understated upon demand. Upon the discrepancy in the report of gross receipts of two percent (2%) or more, Franchisee shall pay and reimburse Franchisor for any and all expenses connected with said inspection, including, but not limited to, reasonable accounting and legal fees, as well as interest on the unreported receipts at the maximum rate permitted by law. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

D. FRANCHISOR'S RIGHT TO COMPUTERIZE

Franchisor may, partially or completely, computerize facets of the franchise system operations which, in the sole discretion of Franchisor, will benefit the System. Franchisor may develop, or contract for development, "licensed programs", defined as computer software programs which may include, without limitation, point-of-sale bookkeeping, inventory, training, marketing, employee selection, operations and financial information collection or retrieval systems for use in connection with the operation of the Franchised Business. Franchisee agrees, when available, to use in the development and operation of the Franchised Business only the licensed program and those brands, types, makes and/or models of computer hardware which Franchisor may specify or require for the computer system. During the term of this Agreement, Franchisor

may require Franchisee, at its sole expense, to obtain specified computer hardware and/or software, including, without limitation, a license to use the licensed program from Franchisor, or Franchisor's designee, under a separate Agreement. Franchisor's development and/or modification of such specifications for the components of the computer system may require Franchisee to incur costs to purchase, lease and/or license new or modified computer hardware and/or software, and to obtain service and support for the computer system during the term of this Agreement. Within one hundred twenty (120) days after Franchisee receives notice from the Franchisor, Franchisee shall obtain the components of the computer system which Franchisor designates and requires. Franchisee shall install and use the computer system at the Franchised Business, when use of the computer system is available, and transmit information to Franchisor through use of the computer system. Franchisee, at Franchisee's own expense, shall establish and maintain, at the Franchised Business: (a) a high speed internet connection that Franchisor may use to access the computer system and data maintained in such system, (b) full and complete corporate records and reports, and (c) if required by Franchisor, computer diskettes, databases in the form specified by Franchisor pertaining to the operation of the store, supervisory reports relating to store operations and accounting, record keeping and record retention system conforming to the requirements prescribed by Franchisor (including, requirements for a general ledger system which includes the standard chart of accounts required by Franchisor and for timely entry of information in the data bases of the computer system and periodic printouts of reports generated from the computer system, information relating to employee turnover and such other reports and information as Franchisor may require). Each transaction of the Franchised Business shall be processed on the computer system in the manner prescribed by Franchisor. Franchisor, either directly or indirectly through its affiliates or designated representatives or vendors, shall have at all times, the right to retrieve information from any data processed on the computer system with respect to the Franchised Business, and Franchisee shall take such action as may be necessary to provide such access to Franchisor.

X **STANDARDS OF QUALITY**

A. CONDITION, APPEARANCE AND REBUILDING OF PREMISES

Franchisee agrees to maintain the premises in a condition and appearance consistent with the image of a Central Bark Facility as an attractive, clean and efficiently operated canine care facility offering day care, boarding services, grooming services, training, and a specialty retail boutique for dogs. Franchisee agrees to effect such maintenance of the Franchised Business and such modifications and additions to its layout, decor and general theme as Franchisor requires to maintain its condition, appearance, efficient operation, ambience and overall image, including, without limitation, replacement of worn out or obsolete fixtures, equipment, flooring, signs and lighting fixtures, repair of the interior and exterior, and periodic cleaning and redecorating. If at any time, in Franchisor's reasonable judgment, the general state of repair, appearance or cleanliness of the premises (including parking areas), or its fixtures, equipment, flooring, signs or lighting fixtures, does not meet Franchisor's standards, Franchisor so shall notify Franchisee and specify the action that Franchisee must take to correct such deficiency. If Franchisee fails or refuses, within ten (10) days after receiving such notice, to initiate and thereafter continue in good faith and with due diligence a bona fide program to complete such required maintenance, Franchisor shall have

the right (in addition to its rights under Section XV hereof), but not the obligation, to enter upon the premises and effect such maintenance on behalf and at the expense of Franchisee.

Franchisee shall, at its expense, upgrade and/or remodel the Franchise Location during the term of this Agreement pursuant to plans and specifications provided by Franchisor. Franchisor's representatives shall be allowed to supervise any construction, repair or refixturing in connection with such upgrading or remodeling.

If the Franchised Premises is damaged or destroyed by fire or other casualty, Franchisee shall within thirty (30) days thereof initiate (and continue until completion) all repairs or reconstruction to restore the premises to their original condition. If, in Franchisor's reasonable judgment, the damage or destruction is of such a nature that it is feasible for Franchisee, without incurring substantial additional costs, to repair or reconstruct the premises in accordance with Franchisor's then-standard decor specifications. Franchisee shall repair or reconstruct the premises in accordance with those decor specifications.

B. ALTERATIONS TO THE PREMISES

Franchisee shall make no alterations of the premises, nor any unapproved replacements or alterations of fixtures, equipment, flooring, or signs, without Franchisor's prior written approval. Franchisor shall have the right, in Franchisor's sole discretion, and at Franchisee's sole expense, to rectify any alterations not previously approved by Franchisor.

C. UNIFORM IMAGE

Presentation of a uniform image to the public is an essential element of a successful franchise system. Franchisee therefore agrees that the Franchised Business will (1) offer and sell all products and services that Franchisor periodically specifies; (2) offer for sale only such services and products as shall meet the reasonable specifications and standards designated in the Operating Manual, or in writing, by Franchisor; and (3) discontinue selling and offering for sale any products or services that Franchisor from time to time disapproves. Franchisee further agrees that the Franchised Business will not, without Franchisor's prior written approval, offer any services or products not then authorized by Franchisor. Franchisee agrees to participate in all mandatory programs Franchisor periodically may implement, including paying any fees associated with such program, whether designated in the Operating Manual or otherwise in writing by Franchisor.

D. PRODUCTS, SUPPLIES AND MATERIALS

The reputation and goodwill of the Franchised Business is based upon and can only be maintained by the sale of distinctive high quality services and products. Franchisee shall purchase products and supplies from reputable and fully-authorized manufacturers, suppliers or distributors who shall meet all of Franchisor's specifications and standards as to quality, durability, performance, and warranties, and who shall, where appropriate, adequately demonstrate their ability to properly display Franchisor's Marks and their capacity and facility to supply Franchisee's needs in the quantities, at the times, and with the reliability requisite to an efficient operation. Franchisor may require Franchisee to purchase products, supplies and services from only approved suppliers or a single designated supplier (which may be Franchisor or its affiliates). Franchisee

agrees to participate in quality assurance and customer satisfaction programs if Franchisor so requires.

If Franchisee desires to purchase or use products, equipment, supplies, materials, or services from suppliers other than those previously approved by Franchisor or its affiliates, Franchisee must obtain Franchisor's prior written approval to change supplier before purchasing any goods or services from non-approved suppliers; provided, however, that Franchisee may not propose new products or services until one (1) year after the Franchised Business opens for business. Franchisee shall submit to Franchisor a written request, on a form designated by Franchisor, and three (3) samples from the proposed supplier for testing. Franchisor reserves the right to charge an application fee to evaluate proposed suppliers. Franchisor will evaluate requests to change suppliers once per quarter, and Franchisee must submit both the request and samples to Franchisor by the end of the quarter in order for Franchisor to evaluate Franchisee's request. Franchisor shall notify Franchisee in writing of the approval or rejection of the proposed supplier before the next quarter. In order to make such determination, Franchisor and its affiliates may investigate the proposed supplier. Franchisee acknowledges and agrees that Franchisor and its affiliates may, for any reason whatsoever at its or their sole discretion, elect to withhold approval of the supplier. Franchisee further acknowledges and agrees that Franchisor and its affiliates are likely to reject Franchisee's request for a new supplier without conducting any investigation if Franchisor or its affiliates already have designated an exclusive supplier for the goods and/or services proposed to be offered by the new supplier as permitted in this Section X.D. Franchisor and its affiliates may from time to time inspect any supplier's facilities and products to ensure proper production, processing, storing, and transportation of goods and services to be purchased from the supplier by Franchisee. Permission for such inspection shall be a condition of the continued approval of such supplier. Franchisor may change its supplier approval process at any time, in its discretion.

E. COMPLIANCE WITH LAWS AND GOOD BUSINESS PRACTICES

Franchisee shall secure and maintain in force all required licenses, permits and certificates relating to the Franchised Business's operation and operate the Franchised Business in full compliance with all applicable laws, ordinances and regulations, including but not limited to those relating to: truth in lending; truth in advertising; occupational hazards, health, and anti-discrimination laws; anti-terrorist activities (including the U.S. Patriot Act, Executive Order 13224, and related U.S. Treasury and/or other regulations); and data sharing and privacy. Unless any order issued by any federal, state or local authority requires closure of the Franchised Business, Franchisee will not close the Franchised Business unless it obtains Franchisor's prior written consent.

Franchisee shall at all times give prompt, courteous and efficient service to Franchisee's customers. The Franchised Business shall in all dealings with customers, suppliers and the public adhere to the highest standards of honesty, integrity, fair dealing and ethical conduct, including the ethical treatment of animals.

Promptly upon receipt, and in any event no more than five (5) days following receipt of notice, Franchisee agrees to provide Franchisor a copy of any and all notices Franchisee receives

from any person, entity or governmental authority claiming that Franchisee (or Franchisee's affiliates or representatives) has violated any laws, regulations, permits, licenses, agreements or committed any other breach, default or violation in connection with the operation of the Central Bark Facility or that may adversely affect the operation or financial condition of the Central Bark Facility, including (i) the commencement of any action, suit or proceeding, or any audit, investigation, or similar proceeding with respect to threatened actions, suits or proceedings relating to the Central Bark Facility; (ii) the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality; (iii) any default notices from any landlord or supplier; (iv) any violation notices from a health or safety regulatory board; and (v) any customer complaints alleging violation of law.

All advertising and promotion by Franchisee shall be completely factual and conform to the highest standards of ethical advertising. Franchisee agrees to refrain from any business or advertising practice which may injure Franchisor's business and the goodwill associated with the Marks of Franchisor.

Franchisee agrees to comply with the Franchise System Website privacy policy, as it may be amended periodically; Franchisee further agrees to comply with any requests to return or delete client personal information, whether requested by Franchisor or directly by the customer, as required by applicable data sharing and Privacy Laws.

F. MANAGEMENT OF THE FRANCHISED BUSINESS/CONFLICTING INTERESTS

The Franchised Business shall at all times be under the direct, on-premises supervision of the Franchisee (or the Managing Owner) who shall devote full time, energy and best efforts, to the management and operation of the business licensed hereunder and to maintain any and all applicable, state, local or other registrations or licenses; however, if Franchisee and its affiliates own two (2) or more Central Bark Facilities, Franchisee may hire a designated manager (the "Designated Manager") to oversee the operation of the Franchised Business, subject to Franchisor's approval. Franchisee must obtain Franchisor's written consent prior to changing the Managing Owner or Designated Manager, if applicable. Franchisee (or the Managing Owner) shall not engage directly or indirectly in any business or other activity requiring substantial management responsibility or time commitments or which otherwise may conflict with Franchisee's (or Managing Owner's) obligations hereunder. Franchisor reserves the right to establish conditions for approving any Designated Manager, in its discretion, which may include the completion of training, confirmation that it will have no competitive business activities, and/or execution of a non-disclosure agreement or other covenants Franchisor requires. The Designated Manager must devote their full time and best efforts to supervise the day-to-day operations of the Franchised Business.

Franchisee acknowledges that any change in ownership interest in Franchisee is subject to Section XVIII of this Agreement. Further, if Franchisee is an entity and its Managing Owner ceases to own at least a 51% ownership interest in Franchisee, Franchisee must identify a new Managing Owner within 30 days of the change in ownership and submit the identity of the new Managing Owner to Franchisor for its review and approval. If Franchisee appoints a new Managing Owner

after it begins operating the Franchised Business, the new Managing Owner must complete the initial training program to Franchisor's satisfaction within 30 days after the date of appointment. Franchisor may charge an additional training fee of Five Thousand Dollars ($5,000) for the new Managing Owner to attend the initial training program. Franchisee must keep Franchisor informed at all times of the identity of the Managing Owner.

Franchisor requires Franchisee, and if Franchisee is a corporation, joint venture, limited liability company or partnership, any owner with a 20% or more interest in Franchisee (and his/her spouse) to sign the Owner's Guaranty and Assumption of Obligations (which is attached to the Franchise Agreement) personally assuming and agreeing to perform all of Franchisee's obligations and to be bound by the terms of the Franchise Agreement. Franchisee's (or any owner's) spouse will also be required to sign the Owner's Guaranty and Assumption of Obligations, which will serve as acknowledgment and consent to the Guaranty given, which will bind the assets of the marital estate.

G. FRANCHISOR'S RIGHT TO INSPECT THE FRANCHISED BUSINESS

To determine whether Franchisee and the Franchised Business are complying with this Agreement and Franchisor's mandatory standards, specifications and operating procedures, Franchisor, or Franchisor's designated agents, shall have the right at any reasonable time and without prior notice to Franchisee to:

1. Inspect the facility from time to time to enhance uniformity and quality control including inspection of the operation and items sold in the facility, and all other purposes in connection with the determination that the facility is being operated in accordance with the terms of this Agreement and Franchisor's System Standards;

2. Observe, photograph and videotape the site, premises and operations of the Franchised Business for such consecutive or intermittent periods as Franchisor deems necessary;

3. Interview personnel of the Franchised Business;

4. Interview customers of the Franchised Business;

5. Utilize mystery shoppers or other marketing research techniques at Franchisee's expense;

6. Inspect your computer system, including hardware, software, security, configurations, connectivity, and data access; and

7. Inspect and copy any books, records and documents relating to the Franchised Business's operation.

Franchisee agrees to cooperate fully with Franchisor in connection with any such inspections, observations, photographing, videotaping and interviews. Franchisee shall present to Franchisee's customers such evaluation forms as Franchisor periodically prescribes and participate and/or

request Franchisee's customers to participate in any surveys performed by or on behalf of Franchisor. Franchisee agrees to remedy any defects, deficiencies, or unsatisfactory conditions discovered at the store by Franchisor's personnel immediately upon being advised of such deficiencies. Franchisee must reimburse all of Franchisor's costs (including supplier fees, travel expenses, room and board, and compensation of Franchisor's employees) associated with re-inspections or follow-up visits that Franchisor conducts after any audit or inspection of the Franchised Business identifies one or more failures of the System Standards, and/or if any follow-up visit is necessary because Franchisor or its designated representatives were for any reason prevented from properly inspecting any or all of the Franchised Business (including because Franchisee or its personnel refuse entry to the Franchised Business).

H. INSURANCE

Franchisee shall at all times during the term of this Agreement maintain in force, at Franchisee's sole expense, comprehensive general liability insurance in respect to the Franchised Business providing coverage with a combined single occurrence limit of not less than $2,000,000, and an aggregate limit of not less than $2,000,000; business interruption and extra expense coverage for twelve (12) months (actual loss sustained limit); hired and non-owned automobile coverage with a single occurrence limit of not less than $1,000,000; animal bailee coverage for any one (1) animal with a limit of not less than Fifty thousand Dollars ($50,000.00) covering on-premises and in-transit; and pet groomers professional liability insurance in an amount of not less than Fifty thousand Dollars ($50,000.00). Franchisee shall carry property insurance to keep the premises and its contents insured against loss or damage by fire and such other risks covered in the Standard Extended Coverage Endorsement in an amount not less than One hundred percent (100%) of the full replacement cost of such assets. All insurance policies shall be issued by one (1) or more insurance carriers acceptable to Franchisor.

All liability coverage insurance policies shall name Franchisor as an additional insured, using a form of endorsement that Franchisor has approved. All insurance policies must contain a waiver of the insurance company's right of subrogation against Franchisor and provide that Franchisor will receive thirty (30) days' prior written notice of the termination, expiration or cancellation of any such policy.

Franchisor may reasonably increase the minimum liability protection requirement and require at any time, on reasonable prior notice to Franchisee, different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damage awards in public, product, or motor vehicle liability litigation or other relevant changes in circumstances.

A certificate of insurance shall be submitted by Franchisee, for Franchisor approval, within thirty (30) days of the signing of this Agreement, but in no event later than three (3) weeks before the date on which the Franchisee first opens for business. Franchisee shall submit to Franchisor annually a copy of the certificate or other material evidencing the renewal or extension of each insurance policy. If Franchisee at any time fails or refuses to maintain in effect any insurance coverage Franchisor requires or to furnish satisfactory evidence thereof, Franchisor may, at Franchisor's option, and in addition to any of Franchisor's rights and remedies, obtain such insurance coverage on Franchisee's behalf. Franchisee shall promptly execute any applications or

other forms or instruments required to obtain any such insurance and pay Franchisor on demand any costs and premiums Franchisor incurs.

Franchisee's obligation to obtain and maintain the insurance described herein shall not be limited in any way by reason of any insurance which Franchisor maintains, nor shall Franchisee's performance of such obligations relieve Franchisee of any obligations under Section XIII. of this Agreement.

Franchisor's requirements for minimum insurance coverage are not representations or warranties of any kind that such coverage is sufficient against any and all insurable risks of loss which may or can arise out of or in connection with the operation of the Franchised Business. Such requirements represent only the minimum coverage that Franchisor deems acceptable to protect Franchisor's interests. It is Franchisee's sole responsibility to obtain insurance coverage for the Franchised Business that Franchisee deems appropriate, based on Franchisee's own independent investigation. Franchisor is not responsible if Franchisee sustains losses that exceed Franchisee's insurance coverage under any circumstances.

I. PRICING

Unless prohibited by applicable law, Franchisor may periodically set a maximum or minimum price that Franchisee may charge for products and services offered by Central Bark Facilities. If Franchisor imposes a maximum price for any product or service, Franchisee may charge any price for the product or service up to and including the maximum price Franchisor imposes, but may not charge any price in excess of the maximum price set by Franchisor. If Franchisor imposes a minimum price for any product or service, Franchisee may charge any price for the product or service down to and including the minimum price Franchisor imposes but may not charge any price below the minimum price set by Franchisor. For any product or service for which Franchisor does not impose a maximum or minimum price, Franchisor may require Franchisee to comply with an advertising policy adopted by Franchisor which will prohibit Franchisee from advertising any price for a product or service that is different than Franchisor's suggested retail price. Although Franchisee must comply with any advertising policy Franchisor adopts, Franchisee will not be prohibited from selling any product or service at a price above or below the suggested retail price unless Franchisor imposes a maximum price or minimum price for such product or service.

J. PAYMENT METHODS AND GIFT CARDS

Franchisee must at all times have arrangements in existence with a full range of credit and debit card issuers or sponsors, check verification services and electric fund transfer systems as Franchisor designates, in Franchisor's sole discretion, during the term of this Agreement, in order that the Franchised Business may accept customers' credit and debit cards, checks and other methods of payment. Franchisee may use and accept only such methods of payment and currencies which Franchisor authorizes or approves in writing. Franchisee is required to purchase loyalty and gift cards from Franchisor's approved suppliers and may use and honor loyalty and gift cards only in the manner Franchisor designates and requires.

K. CUSTOMER INFORMATION AND PRIVACY LAWS

"Customer Information" means any information that: (i) can be used (alone or in combination with other information) to identify, locate, or contact an individual; or (ii) pertains in any way to an identified or identifiable individual. Customer Information may exist in any format, including electronic records and paper-based files. "Privacy Laws" means all applicable federal, state, and local laws, regulations, and rules, as they currently exist or may be enacted or amended in the future, that govern the collection, use, storage, protection, disclosure, and management of personal information and data. This includes, but is not limited to, the California Consumer Privacy Act (CCPA), the General Data Protection Regulation (GDPR), and any similar laws enacted by any U.S. jurisdiction.

All Customer Information that Franchisor obtains from Franchisee or that Franchisee collects from customers of the Franchised Business shall be the sole property of Franchisor and shall constitute Confidential Information of Franchisor. Franchisor may use such Customer Information for any purpose, including making financial performance representations in its franchise disclosure documents, without compensation to Franchisee. Franchisee hereby assigns, and shall be deemed to have assigned, all rights in such Customer Information to Franchisor. Franchisee shall provide copies of all Customer Information to Franchisor upon request. Subject to applicable law and at Franchisee's sole risk and responsibility, Franchisor grants Franchisee a limited, non-exclusive right to use such Customer Information solely in connection with the operation of the Franchised Business during the term of this Agreement. Upon expiration or termination of this Agreement, Franchisee shall return all Customer Information to Franchisor and permanently delete such information from all of Franchisee's computer system.

Franchisee shall: (i) independently learn and comply with all applicable Privacy Laws; (ii) comply with all Brand Standards relating to privacy and data security; (iii) comply with any posted privacy policy and representations made to individuals whose Customer Information is processed, and communicate any limitations required thereby to any authorized receiving party; (iv) refrain from any action or inaction that could cause Franchisor or its affiliates to violate any Privacy Laws; (v) implement and maintain reasonable physical, technical, and administrative safeguards to protect Customer Information from unauthorized access, use, destruction, or disclosure; (vi) execute and deliver any documents Franchisor deems necessary to ensure compliance with Privacy Laws; and (vii) immediately notify Franchisor of any breach, suspected breach, or loss of Customer Information, or any violation of this Agreement or the Operating Manual relating to Customer Information or Privacy Laws.

Upon request, Franchisee shall provide Franchisor with information, reports, and the results of any audits regarding Franchisee's data security policies, procedures, and technical controls. Franchisor may access Franchisee's computer systems, records, and practices to investigate or mitigate any data security incident or to conduct an audit.

Franchisee shall indemnify, defend, and hold harmless Franchisor, its affiliates, and their respective officers, directors, shareholders, members, managers, partners, employees, agents, and representatives from and against any and all claims, damages, liabilities, costs, and expenses (including attorneys' fees) arising out of or relating to: (i) any theft, loss, or misuse (including any

suspected or alleged theft, loss, or misuse) of Customer Information; or (ii) any breach by Franchisee of this Section or any applicable Privacy Law. Franchisee shall immediately notify Franchisor upon discovering any such incident and, at Franchisor's direction and Franchisee's sole expense, shall: (i) undertake remediation efforts; (ii) cooperate with Franchisor's remediation efforts; and (iii) implement measures to prevent recurrence. Franchisee shall not make any public statements or customer communications regarding any data incident without Franchisor's prior written approval, unless legally required. If Franchisee is legally obligated to notify customers, Franchisee shall notify Franchisor in writing and limit such notices to those required by law or as pre-approved by Franchisor. Franchisee shall cooperate with and assist Franchisor in any such notifications.

XI MODIFICATION OF THE SYSTEM

Franchisee recognizes and agrees that Franchisor may change or modify the System presently identified by the Marks including the adoption and use of new or modified trade names, trademarks, service marks or copyrighted materials, new products, new services, or new techniques. Franchisor also reserves the right, at any time, to discontinue the use of trade names, trademarks, service marks, copyrighted materials, products, services, or techniques Franchisor offers during the term of the Agreement. Franchisee will accept, use and provide to the public for the purpose of this Agreement any such changes in System Standards, including new, modified, or discontinued trade names, trademarks, service marks or copyrighted materials, products, services or techniques, as if they were part of this Agreement at the time of execution hereof. Franchisee shall make such expenditures as such changes or modifications in the System Standards are reasonably called for by Franchisor. Franchisor will provide Franchisee with reasonable notice of any modification to be made in the Franchised Business.

XII FEES

A. ROYALTY FEE

Franchisee agrees to pay Franchisor a monthly fee (hereinafter "Royalty Fee") in the amount of six percent (6%) of the facility's Gross Sales at the times and in the manner specified by Franchisor from time to time, which may include monthly or more frequent (e.g., weekly) payment periods, upon written notice to Franchisee.

B. DEFINITION OF "GROSS SALES"

As used in this Agreement, the term "Gross Sales" shall mean the total revenues for all services rendered and for the sale of all merchandise including, but not limited to, sales from the facility, kiosk, cart, vending machines, catalogues, cable television, any Online Presence, or mail order derived by Franchisee after the date hereof, sold to or for Franchisee's customers, whether for cash or credit, after deducting credits for return, repair or replacement goods, all allowances expressly granted to such customers (such as trade and quantity discounts), excise taxes, sales and/or use and equivalent taxes, provided that the foregoing credits and taxes shall first have been included in the computation of Gross Sales for the same or prior periods. For purposes of the foregoing, revenues shall be treated as having been derived at the time the goods or services are first sold or billed irrespective of the time when payment for the same (whether full or partial) shall be received by Franchisee. Any gift certificate and/or gift card payments shall be included in Gross

Sales in accordance with Franchisor's then-current guidelines for calculating Gross Sales; provided that such gift card and/or gift certificate payments shall only be included in Gross Sales, at Franchisor's option, as either (i) the gross amount of such payments when such gift certificates or gift cards are redeemed from the Franchised Business or (ii) the face value of such gift certificates or gift cards at the time of the sale of such gift card or gift certificate and not upon redemption.

C. TECHNOLOGY FEE.

Franchisee must pay Franchisor its then-current monthly technology fee (currently $495 per month) ("Technology Fee"), for ongoing subscription, maintenance and support of various technology systems, platforms and resources. Franchisee agrees to pay Franchisor the Technology Fee at the time and in the manner that Franchisor requires. The Technology Fee will be subject to change by Franchisor upon thirty (30) days' notice to Franchisee.

D. INTEREST ON LATE PAYMENTS

Required payments or reports not actually received by Franchisor during regular business hours on the applicable due date established by Franchisor shall be deemed delinquent. All Royalty Fees, Brand Fund contributions, LAC contributions, amounts due for purchases by Franchisee from Franchisor, or Franchisor's affiliates, and other amounts which Franchisee owes Franchisor, or Franchisor's affiliates, shall bear interest after their due date at the highest applicable legal rate for open account business credit, not to exceed One and one-half percent (1.5%) per month. Franchisee acknowledges that this Section shall not constitute Franchisor's, or Franchisor's affiliates', agreement to accept such payments after they are due or a commitment by Franchisor, or Franchisor's affiliates, to extend credit to or otherwise finance Franchisee's operation of the Franchised Business. Further, Franchisee acknowledges that Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement.

E. APPLICATION OF PAYMENTS

Notwithstanding any designation by Franchisee, Franchisor shall have sole discretion to apply any payments by Franchisee to any of Franchisee's past due indebtedness for Royalty Fees, Brand Fund contributions, purchases from Franchisor or Franchisor's affiliates, interest or any other indebtedness.

F. ELECTRONIC FUNDS TRANSFER

Franchisee shall pay all Royalty Fees, Brand Fund contributions, LAC contributions, and all other amounts due under this Agreement by electronic funds transfer ("EFT") (or another method approved by Franchisor), in U.S. dollars, at the times and in accordance with the procedures specified by Franchisor from time to time. Franchisee shall comply with all payment and reporting procedures set forth in this Agreement, the Operating Manual, or otherwise provided by Franchisor in writing, and shall execute any documents and take any actions reasonably required to facilitate such payments. Franchisee shall electronically report to Franchisor its true and accurate Gross Sales for each reporting period, at the times and in the format reasonably required by Franchisor from time to time (including monthly or more frequent reporting upon

written notice to Franchisee). Franchisee shall authorize Franchisor, in a form prescribed by Franchisor, to initiate debit entries and credit correction entries to Franchisee's designated business operating account for all amounts due under this Agreement, including applicable interest. Franchisee shall ensure that sufficient funds are available in its designated account on each applicable due date, and Franchisor may initiate EFT withdrawals on such dates as it designates. If any debit is returned due to insufficient funds, Franchisor will notify Franchisee, and Franchisee shall make sufficient funds available within three (3) business days. Failure to do so will result in the accrual of interest as provided in this Agreement and will constitute a default. Amounts withdrawn will be based on Gross Sales reported by Franchisee; provided, however, that if Franchisee fails to submit a report for any period, Franchisor may debit (a) an amount equal to the fees due for the most recent reporting period for which a report was submitted or (b) at Franchisor's option, an amount based on data obtained from Franchisee's point-of-sale or other reporting systems. If Franchisor determines that Franchisee has underreported Gross Sales or underpaid any amounts due, Franchisor may initiate an immediate debit for the deficiency, plus applicable interest. Any overpayments will be credited to Franchisee's account after confirmation, on the next reporting date. Franchisor may require more frequent reporting and payment periods upon written notice to Franchisee, and Franchisee shall comply with the revised reporting and payment requirements as specified in such notice.

G. FEE ADJUSTMENTS

Unless otherwise provided in this Agreement, any fee identified as a "then-current" fee may be increased by Franchisor on an annual basis. Franchisor may increase such fees by up to ten percent (10%) per year, calculated on a cumulative basis over the term of this Agreement. In addition, Franchisor may pass through to Franchisee any increases imposed by third-party providers of the underlying products or services, and such pass-through increases will not count toward the foregoing ten percent (10%) annual cap. Franchisor will provide Franchisee with at least thirty (30) days' prior written notice of any fee increase. Fee adjustments are not guaranteed and may vary from year to year.

XIII **INDEMNIFICATION**

Franchisee agrees to indemnify, defend, and hold harmless Franchisor, its affiliates, and Franchisor's and their respective owners, directors, officers, employees, agents, successors, and assignees (the "Indemnified Parties") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the operation of the Franchised Business, the business Franchisee conducts under this Agreement, or Franchisee's breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by Franchisor's intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may control the defense

of any claim against it at Franchisee's expense (including choosing and retaining its own legal counsel) and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this Section. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this Section. The obligations of this Section XIII shall survive any expiration or termination of the Agreement.

XIV **COVENANTS**

A. EXCLUSIVE RELATIONSHIP

Franchisee acknowledges and agrees that Franchisor would be unable to protect Confidential Information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among other franchisees of Franchisor if such franchisees were permitted to hold interests in or perform services for a Competitive Business. The term "Competitive Business" as used in this Agreement shall mean any business operating, or granting franchises or licenses to others to operate, (i) a facility offering day care, boarding, grooming, or training for canines, or any other related canine services, or (ii) a retail facility whose gross receipts from the sale of canine related products represent, at any time, at least 10% of the business' total gross receipts. Notwithstanding the foregoing, Franchisee shall not be prohibited from owning securities in a company if such securities are listed on a stock exchange or traded on the over-the-counter market and represent five percent (5%) or less of that class of securities. Franchisee therefore agrees that, during the term of this Agreement, and any extension thereof, neither Franchisee, any of Franchisee's owners, nor any member of such person's immediate family shall:

1. Have any direct or indirect interest, as a disclosed or beneficial owner, in a Competitive Business, except a canine care facility offering day care, boarding services, grooming services, training, or a specialty retail boutique for dogs operated under Franchise Agreements with Franchisor;

2. Communicate or divulge to any other person, persons, partnership or corporation, except as such of Franchisee's employees, agents, or contractors, as must know for purposes of operating the Franchised Business, any information or knowledge concerning the suppliers or methods of sale or distribution used in the Franchised Business, nor shall Franchisee disclose or divulge, in whole or in part, any trade secrets, proprietary information or private processes of Franchisor;

3. Perform services as a director, officer, manager, employee, consultant, lessor, representative, or agent for a Competitive Business, except Central Bark Facilities operated under Franchise Agreements with Franchisor;

4. Divert or to attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement, or do or perform, directly or

indirectly, any other act injurious or prejudicial to the goodwill associated with Franchisor's Marks and the System;

5. Directly or indirectly, appropriate, use or duplicate the System or System Standards, or any portion thereof, for use in any other business or endeavor; or

6. Disparage or otherwise speak or write negatively, directly or indirectly, of Franchisor and/or their predecessors, affiliates, agents, successors, and assigns (and their respective officers, directors, owners, and employees), the CENTRAL BARK brand, the System, any Central Bark Facility, any business using the Marks, or which would subject the CENTRAL BARK brand to ridicule, scandal, reproach, scorn, or indignity, which would negatively impact the goodwill of Franchisor or the CENTRAL BARK brand, or would constitute an act of moral turpitude.

Franchisee expressly agrees that it may conclusively be presumed that any violation of the terms of said covenants not to compete was accomplished by and through Franchisee's unlawful utilization of Franchisor's Confidential Information, know how, methods and procedures. Franchisee acknowledges that any violation of the terms of said covenants not to compete will cause irreparable damage to Franchisor, the exact amount of which may not be subject to reasonable or accurate ascertainment, and therefore, Franchisee does hereby consent that in the event of such violation, Franchisor shall be entitled to injunctive relief to restrain Franchisee, or anyone acting for or on Franchisee's behalf, from violating said covenants, or any of them. Such remedies, however, shall be cumulative and in addition to any other remedies to which Franchisor may then be entitled. Franchisee represents and acknowledges that in the event of the termination of this Agreement for whatever cause, Franchisee's experience and capabilities are such that Franchisee can obtain employment in business engaged in other lines or of a different nature than that of the operation of a canine care facility offering day care, boarding services, grooming services, training, and a specialty retail boutique for dogs, and that the enforcement of a remedy by way of injunction will not prevent Franchisee from earning a livelihood. In the event Franchisor brings suit to enforce any provision hereof, Franchisor shall be entitled to receive, in addition to any relief or remedy granted, the cost of bringing such suit, including reasonable attorney's fees.

B. INTERPRETATION

The parties agree that the foregoing covenants shall be construed as severable and independent of any other covenant or provision of this Agreement and shall be interpreted and applied consistent with the requirements of reasonableness and equity. Any judicial reformation of these covenants consistent with this interpretation shall be enforceable as though contained herein and shall not affect any other provisions or terms of this Agreement. If all or any portion of a covenant in this Section XIV is held unreasonable or unenforceable by a court or agency having valid jurisdiction in any unappealed final decision to which Franchisor is a party, Franchisee 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.

C. SCOPE OF COVENANT

For purposes of construing the covenants contained in this Section XIV., "Franchisee" shall be deemed to include not only the individuals or entity which is defined as Franchisee in the introductory paragraph of this Agreement, but if Franchisee is an individual, shall also include Franchisee's spouse, children, grandchildren, or parents; if Franchisee is a joint venture, limited liability company, or partnership, the foregoing restrictions shall apply to each partner, member, or venturer who, individually or collectively, through himself, his spouse, his children, his grandchildren, or his parents, owns a five percent (5%) or greater interest in such joint venture, limited liability company, or partnership; or if Franchisee is a corporation, the foregoing restrictions shall apply to officers, directors, and to each shareholder, who individually or collectively, through himself, his spouse, his children, his grandchildren, or his parents, owns a five percent (5%) or greater interest in the outstanding capital stock of such corporation. Franchisor shall have the right to require all of Franchisee's personnel to execute similar covenants in a form satisfactory to Franchisor. The covenants set forth in this Section XIV shall survive the termination or expiration of this Agreement. Franchisee acknowledges that the covenant not to compete set forth in this Section XIV is fair and reasonable, and will not impose any undue hardship on Franchisee, since Franchisee has other considerable skills, experience and education which afford Franchisee the opportunity to derive income from other endeavors.

D. REDUCTION OF SCOPE OF COVENANT

Franchisee understands and acknowledges that Franchisor shall have the right, in Franchisor's sole discretion, to reduce the scope of any covenant set forth in Section XIV of this Agreement, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that Franchisee shall comply forthwith with any covenant as so modified, which shall be fully enforceable notwithstanding any other provisions of this Agreement.

XV **TERMINATION AND DEFAULTS**

A. TERMINATION WITHOUT RIGHT TO CURE

Franchisee shall be deemed to be in default under this Agreement and all rights granted to Franchisee hereunder shall thereupon terminate, effective upon delivery of notice of termination to Franchisee where the grounds for such termination are:

1. Franchisee becomes insolvent; makes an assignment for the benefit of creditors; files a voluntary petition in bankruptcy; files any pleading seeking any reorganization, liquidation or dissolution under any law; admits or fails to contest the material allegations of any such pleading filed against Franchisee; is adjudicated a bankrupt; a receiver is appointed for a substantial part of Franchisee's assets; or the claims of creditors of Franchisee or the Franchised Business are abated or subject to a moratorium under any law;

2. Franchisee makes an assignment for the benefit of creditors or a similar disposition of the assets of the Franchised Business;

3. Franchisee voluntarily abandons or fails to actively operate the Franchised Business for three (3) days, unless the Franchised Business has been closed for a purpose approved by Franchisor or because of fire, flood or other casualty or government order;

4. Franchisee (or the Managing Owner, or Designated Manager, if applicable) fails to complete the initial training program to Franchisor's satisfaction;

5. Franchisee (or any of its owners) engages in any conduct that, in Franchisor's opinion, impairs the goodwill associated with the Franchisor's trademark, service mark, trade name or commercial symbol, including, without limitation, intentionally disparaging Franchisor and/or the System;

6. Franchisee (or any of its owners) is or has been convicted by a trial court of, or plead or has pleaded no contest or guilty to, a felony;

7. Franchisee (or any of its owners) has been arrested or is under the influence of drugs or alcohol while supervising the premises of the Franchised Business;

8. Franchisee surrenders or transfers control of the Franchised Business's operation without Franchisor's prior written consent;

9. Franchisee has made any material misrepresentation or omission in the application for the Franchise;

10. Franchisee fails to select a site and sign a lease for the Franchise Location approved by Franchisor within one hundred eighty (180) days of the date hereof;

11. Franchisee fails to open the Franchised Business for operations within three hundred (300) days of the date hereof;

12. If the lease or sub-lease for the Franchise Location is terminated or cancelled and Franchisee is unable to renew or extend the lease or sub-lease, or Franchisee fails to maintain possession of the Franchise Location;

13. Franchisee (or any of its owners) makes an unauthorized assignment of this Agreement, an ownership interest in Franchisee or the Franchised Business or fails to assign this Agreement or the interest in Franchisee of a deceased or disabled principal owner thereof as herein required;

14. Franchisee makes any unauthorized use or disclosure of any Confidential Information or uses, duplicates or discloses any portion of the Operating Manual in violation of this Agreement;

15. Franchisee intentionally understates the Franchised Business's Gross Sales in any report or financial statement;

16. Franchisee (or its owners or affiliates) fails to pay Franchisor (or its affiliate) any amounts due and does not correct such failure after Franchisor delivers written notice of that failure to Franchisee;

17. Franchisee fails on three (3) or more separate occasions within any period of twelve (12) consecutive months to submit when due reports or other data, information or supporting records or to pay when due the Royalty Fees, Brand Fund contributions, LAC contributions or other payments due to Franchisor or Franchisor's affiliates, whether or not such failures to comply are corrected after notice thereof is delivered to Franchisee;

18. If Franchisee submits to Franchisor on two (2) or more separate occasions at any time during the term of the franchise, any reports or other data, information or supporting records which understate by more than two percent (2%) the Gross Sales for any period;

19. Franchisee (or any of its owners or affiliates) fails to comply with any other agreement with Franchisor or its affiliate and does not correct such failure within the applicable time period, if any;

20. Franchisee (a) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not Franchisor notifies it of the failures, and, if Franchisor does notify Franchisee of the failures, whether or not Franchisee corrects the failures after Franchisor's delivery of notice to Franchisee; or (b) fails on two (2) or more separate occasions within any twelve (12) consecutive month period to comply with the same obligation under this Agreement, whether or not Franchisor notifies Franchisee of the failures, and, if Franchisor does notify Franchisee of the failures, whether or not Franchisee corrects the failures after Franchisor's delivery of notice to Franchisee.

21. Franchisee fails to comply with any other provision of this Agreement or any of Franchisor's mandatory standards, specifications or operating procedures and does not correct such failure within thirty (30) days after written notice of such failure to comply is delivered to Franchisee; or

22. Franchisee (or any of its owners) fails to pay any third-party, including the lessor of the premises of the Central Bark Facility, any amounts owed in connection with the Central Bark Facility when due, and does not cure such failure within any applicable cure period granted by such third-party.

B. OTHER MATTERS

The foregoing notwithstanding, to the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non-renewal or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with applicable law, not be effective, and Franchisor shall comply with applicable law in connection with each of these matters.

Termination shall not relieve Franchisee of any obligation to Franchisor that shall have matured under or survived this Agreement or under any other written agreement of the parties.

XVI RIGHTS AND DUTIES OF PARTIES UPON EXPIRATION OR TERMINATION

A. PAYMENT OF AMOUNTS OWED TO FRANCHISOR AND OTHERS

Franchisee shall, within fifteen (15) days after the effective date of termination or expiration of this Agreement, pay Franchisor (or Franchisor's parent, subsidiaries, affiliates or designees) all sums owing from Franchisee to Franchisor under the terms of this Agreement. Said sums shall include Royalty Fees, Brand Fund contributions, LAC contributions, amounts owed for purchases by Franchisee from Franchisor or Franchisor's affiliates, and interest due on any of the foregoing. Franchisee shall promptly pay all sums due and owing to any lessor, employees, taxing authorities, advertising agencies and all other third parties.

If this Agreement is terminated because of Franchisee's (or any of its owner's) default or by Franchisee without cause, the parties agree that it would be difficult if not impossible to determine the amount of damages that Franchisor would suffer due to the loss or interruption of the revenue stream Franchisor otherwise would have derived from Franchisee's continued payment of Royalty Fees and that the Fund and LAC would have otherwise derived from Franchisee's continued contributions to those funds, less any cost savings, through the remainder of the term of this Agreement (the "Damages"). Therefore, the parties agree that a reasonable estimate of the Damages is, and Franchisee agrees to pay Franchisor as compensation for the Damages, an amount equal to the net present value of Royalty Fees, Fund contributions, and LAC contributions that would have become due from the date of termination to the scheduled expiration date of this Agreement. For this purpose, Damages shall be calculated based on Gross Sales of the Franchised Business for the twelve (12) months preceding the termination date. In the event the Franchised Business has not been in operation for at least twelve (12) months preceding the termination date, then Damages will be calculated based on the average monthly gross sales of all Central Bark Facilities during Franchisor's fiscal year immediately preceding the termination date. Franchisee and Franchisor agree that the calculation described in this Section is a calculation only of the Damages and that nothing herein shall preclude or limit Franchisor from proving and recovering any other damages caused by Franchisee's breach of the Agreement.

B. MARKS

Franchisee agrees that, upon termination or expiration of this Agreement:

1. Franchisee shall close the Franchised Business for business to customers and cease to directly or indirectly sell products and services of any kind and in any manner from the Franchised Business and/or using the Marks, unless Franchisor directs Franchisee otherwise in connection with Franchisor's exercise of its options to purchase pursuant to Section XVI.E;

2. Franchisee shall immediately thereafter cease to use, by advertising or in any manner whatsoever, the Marks or any forms, manuals, slogans, signs, marks, symbols, or devices used in connection with the operation of the Franchised Business;

3. Franchisee shall cease to directly or indirectly identify itself or its business as a current or former Central Bark Facility or as one of Franchisor's former franchisees

(except in connection with other Central Bark Facilities Franchisee operates in compliance with the terms of a valid franchise agreement with Franchisor) and Franchisee shall take such action as shall be necessary to change Franchisee's sole proprietorship/corporate/limited liability company/partnership name or cancel any assumed name or equivalent registration which contains the name "CENTRAL BARK" or any other Mark of Franchisor. If Franchisee fails or refuses to do so, Franchisor may, in Franchisee's name and on Franchisee's behalf and, at Franchisee's expense, execute any and all documents necessary to cause discontinuance of Franchisee's use of the name "CENTRAL BARK", or any related name used hereunder, and Franchisor is hereby irrevocably appointed by Franchisee as Franchisee's attorney-in-fact to do so;

4. Franchisee shall not thereafter use, communicate or divulge, in any manner, or for any purpose, directly or indirectly, any of Franchisor's Confidential Information, trade secrets, procedures, forms, techniques, know-how or materials acquired by Franchisee by virtue of the relationship established by this Agreement, including Franchisor's services, programs and products; specifications or descriptions of Franchisor's services and products; lists of customers and lists of employees and independent contractors; any and all of the systems, procedures, techniques, criteria, concepts, designs, advertising and promotion techniques and products/service techniques; and all other components, specifications and standards which comprise part of Franchisor's system;

5. Franchisee shall immediately turn over to Franchisor all manuals, including the Operating Manual, records, files, instructions, correspondence, and any and all materials relating to the operation of the Franchised Business in Franchisee's possession, and all copies thereof (all of which are acknowledged to be Franchisor's property), and shall retain no copy or record of any of the foregoing, excepting only Franchisee's copy of this Agreement and of any correspondence between the parties, and any other documents which the Franchisee reasonably needs for compliance with any provision of law;

6. Franchisee shall return to Franchisor all signs, sign faces, sign cabinets, advertising materials, forms, invoices and other materials and supplies containing any Mark or otherwise identifying or relating to the Franchised Business and allow Franchisor, without liability, to remove all such items from the Franchised Business;

7. Franchisee shall assign to Franchisor all of Franchisee's right, title and interest in and to all telephone and facsimile numbers, directory listings, and any other type of contact information used by or that is associated with the Franchised Business (collectively, "Contact Identifiers") and Online Presences. Franchisee shall notify the telephone company, all directory publishers and registrars of the termination or expiration of Franchisee's right to use any Contact Identifiers or Online Presences associated with any Mark and to authorize transfer thereof to Franchisor or at Franchisor's direction to a third-party. Franchisee acknowledges that, as between Franchisee and Franchisor, Franchisor has the sole rights to and interest in all Contact Identifiers and Online Presences associated with any Mark. Franchisee authorizes Franchisor, and hereby appoints Franchisor, and any of Franchisor's officers, as Franchisee's attorney in fact, to direct the telephone company, all directory publishers and all registrars to transfer any Contact Identifier or Online

Presence relating to the Franchised Business to Franchisor, or at Franchisor's direction to a third-party, should Franchisee fail or refuse to do so, and the telephone company, all directory publishers and all registrars may accept such direction or this Agreement as conclusive of Franchisor's exclusive rights in such Contact Identifiers and Online Presences and Franchisor's authority to direct their transfer;

8. If Franchisor does not purchase the Franchised Business as provided in Section XVI.E., Franchisee shall make such changes to the appearance of the Franchised Business in order that it does not resemble a Central Bark Facility. If Franchisee fails to initiate immediately or complete such alterations within such period of time that Franchisor deems appropriate, Franchisee agrees that Franchisor, or Franchisor's designated agents, may enter the premises and adjacent areas at any time, without prior notice, and forcibly, if necessary, make such alteration at Franchisee's sole risk and expense. Franchisor shall not be responsible for any actual or consequential damages to Franchisee's property or be liable for any trespass or other tort or criminal act;

9. Franchisee, at Franchisor's option, shall assign to Franchisor any interest which Franchisee has in any lease, sublease, right or entry or easement for the Franchise Location, and vacate the Franchise Location promptly and completely, rendering all necessary assistance to Franchisor to enable Franchisor to take prompt possession thereof. Franchisor shall not be liable for any back rent owed by the Franchisee to the Lessor;

10. Franchisee shall immediately execute any and all agreements necessary to effectuate such termination in a prompt and timely manner;

11. Comply with all other System Standards Franchisor establishes from time to time (and all applicable laws) in connection with the closure and de-identification of the Franchised Business, including as it relates to disposing of Personal Information, in any form, in Franchisee's possession or the possession of any of Franchisee's employees; and

12. Franchisee shall furnish Franchisor, within thirty (30) days after the effective date of termination or expiration, with evidence satisfactory to Franchisor, of Franchisee's compliance with the foregoing obligations.

C. CONFIDENTIAL INFORMATION

Franchisee agrees that, upon termination or expiration of this Agreement, Franchisee will immediately cease to use any Confidential Information of Franchisor, and Franchisor's affiliates, disclosed to Franchisee pursuant to this Agreement in any business or otherwise, take any such action necessary to turn over control of any electronic medium containing Client Information to Franchisor and return to Franchisor all copies of the Operating Manual and any other confidential materials which have been loaned to Franchisee by Franchisor.

D. COVENANT NOT TO COMPETE

Upon termination of this Agreement by Franchisor in accordance with its terms and conditions, or by Franchisee without cause, or upon expiration of this Agreement, Franchisee

agrees that, for a period of two (2) years commencing on the effective date of termination or expiration, or the date on which Franchisee ceases to conduct business, whichever is later, that Franchisee shall not have any direct or indirect interest (through a member of the immediate families of Franchisee, or Franchisee's owners) as disclosed or beneficial owner, investor, partner, member, director, officer, manager, employee, consultant, lessor, representative or agent in any other capacity in any Competitive Business located or operating within ten (10) miles of the Franchised Business or ten (10) miles of any Central Bark Facility operated by Franchisor, Franchisor's affiliates, or other franchisees of Franchisor as of the effective date of termination or expiration, nor will Franchisee divert or to attempt to divert any business or customer of the Franchised Business to any competitor, by direct or indirect inducement. For purposes of construing the covenants contained in this Section XVI., "Franchisee" shall be deemed to include not only the individuals or entity which is defined as Franchisee in the introductory paragraph of this Agreement, but if Franchisee is an individual, shall also include Franchisee's spouse, children, grandchildren, or parents; if Franchisee is a joint venture, limited liability company, or partnership, the foregoing restrictions shall apply to each partner, member, or venturer who, individually or collectively, through himself, his spouse, his children, his grandchildren, or his parents, owns a five percent (5%) or greater interest in such venture, limited liability company, or partnership; or if Franchisee is a corporation, the foregoing restrictions shall apply to officers, directors, and to each shareholder, who individually or collectively, through himself, his spouse, his children, his grandchildren, or his parents, owns a five percent (5%) or greater interest in the outstanding capital stock of such corporation. By their signatures hereto, all partners, members, shareholders, officers and directors of the entity which signed this Agreement as Franchisee acknowledges and accepts the duties and obligations imposed upon each and every one of them, individually, by the terms of this Section. Franchisor shall have the right to require all of Franchisee's personnel to execute similar covenants in a form satisfactory to Franchisor. The covenants set forth in this Section XVI. shall survive the termination or expiration of this Agreement. Franchisee acknowledges that the covenant not to compete set forth in this Section XVI. is fair and reasonable, and will not impose any undue hardship on Franchisee, since Franchisee has other considerable skills, experience and education which afford Franchisee the opportunity to derive income from other endeavors. If the aforementioned shall be deemed unenforceable by law, then the period shall be reduced to such period as shall be legally enforceable.

No sale, assignment, transfer, conveyance, encumbrance or gift of any interest in this Agreement or in the Franchise granted thereby shall relieve Franchisee and its owners participating in any transfer, of the obligations of the covenants contained herein, except where Franchisor shall expressly authorize in writing.

E. FRANCHISOR HAS RIGHT TO PURCHASE FRANCHISED BUSINESS

Upon termination of this Agreement by Franchisor in accordance with its terms and conditions or by Franchisee without cause, or upon expiration of this Agreement, Franchisor, or Franchisor's assignee, shall have the option, but not the duty, exercisable by giving written notice thereof within thirty (30) days from the date of such expiration or termination, to purchase from Franchisee all the tangible assets (including, without limitation, usable inventory, supplies, leasehold improvements, fixtures, furnishings, equipment and signs, but excluding any unamortized portion of the initial franchise fee) and to receive an assignment of the lease or sub-

lease for the Franchise Location (or, if assignment is prohibited), a sublease for the full remaining term and on the same terms and conditions as Franchisee's lease or sublease). Franchisor shall have the unrestricted right to assign this option to purchase. Franchisor, or Franchisor's assignee, shall be entitled to all customary warranties and representations in connection with Franchisor's asset purchase, including, without limitation, representations and warranties as to ownership, condition of and title to assets, liens and encumbrances on the assets, validity of contracts and agreements and liabilities inuring to Franchisor or affecting the assets, contingent or otherwise.

The purchase price shall be the fair market value and shall be paid in cash at the closing of the purchase, which shall take place no later than one hundred twenty (120) days after the determination of the purchase price, at which time Franchisee shall deliver instruments transferring to Franchisor, or Franchisor's assignee, good and merchantable title to the assets purchased, free and clear of all liens and encumbrances with all sales and other transfer taxes paid by Franchisee, and all leases which may be assigned or transferred. If the parties cannot agree on the fair market value within a reasonable time, the fair market value of the property shall be determined by three (3) appraisers chosen in the following manner: Franchisee shall select one (1), and Franchisor shall select one (1), and the two appraisers so chosen shall select a third appraiser. The decision of the majority of the appraisers so chosen shall be conclusive. The cost of the third appraiser shall be shared equally by the parties. If Franchisor elects to exercise any option to purchase herein provide, Franchisor shall have the right to set off all amounts due from Franchisee under this Agreement against payment therefor. In the event that Franchisee cannot deliver clear title to all of the purchased assets as aforesaid, or in the event there shall be other unresolved issues, at Franchisor's or Franchisor's assignee's option, the closing of the sale shall be accomplished through an escrow. Prior to closing, Franchisee and Franchisor, or Franchisor's assignee, shall comply with the applicable Bulk Sales provisions of the Uniform Commercial Code as enacted in the state in which the Franchised Business is located.

If Franchisor, or Franchisor's assignee, exercises this option to purchase, pending determination of the purchase price and the closing of such purchase, Franchisor, or Franchisor's assignee, may appoint a manager to maintain the operation of the Franchised Business or, at Franchisor's option, require Franchisee to close the Franchised Business during such time period without removing any assets. Franchisee shall maintain in force all insurance policies required for the Franchised Business until the date of closing.

F. CONTINUING OBLIGATIONS

The expiration or termination of this Agreement shall be without prejudice to the rights of Franchisor against Franchisee, and such expiration or termination shall not relieve Franchisee of any of his obligations to Franchisor existing at the time of expiration or termination, or terminate those obligations of Franchisee which by their nature survive the expiration or termination of this Agreement.

No right or remedy herein conferred upon or reserved to Franchisor is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder.

XVII **HOURS OF OPERATION**

Franchisee recognizes that continuous and daily availability of service to the public is essential to the adequate promotion of the Franchised Business and that any failure to provide such availability affects Franchisor both locally and nationally. Franchisee shall make itself available to provide the franchise services during the hours specified or approved in writing by Franchisor, except where prohibited or otherwise regulated by governmental authority, and shall conduct the business in accordance with generally accepted business standards. These requirements may be changed by Franchisor.

XVIII **ASSIGNMENT**

A. BY FRANCHISOR

This Agreement and all rights hereunder may be assigned and transferred by Franchisor and, if so, shall be binding upon and inure to the benefit of Franchisor's successors and assigns. Franchisor may sell Franchisor's assets, Marks, or System outright to a third party; may go public; may engage in a private placement of some or all of Franchisor's securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leverage buy-out or other economic or financial restructuring; and, with regard to any or all of the above sales, assignments and dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of said Marks (or any variation thereof) and/or the loss of association with or identification of Franchisor.

B. FRANCHISEE MAY NOT ASSIGN WITHOUT APPROVAL OF FRANCHISOR

Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee (or, if Franchisee is a corporation, limited liability company, or partnership, to its owners) and that Franchisor has granted the Franchise to Franchisee in reliance upon Franchisor's perceptions of the individual or collective character, skill, aptitude, attitude, business ability and financial capacity of Franchisee (or its owners). Accordingly, neither this Agreement (or any interest herein) nor any part or all of the ownership of Franchisee or the Franchised Business (or any interest therein) may be transferred without Franchisor's prior written approval. Any transfer, or attempt to transfer, without such approval shall constitute a breach of this Agreement and be void and of no effect. As used in this Agreement, the term "transfer" shall mean and include the voluntary, involuntary, direct or indirect assignment, sale, gift or other disposition by Franchisee (or any of its owners) of any interest in:

1. This Agreement;

2. The ownership of Franchisee; or

3. The Franchised Business.

An assignment, sale, gift or other disposition shall include the following events:

1. Transfer of ownership of capital stock or a partnership interest;

2. Merger or consolidation or issuance of additional securities representing an ownership interest in Franchisee;

3. Any sale of capital stock of Franchisee or any security convertible to capital stock of Franchisee;

4. Transfer of an interest in Franchisee, this Agreement, or the Franchised Business in a divorce, insolvency, corporate or partnership dissolution proceeding or otherwise by operation of law;

5. Transfer of an interest in Franchisee, this Agreement, or the Franchised Business in the event of the death of Franchisee, or an owner of Franchisee, by will, declaration of or transfer in trust, or under the laws of intestate succession; or

6. The pledge or encumbrance of this Agreement (to someone other than Franchisor) or an ownership interest in Franchisee or its owners.

If Franchisee intends to list the Franchised Business for sale with any broker or agent, Franchisee shall do so only after obtaining Franchisor's written approval of the broker or agent and of the listing agreement; provided, that, Franchisor may withhold its consent and require Franchisee to use Franchisor's designated broker, in its sole discretion. Franchisee further acknowledges and agrees that, if Franchisee intends to list the Franchised Business for sale, Franchisee may list the Franchised Business only on such platforms as Franchisor elects or approves. Franchisee acknowledges that Franchisor may provide any information regarding the Franchised Business to any third-party prospective buyers. Franchisee may not use or authorize the use of any Mark in advertising the transfer or other disposition of the Franchised Business or of any ownership in Franchisee without Franchisor's prior written consent. Franchisee shall not use or authorize the use of, and no third party shall on Franchisee's behalf use, any written materials to advertise or promote the transfer of the Franchised Business or of any ownership interest in Franchisee without Franchisor's prior written approval of such materials.

C. CONDITIONS FOR APPROVAL OF TRANSFER

If Franchisee is in full compliance with this Agreement (and, if Franchisee is a corporation, limited liability company, or partnership, its owners are in full compliance with this Agreement), Franchisor may approve, in Franchisor's sole discretion, a transfer that meets all the requirements in this Section. The proposed transferee and its owners must be individuals of good moral character, have sufficient business experience, aptitude and financial resources to operate the Franchised Business, and meet Franchisor's then applicable standards for franchisees. A transfer of ownership in the Franchised Business may only be made in conjunction with a transfer of this Agreement. If the transfer is of this Agreement or a controlling interest in Franchisee, or is one of a series of transfers which in the aggregate constitute the transfer of this Agreement or a controlling interest in Franchisee, all of the following conditions must be met prior to or concurrently with the effective date of the transfer:

1. Franchisee shall have paid all Royalty Fees, Brand Fund contributions, LAC contributions, amounts owed for purchases by Franchisee from Franchisor, or Franchisor's affiliates, and all other amounts owed to Franchisor, Franchisor's affiliates, and third-party creditors, and shall have submitted to Franchisor all required reports and statements;

2. The transferee (or its approved owner and Designated Manager, if applicable) shall have agreed to complete Franchisor's training program to Franchisor's satisfaction;

3. The transferee shall have executed Franchisor's then-current standard Franchise Agreement (the terms of which may materially differ from those contained in this Agreement);

4. Franchisee shall have paid Franchisor a transfer fee of $15,000.

5. Franchisee (and its transferring owners) shall have executed a general release, in form satisfactory to Franchisor, of any and all claims against Franchisor, and Franchisor's affiliates, and their officers, directors, employees and agents;

6. Franchisee shall have provided Franchisor all information or documents Franchisor requests about the proposed transfer, the transferee, and its owners;

7. Franchisor shall have approved the material terms and conditions of such transfer, including, without limitation, that the price and terms of payment are not so burdensome as to affect adversely the transferee's operation of the Franchised Business;

8. If Franchisee finances any part of the sale price of the transferred interest, Franchisee and/or Franchisee's owners shall have agreed that all obligations of the transferee under or pursuant to any promissory notes, agreements or security interests reserved by Franchisee or Franchisee's owners in the assets of the Franchised Business shall be subordinate to the transferee's obligations to pay Royalty Fees, Fund contributions, LAC contributions and other amounts due to Franchisor, and Franchisor's affiliates, and otherwise to comply with this Agreement;

9. Franchisee and Franchisee's owners shall have executed a noncompetition covenant in favor of Franchisor and the transferee agreeing that, for a period of two (2) years commencing on the effective date of the transfer, Franchisee, Franchisee's owners and members of the immediate families of Franchisee, and each of Franchisee's owners, will not hold any direct or indirect interest as a disclosed or beneficial owner, investor, partner, member, stockholder, director, officer, manager, employee, consultant, representative or agent, or in any other capacity, in a Competitive Business located or operating within the Designated Area or within ten (10) miles of any Central Bark Facility operated by Franchisor, Franchisor's affiliates, or other franchisees of Franchisor;

10. Franchisee shall have agreed that Franchisee will not directly or indirectly at any time or in any manner (except with respect to a Central Bark Facility owned and operated by Franchisee) identify himself or any business as a current or former Central

Bark Facility, or as a Franchisee, licensee or dealer of Franchisor, or Franchisor's affiliates, use any Mark, any colorable imitation thereof or other indicia of "CENTRAL BARK" in any manner or for any purpose or utilize for any purpose any trade name, trademark or service mark or other commercial symbol that suggests or indicates a connection or association with Franchisor or Franchisor's affiliates;

11. The lessor or sublessor of the premises shall have consented to the assignment or sublease of the Franchise Location to the transferee or the transferee must have secured substitute premises for the Franchised Business approved by Franchisor;

12. Franchisee and/or transferee shall make reasonable capital expenditures to remodel, modernize and redecorate the Franchise Location so that the Franchise Location will reflect the current image intended to be portrayed by the Franchised Business. All remodeling, modernization, redecoration of the franchised premises must be done in accordance with the standards and specifications prescribed by Franchisor and all replacements must conform to Franchisor's then-current quality standards and specifications and must be approved by Franchisor in writing;

13. Franchisee must give Franchisor ninety (90) days written notice prior to any sale or assignment by Franchisee. The purpose of this paragraph is to enable Franchisor to comply with any applicable state or federal franchise disclosure laws. Franchisee agrees to indemnify and hold Franchisor harmless for Franchisee's failure to comply with this Section;

14. Franchisee must use Franchisor's designated broker, if Franchisor so requires, and shall be responsible for the payment of all fees and expenses in connection with the broker's services;

15. If transferee is a corporation:

(a) Each stock certificate of the transferee corporation shall have conspicuously endorsed upon it a statement that it is held subject to, and if further assignment or transfer thereof is subject to, all restrictions imposed upon assignments by this Agreement; and

(b) No new shares of common or preferred voting stock in a transferee corporation shall be issued to any person, partnership, limited liability company, trust, foundation, or corporation without obtaining Franchisor's prior written consent;

16. Transferee and all owners, members, partners, officers and directors of transferee shall execute such guaranties and other documents as may be required by Franchisor; and

17. Franchisee provides Franchisor with a complete copy of the closing documents, and all other information Franchisor requests about the proposed transfer, at least three (3) days prior to closing.

Franchisee shall not sell or transfer, without the Franchisor's prior written consent, to a third party any leasehold improvements, inventory, furniture, fixtures, or equipment without the transfer, to the same party, of this Agreement. Any purported assignment of the above-listed assets not having the aforesaid consent shall be null and void and shall constitute a material default hereunder.

D. TRANSFER TO A WHOLLY-OWNED CORPORATION OR LIMITED LIABILITY COMPANY

If Franchisee is in full compliance with this Agreement, Franchisee may transfer this Agreement to a corporation or limited liability company which conducts no business other than the Franchised Business and in which Franchisee maintains management control and owns and controls One hundred percent (100%) of the equity and voting power of the corporation or limited liability company. Transfers of shares in such corporation or limited liability company will be subject to the provisions of Section XVIII.D. All accrued money obligations of Franchisee to Franchisor, Franchisor's subsidiaries or assignees, shall be satisfied prior to assignment or transfer. Notwithstanding anything to the contrary herein, Franchisee shall remain personally liable under this Agreement as if the transfer to such corporation or limited liability company had not occurred. Further, Franchisee must reimburse Franchisor for any direct costs it incurs in connection with documenting and processing such transfer, including reasonable legal fees. The Articles of Incorporation, By-Laws and other organizational documents of such corporation or the Articles of Organization, Operating Agreement and other organizational documents of such limited liability company shall recite that the issuance and assignment of any interest therein is restricted by the terms of Section XVIII. hereof, and all issued and outstanding stock certificates of such corporation shall bear a legend reciting or referring to the restrictions hereof. Each owner of Franchisee, at any time during the term of this Agreement, shall execute an "Owner's Guaranty and Assumption of Franchisee's Obligations", or such other agreement that Franchisor prescribes, undertaking to be bound jointly and severally by all provisions of this Agreement. Franchisee shall furnish to Franchisor, at any time upon request, in such form as Franchisor may require, a list of Franchisee's owners (of record and beneficially) reflecting their respective interests in Franchisee. The transferee corporation or limited liability company shall enter into a written assignment with Franchisee and Franchisor (in a form satisfactory to Franchisor) assuming all of Franchisee's obligations hereunder. No new shares of common or preferred voting stock in the transferee corporation or membership interest in the transferee limited liability company shall be issued to any person, partnership, trust, limited liability company, foundation, or corporation without obtaining Franchisor's prior written consent.

E. DEATH OR DISABILITY OF FRANCHISEE

Upon the death or permanent disability of Franchisee or, if Franchisee is a corporation, limited liability company, or partnership, the Managing Owner or an owner of a controlling interest in Franchisee, the executor, administrator, conservator, guardian or other personal representative of such person shall, within six (6) months of such event:

1. Apply to Franchisor for the right to continue to operate the Franchised Business (for the duration of the term of this Agreement), which right shall be granted upon

the fulfillment of all of the conditions set forth in Section XVIII.C. of this Agreement (except that no transfer fee shall be required); or

2. Transfer Franchisee's interest in this Agreement or such interest in the Franchised Business to a third party approved by Franchisor. Such disposition of this Agreement or such interest in the Franchised Business (including, without limitation, transfer by bequest or inheritance) shall be completed within a reasonable time, not to exceed six (6) months from the date of death or permanent disability, and shall be subject to all the terms and conditions applicable to transfers contained in Paragraph XVIII.C. Failure to transfer the interest in this Agreement or such interest in Franchisee within said period of time shall constitute a breach of this Agreement. For purposes hereof, the term "permanent disability" shall mean a mental or physical disability, impairment or condition that is reasonably expected to prevent or actually does prevent Franchisee, or an owner of a controlling interest in Franchisee, from supervising the management and operation of the Franchised Business for a period of six (6) months from the onset of such disability, impairment or condition.

In the event of the death or incapacity of a Franchisee, or any partner, member, or shareholder of a Franchisee, which is a partnership, limited liability company, or corporation, where the aforesaid provisions have not been fulfilled within the time provided, all rights licensed to Franchisee under this Agreement shall, at the option of Franchisor, terminate forthwith and automatically revert to Franchisor.

F. EFFECT OF CONSENT TO TRANSFER

Franchisor's consent to a transfer of this Agreement or any interest in Franchisee or the Franchised Business shall not constitute a waiver of any claims Franchisor may have against Franchisee (or its owners) nor be deemed a waiver of Franchisor's right to demand the transferee's exact compliance with any of the terms or conditions of this Agreement.

G. FRANCHISOR'S RIGHT OF FIRST REFUSAL

If Franchisee (or its owners) shall at any time determine to sell an interest in this Agreement, an ownership interest in Franchisee or the Franchised Business, Franchisee (or Franchisee's owners) shall obtain a bona fide, executed written offer from a responsible and fully disclosed purchaser (including lists of the owners of record and beneficially of any corporate offeror, the members of any limited liability company offeror and all general and limited partners of any partnership offeror and, in the case of a publicly-held corporation or limited partnership, copies of the most current annual and quarterly reports) and shall immediately submit to Franchisor a true and complete copy of such offer, which shall include details of the payment terms of the proposed sale and the sources and terms of any financing for the proposed purchase price. The offer must apply only to an interest in this Agreement and Franchisee and may not include an offer to purchase any other property or rights of Franchisee (or its owners). However, if the offeror proposes to buy any other property or rights from Franchisee (or its owners) under a separate, contemporaneous offer, the price and terms of purchase offered to Franchisee (or its owners) for the interest in this Agreement, Franchisee shall reflect the bona fide price offered therefor and shall not reflect any value for any other property or rights.

Franchisor shall have the right, exercisable by written notice delivered to Franchisee, or Franchisee's owners, within thirty (30) days from the date of delivery of an exact copy of such offer to Franchisor, to purchase such interest for the price and on the terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer, Franchisor's credit shall be deemed equal to the credit of any proposed purchaser and Franchisor shall have not less than ninety (90) days to prepare for closing. Franchisor shall be entitled to purchase such interest subject to all customary representations and warranties given by the seller of the assets of a business or voting stock of an incorporated business, as applicable, including, without limitation, representations and warranties as to ownership, condition of and title to stock and/or assets, liens and encumbrances relating to the stock and/or assets, validity of contracts and liabilities of the corporation whose stock is purchased and affecting the assets, contingent or otherwise.

If Franchisor exercises Franchisor's right of first refusal, Franchisee, and Franchisee's owners, agree that, for a period of two (2) years commencing on the date of the closing, neither Franchisee, nor Franchisee's owners, shall have any direct or indirect interest (through a member of the immediate families of Franchisee or its owners or otherwise) as a disclosed or beneficial owner, investor, partner, member, director, officer, manager, employee, consultant, representative or agent or in any other capacity in any Competitive Business located or operating within the Designated Area or within ten (10) miles of any Central Bark Facility operated by Franchisor, Franchisor's affiliates, or other franchisees of Franchisor. The restrictions of this Section shall not be applicable to the ownership of shares of a class of securities listed and outstanding.

If Franchisor does not exercise Franchisor's right of first refusal, Franchisee, or Franchisee's owners, may complete the sale to such purchaser pursuant to and on the exact terms of such offer, subject to Franchisor's approval of the transfer as provided in Sections XVIII, provided that if the sale to such purchaser is not completed within one hundred twenty (120) days after delivery of such offer to Franchisor, or if there is a material change in the terms of the sale, Franchisor's right of first refusal shall be extended for thirty (30) days after the expiration of such one hundred twenty (120) day period or after the material change in the terms of the sale.

Notwithstanding the provisions in this Section, where the offer to purchase is made by a member of Franchisee's immediate family, or by an owner of the entity which owns the Franchised Business, Franchisor shall not have the right to elect to purchase the Franchised Business or property as described above where all conditions of this Agreement relating to transferability are fulfilled.

XIX **TAXES, PERMITS AND INDEBTEDNESS**

A. TAXES

Franchisee shall promptly pay when due all taxes levied or assessed, including without limitation, federal income taxes, unemployment and sales taxes. Franchisor shall have no liability for any sales, use, excise, gross receipts, income, property or other taxes, whether levied upon Franchisee, the Franchised Business, Franchisee's property or upon Franchisor, in connection with the services provided or business conducted by Franchisee (except any taxes Franchisor is required

by law to collect from Franchisee with respect to purchases from Franchisor). Payment of all such taxes shall be Franchisee's responsibility.

B. PERMITS

Franchisee shall comply with all federal, state and local laws, rules and regulations; and shall timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the business licensed by this Agreement, including, without limitation, operating licenses, licenses to do business, fictitious name registration and sales tax permits.

Franchisee shall notify Franchisor in writing within five (5) days of the commencement of any action, suit or proceeding, and of the issuance of any order, writ, injunction, award or decree of any court agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.

C. INDEBTEDNESS

Franchisee shall promptly pay when due and shall maintain Franchisee's trade accounts in a current status and seek to promptly resolve any disputes with trade suppliers. In the event Franchisee shall not maintain Franchisee's trade accounts, Franchisor may, in Franchisor's sole discretion, but shall not be required to, pay any or all such accounts on behalf of Franchisee, in which event Franchisee agrees to immediately repay Franchisor therefor with interest on the amounts advanced by Franchisor at the rate of One and one-half percent (1 1/2%) per month for each and every month that said amount is not paid, but in no event shall Franchisee be compelled to pay interest at a rate greater than the maximum permitted by applicable law.

XX **INDEPENDENT CONTRACTOR**

This Agreement does not constitute Franchisee as an agent, legal representative, joint venturer, partner, member, employee, or servant of Franchisor for any purpose whatsoever; and it is understood between the parties hereto that Franchisee shall be an independent contractor and is in no way authorized to make any contract, agreement, warranty or representation on behalf of Franchisor, or to create any obligation, express or implied, on behalf of Franchisor. No employee of Franchisee shall be deemed to be an employee of Franchisor.

Franchisee shall prominently display in Franchisee's place of business a certificate from Franchisor stating that said business is operated by Franchisee as a franchisee of Franchisor, and not as an agent thereof. Franchisee shall place such notice of independent ownership on all forms, business cards, stationery, advertising, signs and other materials and in such fashion as Franchisor may, in Franchisor's sole and exclusive discretion, specify and require from time to time, in its Operating Manual.

Franchisor and Franchisee acknowledge and agree that they are not joint employers of any of Franchisee's employees, agents, or personnel. Franchisor does not and shall not share or codetermine the essential terms and conditions of employment for any individual employed by Franchisee. Without limiting the foregoing, Franchisor shall have no authority to determine or set, and shall not participate in determining or setting, any of the following with respect to Franchisee's

employees: (i) wages, benefits, or other compensation; (ii) hours of work or scheduling; (iii) assignment of duties; (iv) supervision or evaluation of performance; (v) work rules or disciplinary standards; (vi) hiring, discharge, or tenure of employment; or (vii) working conditions related to health and safety. Franchisee alone shall have sole and exclusive authority over all such matters.

XXI LIEN GRANTED TO FRANCHISOR

Franchisor is hereby given a lien upon all property of Franchisee, including, but not limited to, equipment, inventory, trade fixtures, leasehold improvements, contracts, cash derived from the operation of the Franchised Business and sale of other assets, and all proceeds and products of said items whether acquired by Franchisee before or after the date hereof. In the event of any default in this Agreement by Franchisee, Franchisor shall have all remedies of a secured party under the Uniform Commercial Code. Franchisor may require Franchisee to assemble the collateral and make it available to Franchisor for Franchisor's possession at a place to be designated by Franchisor which is reasonably convenient to both Franchisor and Franchisee and further, that the net proceeds realized upon any disposition of the collateral by public or private sale in accordance with the provisions of the Uniform Commercial Code after deduction for the reasonable expenses of retaking, holding, preparing for sale, selling or the like and the reasonable attorneys' fees and legal expenses incurred by Franchisor in connection therewith, shall be applied in satisfaction of the obligations of Franchisee secured hereby. Franchisor agrees to account to Franchisee for any surplus realized in any such disposition and Franchisee agrees to remain liable for any deficiency. Franchisee agrees upon demand to execute and deliver to Franchisor such financing statements and other documents in form satisfactory to Franchisor and to do all such acts and things as Franchisor may at any time or from time to time reasonably request or as may be necessary or appropriate to establish and maintain a perfected security interest in the above collateral as security for the obligations of Franchisee secured hereby. The rights and remedies herein contained and reserved to Franchisor shall not be considered as exclusive of any other right or remedy of Franchisor, but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. Upon demand from Franchisee, Franchisor shall subordinate this lien to: (1) any bank or financial institution requiring a senior lien which provides financing for Franchisee's business; and (2) any purchase money interest on property purchased for Franchisee's business.

XXII WAIVER OF OBLIGATIONS

The following provision applies if Franchisee or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Rhode Island, South Dakota, Virginia, or Wisconsin: 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.

Franchisor and Franchisee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice thereof to the other or such other effective date stated in the notice of waiver. Any waiver granted by Franchisor shall be without prejudice to any other rights Franchisor may have, will be subject to continuing review by Franchisor and may be revoked, in Franchisor's sole discretion, at any time and for any reason, effective upon delivery to Franchisee of ten (10) days' prior written notice.

Franchisor and Franchisee shall not be deemed to have waived or impaired any right, power or option reserved by this Agreement (including, without limitation, the right to demand exact compliance with every term, condition and covenant herein or to declare any breach thereof to be a default and to terminate this Agreement prior to the expiration of its term) by virtue of any custom or practice of the parties at variance with the terms hereof; any failure, refusal or neglect of Franchisor or Franchisee to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder, including, without limitation, any mandatory standard, specification or operating procedure; any waiver, forbearance, delay, failure or omission by Franchisor to exercise any right, power or option, whether of the same, similar or different nature, with respect to other CENTRAL BARK franchises; or Franchisor's acceptance of any payments due from Franchisee after any breach of this Agreement.

XXIII **NOTICE**

All written notices and reports permitted or required to be delivered by the provisions of this Agreement or of the Operating Manual shall be deemed so delivered at the time delivered by hand; one (1) business day after transmission by electronic mail or comparable electronic system; one (1) business day after being placed in the hands of a nationally recognized commercial carrier service for next business day delivery; or three (3) business days after placement in the mail by registered or certified mail, return receipt requested, postage prepaid, to the address set forth in the first paragraph of this Agreement, other future addresses advised by a party in writing, or if to Franchisee, to the Central Bark Facility Franchisee operates under this Agreement. Any required payment or report which Franchisor does not actually receive at the correct address during regular business hours on the due date (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

XXIV **COSTS OF ENFORCEMENT; ATTORNEYS' FEES**

If either party initiates a judicial or other proceeding, the party prevailing in such proceeding shall be entitled to reimbursement of its costs and expenses, including arbitration and court costs and reasonable attorneys' fees.

XXV **ENTIRE AGREEMENT**

This Agreement and the documents referred to herein is binding upon the parties hereto and the respective executors, administrators, heirs, assigns and successors in interest, shall be construed together and constitute the entire, full and complete agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersedes all prior agreements. Nothing in this Agreement or any related agreement is intended to disclaim the representations made in the

Franchise Disclosure Document. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing and signed by the party to be charged. Franchisor, however, may unilaterally modify the Operating Manual.

XXVI SEVERABILITY AND CONSTRUCTION

Except as expressly provided to the contrary herein, each section, part, term and/or provision of this Agreement shall be considered severable; and if, for any reason, any section, part, term and/or provision herein is determined to be invalid and contrary to, or in conflict with any existing or future law or regulation by a court or agency having valid jurisdiction, such shall not impair the operation of, or have any other effect upon, such other portions, sections, parts, terms and/or provisions of this Agreement as may remain otherwise intelligible, and the latter shall continue to be given full force and effect and bind the parties hereto; and said invalid sections, parts, terms and/or provisions shall be deemed not to be a part of this Agreement; provided, however, that if Franchisor determines that such finding of invalidity or illegality adversely affects the basic consideration of this Agreement, Franchisor, at its option, may terminate this Agreement.

Anything to the contrary herein notwithstanding, nothing in this Agreement is intended, nor shall be deemed, to confer upon any person or legal entity other than Franchisor or Franchisee, and such of their respective successors and assigns as may be contemplated by this Agreement hereof, any rights or remedies under or by reason of this Agreement.

Franchisee expressly agrees to be bound by any promise or covenant imposing the maximum duty permitted by law which is subsumed within the terms of any provision hereof, as though it were separately articulated in and made a part of this Agreement, that may result from striking from any of the provisions hereof any portion or portions which a court may hold to be unreasonable and unenforceable in a final decision to which Franchisor is a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

All captions in the Agreement are intended solely for the convenience of the parties, and none shall be deemed to affect the meaning or construction of any provision hereof.

All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable, and all acknowledgements, promises, covenants, agreements and obligations herein made or undertaken by Franchisee shall be deemed jointly and severally undertaken by all the parties hereto on behalf of Franchisee.

The rights of Franchisor and Franchisee hereunder are cumulative and no exercise or enforcement by Franchisor or Franchisee of any right or remedy hereunder shall preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder which Franchisor or Franchisee is entitled by law to enforce.

Franchisee agrees that whenever this Agreement allows or requires Franchisor to take actions or make decisions, Franchisor may do so in its sole and unfettered discretion, even if Franchisee believes Franchisor's action or decision is unreasonable, unless the Agreement expressly and specifically requires that Franchisor act reasonably or refrain from acting unreasonably in connection with the particular action or decision.

XXVII APPLICABLE LAW

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT OR ANY RELATED AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS SECTION.

XXVIII CONSENT TO JURISDICTION

SUBJECT TO SECTION XXX AND THE PROVISIONS BELOW, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR ANY RELATED AGREEMENTS, OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO WHERE FRANCHISOR'S OR, AS APPLICABLE, FRANCHISOR'S SUCCESSORS OR ASSIGN'S PRINCIPAL OFFICE THEN IS LOCATED (CURRENTLY LOCATED IN OAKLAND PARK, FLORIDA), AND FRANCHISOR AND FRANCHISEE (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR FORUM IN THOSE COURTS. NONETHELESS, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT FRANCHISOR AND FRANCHISEE (AND EACH OWNER) MAY ENFORCE ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH FRANCHISEE IS DOMICILED OR THE FRANCHISED BUSINESS IS LOCATED.

XXIX INJUNCTIVE RELIEF

Nothing contained in this Agreement shall bar Franchisor from seeking (1) injunctive relief against threatened conduct that will cause Franchisor irreparable loss or damages under customary equity rules, including applicable rules for obtaining restraining orders and preliminary

injunctions; or (2) in any dispute regarding possession of the premises, the remedy of forcible detainer against Franchisee for any breach of a sublease for the premises under customary rules governing such actions. Franchisee agrees that Franchisor may seek such injunctive relief from any court of competent jurisdiction, without bond, but upon due notice, in addition to such other relief as may be available to Franchisor at equity or law, and Franchisee's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had, and Franchisee hereby expressly waives any claim for damages caused by such injunction.

XXX **ARBITRATION**

Franchisor and Franchisee agree that all controversies, disputes, or claims between Franchisor or its affiliates, and their respective owners, officers, directors, agents, and employees, on the one hand, and Franchisee and Franchisee's owners, guarantors, affiliates, and employees, on the other hand, arising out of or related to:

1. this Agreement or any other agreement between Franchisor (or any of its affiliates) and Franchisee (or any of Franchisee's owners);

2. Franchisor's relationship with Franchisee;

3. the scope or validity of this Agreement or any other agreement between Franchisee (or any of Franchisee's owners) and Franchisor (or any of its affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section XXX, which Franchisor and Franchisee acknowledge is to be determined by an arbitrator, not a court); or

4. any System Standards;

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("AAA"). The arbitration proceedings will be conducted by one arbitrator and, except as this Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within fifty (50) miles of Franchisor's or, as applicable, Franchisor's successor's or assign's then-current principal place of business (currently, Oakland Park, Florida). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by Franchisor or its affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (Franchisor and Franchisee hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration

proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

Franchisor and Franchisee agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. Franchisor and Franchisee further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either Franchisor or Franchisee.

FRANCHISOR AND FRANCHISEE AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN FRANCHISOR AND ANY OF ITS AFFILIATES, OR THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND FRANCHISEE AND ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES, ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS; (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING; (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY; OR (IV) BROUGHT ON FRANCHISEE'S BEHALF BY ANY ASSOCIATION OR AGENT. NOTWITHSTANDING THE FOREGOING, IF ANY COURT OR ARBITRATOR DETERMINES THAT ALL OR ANY PART OF THE PRECEDING SENTENCE IS UNENFORCEABLE WITH RESPECT TO A DISPUTE, CONTROVERSY OR CLAIM THAT OTHERWISE WOULD BE SUBJECT TO ARBITRATION UNDER THIS SECTION, THEN ALL PARTIES AGREE THAT THIS ARBITRATION CLAUSE SHALL NOT APPLY TO THAT DISPUTE, CONTROVERSY OR CLAIM AND THAT SUCH DISPUTE, CONTROVERSY OR CLAIM SHALL BE RESOLVED IN A JUDICIAL PROCEEDING IN ACCORDANCE WITH THE DISPUTE RESOLUTION PROVISIONS OF THIS AGREEMENT.

Franchisee and Franchisor agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute.

The provisions of this Section are intended to benefit and bind certain third party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

XXXI **WAIVER OF PUNITIVE DAMAGES**

EXCEPT FOR FRANCHISEE'S OBLIGATION TO INDEMNIFY FRANCHISOR FOR THIRD PARTY CLAIMS UNDER SECTION XIII, FRANCHISOR AND FRANCHISEE (AND ITS OWNERS WAIVE TO THE EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM FOR ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER AND AGREE THAT, IN THE EVENT OF A DISPUTE BETWEEN FRANCHISOR AND FRANCHISEE, THE PARTY MAKING A CLAIM WILL BE LIMITED TO EQUITABLE RELIEF AND TO RECOVERY OF ANY ACTUAL DAMAGES IT SUSTAINS.

XXXII **WAIVER OF JURY TRIAL**

EACH PARTY IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING BROUGHT BY EITHER PARTY.

XXXIII **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS**.

THE PARTIES AGREE THAT ANY PROCEEDING WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY PROCEEDING BETWEEN FRANCHISOR AND ANY OF ITS AFFILIATES, OR THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES), ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS, (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER PROCEEDING, (III) JOINED WITH ANY CLAIM OF AN UNAFFILIATED THIRD-PARTY, OR (IV) BROUGHT ON FRANCHISEE'S BEHALF BY ANY ASSOCIATION OR AGENT. NO PREVIOUS COURSE OF DEALING SHALL BE ADMISSIBLE TO EXPLAIN, MODIFY, OR CONTRADICT THE TERMS OF THIS AGREEMENT. NO IMPLIED COVENANT OF GOOD FAITH AND FAIR DEALING SHALL BE USED TO ALTER THE EXPRESS TERMS OF THIS AGREEMENT.

EXCEPT FOR CLAIMS ARISING FROM FRANCHISEE'S NON-PAYMENT OR UNDERPAYMENT OF AMOUNT FRANCHISEE OWES FRANCHISOR OR ITS AFFILIATES, ANY AND ALL CLAIMS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR FRANCHISOR'S RELATIONSHIP WITH FRANCHISEE SHALL BE BARRED UNLESS A JUDICIAL OR ARBITRATION PROCEEDING IS COMMENCED IN ACCORDANCE WITH THIS AGREEMENT WITHIN 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.

XXXIV **COUNTERPARTS**.

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

XXXV **DEFINITIONS.**

The term "Franchisee" as used in this Agreement shall refer to each person executing this Agreement as Franchisee whether such person is one of the spouses, partners, members, proprietors, shareholders, trustees, trustors or beneficiaries or persons named as included in Franchisee, and shall apply to each such person as if he/she were the only named Franchisee in this Agreement. If Franchisee is a married couple, both husband and wife executing this Agreement shall be liable for all obligations and duties of Franchisee hereunder as if such spouse were the sole Franchisee hereunder. If Franchisee is a partnership or proprietorship, or if more than one person executes this Agreement as Franchisee, each partner, proprietor or person executing this Agreement shall be liable for all obligations and duties of Franchisee hereunder. If Franchisee is a trust, each trustee, grantor and beneficiary signing this Agreement shall be liable for all of the obligations and duties of Franchisee hereunder. If Franchisee is a corporation or limited liability company, all shareholders and members executing this Agreement shall be liable for all obligations and duties of Franchisee hereunder as if each such shareholder or member were the sole Franchisee hereunder. If Franchisee is a partnership, limited liability company, trust, or corporation, each of its owners shall concurrently with the execution of this Agreement, execute Franchisor's Owner's Guaranty and Assumption of Franchisee's Obligations attached hereto as Exhibit A, pursuant to which all obligations and duties of Franchisee are guaranteed by such individuals. References in this Agreement to "owner" mean any person holding a direct or indirect ownership interest (whether of record or beneficially) or voting rights in Franchisee (or a transferee of this Agreement and the Franchised Business or an ownership interest in Franchisee), including, without limitation, any person who has a direct or indirect interest in Franchisee (or a transferee), this Agreement, or the Franchised Business and any person who has any other legal or equitable interest, or the power to vest in himself or herself any legal or equitable interest, in their revenue, profits, rights, or assets. Should Franchisee be in breach or default under this Agreement, Franchisor may proceed directly against each such spouse, partner, member, proprietor, signatory to this Agreement, shareholder, trustee, trustor, owner, principal or beneficiary without first proceeding against Franchisee and without proceeding against or naming in such suit any other Franchisee, partner, member, proprietor, signatory to this Agreement, shareholder, trustee, trustor or beneficiary. The obligations of Franchisee and each such spouse, partner, member, proprietor, person executing this Agreement, shareholder, trustee, trustor and beneficiary shall be joint and several. Notice to or demand upon one spouse, partner, member, proprietor, person signing this Agreement, shareholder, trustee, trustor, owner, principal or beneficiary shall be deemed notice to or demand upon Franchisee and all such spouses, partners, members, proprietors, persons signing this Agreement, shareholders, trustees, trustors, owners, principals and beneficiaries, and no notice or demand need be made to or upon all such franchisees, spouses, partners, members, proprietors, persons executing this Agreement, shareholders, trustees, trustors, owners, principals or beneficiaries. The cessation of or release from liability of Franchisee or any such spouse, partner, member, proprietor, person executing this Agreement, shareholder, trustee, trustor, owners, principals or beneficiary shall not relieve any other Franchisee, spouse, partner, proprietor, person executing this Agreement, shareholder, trustee, trustor, owner, principal or beneficiary from liability hereunder, except to the extent that the breach or default has been remedied or monies owed have been paid.

XXXVI RELEASE FOR PRIOR AGREEMENTS

If Franchisee or any of its affiliates, owners, managers, directors, officers, agents, servants, or employees have, prior to the Effective Date of this Agreement, entered into any other agreement with Franchisor or any of its Affiliates, Franchisee hereby releases, acquits, and forever discharges Franchisor and its respective parents, subsidiaries, affiliates, successors and assigns, and each of their respective directors, officers, agents, servants, and employees, whether specifically named herein or not, from any and all liability, actions, causes of action, claims, debts, demands, damages, and liabilities of every nature, kind, and character whatsoever, whether known or unknown, foreseen or unforeseen, direct or indirect, contingent or actual, liquidated or unliquidated, whether arising under statute, contract, or tort, in any way related to or arising from the offer, sale, grant, construction, subleasing, operation, assistance with operation, or development of any franchise or franchise rights in any location awarded to Franchisee or its affiliates at any time prior to the Effective Date of this Agreement. It is the express intention of the parties that this release be interpreted as broadly as permitted by applicable law. Notwithstanding the foregoing, this release shall not apply to claims arising under the Washington Franchise Investment Protection Act, Chapter 19.100 RCW, or the rules adopted thereunder in accordance with RCW 19.100.220.

XXXVII ACKNOWLEDGEMENTS.

A. Franchisee affirms and agrees that Franchisor may sell Franchisor's assets, proprietary marks, or System outright to a third party; may go public; may engage in a private placement of some or all of its securities; may merge, acquire other corporations, or be acquired by another corporation; may undertake a refinancing, recapitalization, leverage buy-out or other economic or financial restructuring; and with regard to any or all of the above sales, assignments or dispositions, Franchisee expressly and specifically waives any claims, demands or damages arising from or related to the loss of said proprietary marks (or any variation thereof) and/or the loss of association with or identification of Franchisor.

B. Franchisee affirms that all information set forth in any and all applications, financial statements and submissions to Franchisor is true, complete and accurate in all respects, with Franchisee expressly acknowledging that Franchisor is relying upon the truthfulness, completeness and accuracy of such information.

C. The covenants not to compete set forth in this Agreement are fair and reasonable, and will not impose any undue hardship on Franchisee, since Franchisee has other considerable skills, experience and education which afford Franchisee the opportunity to derive income from other endeavors.

THIS AGREEMENT SHALL NOT BE BINDING ON FRANCHISOR UNLESS AND UNTIL IT SHALL HAVE BEEN ACCEPTED AND SIGNED BY AN AUTHORIZED OFFICER OF FRANCHISOR.

FRANCHISEE HAS READ ALL OF THE FOREGOING AGREEMENT AND HEREBY ACCEPTS AND AGREES TO EACH AND ALL OF THE PROVISIONS, COVENANTS AND CONDITIONS THEREOF.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Agreement in triplicate the day and year first above written.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

EXHIBIT A

OWNER'S GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF FRANCHISEE'S OBLIGATIONS (this "Guaranty") is given as of _____ by _____
_____.

In consideration of, and as an inducement to, the execution of that certain Franchise Agreement of even date herewith (as amended, modified, restated or supplemented from time to time, the "Agreement") by Barkley Ventures Franchising, LLC ("Franchisor"), each of the undersigned hereby personally and unconditionally (1) guarantees to Franchisor, and Franchisor's successors and assigns, for the term of the Agreement and thereafter as provided in the Agreement, that _____ ("Franchisee") shall punctually pay and perform each and every undertaking, agreement and covenant set forth in the Agreement; and (2) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement, both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including without limitation the provisions of Sections XIV.A. and XVI.D. Each of the undersigned waives: (1) acceptance and notice of acceptance by Franchisor of the foregoing undertakings; (2) notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed; (3) protest and notice of default to any party with respect to indebtedness or non-performance of any obligations hereby guaranteed; (4) any right he may have to require that an action be brought against Franchisee or any other person as a condition of liability; and (5) any and all other notices and legal or equitable defenses to which he may be entitled.

Each of the undersigned represents and warrants that, if no signature appears below for such undersigned's spouse, such undersigned is either not married or, if married, is a resident of a state which does not require the consent of both spouses to encumber the assets of a marital estate.

Each of the undersigned consents and agrees that: (l) his direct and immediate liability under this Guaranty shall be joint and several; (2) he shall render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (3) such liability shall not be contingent or conditioned upon pursuit by Franchisor of any remedies against Franchisee or any other person; (4) such liability shall not be diminished, relieved or otherwise affected by any extension of time, credit or other indulgence which Franchisor may grant to Franchisee or to any other person, including without limitation the acceptance of any partial payment or performance, or the compromise or release of any claims, none of which shall in any way modify or amend this Guaranty, which shall be continuing and irrevocable during the term of the Agreement; and (5) at Franchisor's request, the undersigned shall present updated financial information to Franchisor as reasonably necessary to demonstrate his or her ability to satisfy the financial obligations of Franchisee under the Agreement.

The provisions contained in Sections XXIV, XXVII, XXVIII, and XXX of the Agreement shall govern this Guaranty and any dispute between the undersigned and Franchisor, and such provisions are incorporated into this Guaranty by reference.

Each guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such guarantor (or on such guarantor's account) to its owners, accountholders or beneficiaries, for so long as such delinquency exists, subject to applicable law.

EACH GUARANTOR REPRESENTS AND WARRANTS TO FRANCHISOR THAT GUARANTOR HAS READ THIS PERSONAL GUARANTY, AND UNDERSTANDS AND AGREES TO BE BOUND BY ITS TERMS.

IN WITNESS WHEREOF, each of the undersigned has hereunto affixed his signature on the same day and year of the Agreement was executed.

GUARANTOR(S)	PERCENTAGE OWNERSHIP IN FRANCHISEE
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____
By: _____ Address: _____ _____ Email: _____	_____

The undersigned, as the spouse of the Guarantor indicated below, acknowledges and consents to the Guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty.

Name of Guarantor	Name of Guarantor
Name of Guarantor's Spouse	Name of Guarantor's Spouse
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse
Name of Guarantor	Name of Guarantor
Name of Guarantor's Spouse	Name of Guarantor's Spouse
Signature of Guarantor's Spouse	Signature of Guarantor's Spouse

EXHIBIT B

DESIGNATED AREA

The Designated Area will be the geographic area depicted on the attached map:

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

MULTI-UNIT FRANCHISE AGREEMENT BETWEEN

Barkley Ventures Franchising, LLC
3699N. Dixie Hwy.
Oakland Park, FL33334
AND

_____
_____
_____
_____

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MULTI-UNIT FRANCHISE AGREEMENT

THIS **MULTI-UNIT FRANCHISE AGREEMENT**, is made and entered into as of _____ (the "**Effective Date**"), by and between Barkley Ventures Franchising, LLC, a Delaware limited liability company, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334 ("**we**," "**us**," or "**our**"), and _____, a _____ _____, having its principal place of business at _____ ("**you**" or "**your**"). Capitalized terms are used in this Agreement with the meanings assigned in the Glossary of Terms attached as the **Appendix**.

A. We own a uniform System for the establishment and operation of businesses under the Marks used in connection with the development of canine care facilities offering day care, boarding services, grooming services, training, a specialty retail boutique for dogs, and other products and services authorized by us, under the name Central Bark® and other Marks (each a "**Central Bark Facility**" and more than one, the "**Central Bark Facilities**").

B. We desire to expand and develop the Central Bark brand in the Multi-unit Territory, and you wish to open and operate Central Bark Facilities in the Multi-unit Territory, upon the terms and conditions as set forth in this Agreement.

The parties therefore agree as follows:

ARTICLE 1.
GRANT OF MULTI-UNIT FRANCHISE RIGHT

1.1 Grant of Multi-Unit Franchise Right

(a) Upon the terms and subject to the conditions of this Agreement, we hereby grant to you, and you hereby accept, the right and obligation, during the Term, to open Central Bark Facilities solely at Venues within the Multi-unit Territory. Each Central Bark Facility shall be operated according to the terms of an individual Franchise Agreement. An increase or decrease in the size of the cities, counties or political subdivisions, if any, included within the Multi-unit Territory will have no effect on the Multi-unit Territory as it is described in **Addendum 1**.

(b) No right or license is granted to you hereunder to use any Marks, trade dress or designs owned by us or our Affiliate, such right and license being granted solely pursuant to Franchise Agreements. Nothing in this Agreement will permit you to own or operate a Central Bark Facility, except pursuant to a valid Franchise Agreement. You shall not use the Marks in any manner or for any purpose, including in connection with any offering of securities or any request for credit, without our prior express written approval.

1.2 Exclusivity

(a) During the Term of this Agreement, we and our Affiliates will not operate or grant a license or franchise to any other person to operate Central Bark Facilities at any Venue within the Multi-unit Territory.

(b) Except as provided in **Section 1.2(a)**, we expressly reserve all other rights, including but not limited to the exclusive, unrestricted right, in its discretion, directly and indirectly, through its employees, Affiliates, representatives, licensees, assigns, agents and others:

(i) To use, and to license other persons to use, the Marks and System for the operation of Central Bark Facilities at any location other than in the Multi-unit Territory, regardless of proximity to the Multi-unit Territory, and regardless of whether such other businesses draw customers from the Multi-unit Territory;

(ii) To use, license and franchise the use of trademarks or service marks other than the Marks, whether in alternative channels of distribution or otherwise, at any location, including a location or locations inside of the Multi-unit Territory, in association with operations that are different from Central Bark Facilities;

(iii) To offer Authorized Products and Services, or grant others the right to offer the Authorized Products and Services, whether using the Marks or other trademarks or service marks, through channels of distribution that are different from Central Bark Facilities, including, without limitation, by Internet commerce (e-commerce), mail order or otherwise, regardless of whether it is inside or outside of the Multi-unit Territory;

(iv) To maintain any websites utilizing a domain name incorporating the Marks or derivatives. We retain the sole right to advertise and market on the Internet and use the Marks on the Internet, including all use of websites, domain names, URL's, directory addresses, metatags, linking, advertising, and co-branding and other arrangements;

(v) To establish, operate and allow other to establish and operate businesses that may offer products and services which are identical or similar to the products and services offered by Central Bark Facilities, under trade names, trademarks, service marks and commercial symbols which are different from the Marks at any location (including in the Multi-unit Territory);

(vi) To operate or grant any third party the right to operate any Central Bark Facility that we or our designee acquire as a result of the exercise of a right of first refusal or purchase right that we have under this Agreement or any Franchise Agreement, including inside the Multi-unit Territory;

(vii) To acquire, merge, or combine with businesses that are the same as or similar to Central Bark Facilities and operate such businesses regardless of where such businesses are located, including inside the Multi-unit Territory, and to be acquired by any third party which operates businesses that are the same as, or similar to, Central Bark Facilities, regardless of where such businesses are located, including inside the Multi-unit Territory; and.

(viii) To engage in any activities not expressly prohibited under this Agreement.

ARTICLE 2.
FRANCHISEE'S DEVELOPMENT OBLIGATION

2.1 Development Obligation

Within each Development Period specified in **Addendum 2** (the "**Development Schedule**"), you must construct, equip, open and thereafter continue to operate at, and only at, locations within the Multi-unit Territory, not less than the cumulative number of Central Bark Facilities required by the Development Obligation for that Development Period. The Development Obligation is not our representation, express or implied, that the Multi-unit Territory can support, or that there are or will be sufficient sites for, the number of Central Bark Facilities specified in the Development Schedule, or during any particular Development Period.

2.2 Timing of Execution of Franchise Agreements

Simultaneously with signing this Agreement, you or an approved Affiliate must sign and deliver to us a Franchise Agreement and related documents for the first Central Bark Facility you are obligated to acquire under this Agreement. You or your approved Affiliate must thereafter open and operate a Central Bark Facility according to the terms of that Franchise Agreement. Thereafter, subject to **Article 6**, for each additional Central Bark Facility you must open and operate under the Development Schedule, notwithstanding anything to the contrary contained herein, on or before the date which is 240 days before the end of each Development Period, you or an approved Affiliate must have executed (in accordance with this Agreement) our then-current form of Franchise Agreement and related documents, the terms of which, except as provided hereunder, may differ substantially from the terms contained in the Franchise Agreement in effect on the Effective Date, and paid the required Initial Franchise Fee due under such Franchise Agreement. Notwithstanding anything to the contrary in this Agreement, the royalty fee due under each Franchise Agreement you enter into pursuant to this Agreement will not exceed six percent (6%) of Gross Sales (as that term is defined in the Franchise Agreement).

2.3 You May Not Exceed The Development Obligation

Unless we shall otherwise consent in writing, you may not construct, equip, open and operate more than the total number of Central Bark Facilities comprising the Development Obligation.

2.4 Business Plan and Reporting

Within 60 days after the Effective Date, you must prepare and give us a business plan including a projected schedule for Central Bark Facility development and detailed cost and revenue projections for your activities under this Agreement. Within 60 days after the start of each calendar year during the Term, you must update the business plan to cover both actual results for the previous year and projections for the then current year. You acknowledge and agree that while we may review and provide comments on the business plan and any updates you submit to us, regardless of whether we approve, disapprove, require revisions, or provide other comments with respect to the business plan or any updated business plan, we take no responsibility for and make no guarantees or representations, expressed or implied, with respect to your ability to meet the business plan or to achieve the results set forth therein. You bear the entire responsibility for achievement of the business plan you develop.

Within 7 days after the end of each month during the Term, you must send us a report of your business activities during that month, including information about your efforts to find sites for Central Bark Facilities in the Multi-unit Territory and the status of development and projecting openings for each Central Bark Facility under development in the Multi-unit Territory. We may request further information about your development plans, and you agree to provide us such information upon request.

You agree to establish and maintain at your own expense a bookkeeping, accounting, and recordkeeping system conforming to the requirements and formats we prescribe from time to time. You further agree to deliver to us such additional financial records, including profit and loss statements, operating statements, cash flow statements, statistical reports, bank activity reports, tax records, and such other records we request, at the intervals and in the format we specify from time to time.

You agree to verify and sign each report and financial statement in the manner we prescribe. We may disclose data derived from these reports. You agree to preserve and maintain all records in a secure location at your business for at least three years, or such longer period as may be required by applicable law (including sales checks, purchase orders, invoices, payroll records, customer lists, check stubs, sales tax records and returns, cash receipts and disbursement journals, and general ledgers).

Further, at our request, you will provide current financial information for your owners and guarantors sufficient to demonstrate such owners' and guarantors' ability to satisfy their financial obligations under their individual guarantees.

2.5 Liquidity

We have granted you the Development Obligation based, in part, on your representations to us regarding, and our assessment of, your liquidity as of the Effective Date. You will ensure that, throughout the Term, you will maintain sufficient liquidity to meet your obligations under this Agreement. We reserve the right to establish and modify specific liquidity thresholds from time to time, and you agree to comply with such minimum liquidity requirements that we reasonably impose.

ARTICLE 3.
TERM OF MULTI-UNIT FRANCHISE AGREEMENT

3.1 Term

The term of this Agreement commences on the Effective Date and will continue until the earlier of the following: (a) the last day of the last Development Period; or (b) the date of execution of the Franchise Agreement granting you the right to open the last Central Bark Facility necessary for you to fully satisfy the Development Obligation (the "**Term**").

ARTICLE 4.
PAYMENTS BY YOU

4.1 Multi-Unit Rights Fee

In addition to paying the Initial Franchise Fee (defined below) due under the first Franchise Agreement we enter into pursuant to this Agreement, concurrently with the execution of this Agreement, you must pay to us the Multi-unit Rights Fee. "**Multi-unit Rights Fee**" means the sum of Five Thousand Dollars ($5,000.00) for each Central Bark Facility to be opened and operated by you pursuant to the Development Obligation, less the first Central Bark Facility for which you and we sign a Franchise Agreement concurrently herewith. We will apply the Multi-unit Rights Fee as a credit against the Initial Franchise Fee due under each Franchise Agreement (subsequent to the first Franchise Agreement) which you or your approved Affiliate(s) execute pursuant to this Agreement in increments of $5,000. The Multi-unit Rights Fee is fully earned by us when you and we sign this Agreement and is nonrefundable.

4.2 Initial Franchise Fees

The initial franchise fee for the first Central Bark Facility that you will develop pursuant to the Development Obligation will be Forty-Nine Thousand Dollars ($49,000); for each additional Central Bark Facility developed by you pursuant to the Development Obligation, you will pay a reduced initial franchise fee of Thirty-Five Thousand Dollars ($35,000) (against which amount we will credit the Multi-unit Rights Fee in $5,000 increments) (collectively, the "**Initial Franchise Fee**"). The Initial Franchise Fee must be paid in full upon execution by you of each Franchise Agreement entered into pursuant to this Agreement.

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ARTICLE 5.
ADDITIONAL COVENANTS

5.1 Initial Training

Under the first two Franchise Agreements we and you (or your approved Affiliates) enter into under this Agreement, we will provide initial training for up to two (2) people for you. If you are a Business Entity, we may require the trainees to include your Operating Principal, Owners, officers or representative selected by you and acceptable to, and approved by us. We shall pay no compensation for any services performed by you or your trainees in connection with the initial training course. The initial training course is more fully described in the Franchise Agreement. Other than the initial training course under the first two Franchise Agreement entered into hereunder, there shall be no additional training required for, or offered to, you or your approved Affiliate(s) under the third and subsequent Franchise Agreements signed by you or your approved Affiliates. You shall pay all lodging, travel and meals, personal expenses, salary and living expenses incurred by you, your Operating Principal, Owners, officers or representative and/or other persons attending the training with you.

5.2 Opening Assistance

Under the first two Franchise Agreements we and you (or your approved Affiliates) enter into under this Agreement, we will provide supervisory assistance and guidance in connection with the opening and initial operation of the Central Bark Facilities opened thereunder for a period of five (5) days commencing at least two (2) days prior opening such Central Bark Facilities. The opening assistance is more fully described in the Franchise Agreement. We are not obligated to provide such opening assistance under the third and subsequent Franchise Agreements signed by you or your approved Affiliate(s).

ARTICLE 6.
EXECUTION OF INDIVIDUAL FRANCHISE AGREEMENTS

6.1 Execution of Lease; Opening

You may not execute any lease or purchase agreement for any Central Bark Facility until after we have delivered to you a fully-executed Franchise Agreement applicable to such Central Bark Facility. After our delivery to you of the fully-executed Franchise Agreement, your obligations to locate, lease, and construct the Central Bark Facility will be governed by the timelines stated in that Franchise Agreement, except that the deadline for opening and commencing operation of the Central Bark Facility will be the last day of the applicable Development Period.

6.2 Conditions Precedent to our Obligations

Your right to enter into Franchise Agreements for, and to open and operate, each and every Central Bark Facility is conditioned upon your having satisfied all of the following conditions precedent:

(a) You must have fully performed all of your obligations under this Agreement and all Franchise Agreements and other written agreements between us and you, and must not be in default of any of your obligations to us or any of our Affiliates, to any of your landlords, or to any federal, state, county or municipal agency.

(b) You must have demonstrated to us, in our discretion, your financial and other capacity to perform the obligations stated in the proposed new Franchise Agreement. In determining if you are financially or otherwise capable, we will apply the same criteria to you as they apply to prospective multi-unit franchisees at that time.

(c) The cumulative number of Central Bark Facilities in the Multi-unit Territory required by the Development Obligation stated in the Development Schedule must continue to be in operation as of the end of the immediately preceding Development Period.

ARTICLE 7.
ASSIGNMENT AND SUBFRANCHISING

7.1 Assignment by Us

We may transfer or assign all or any part of our rights or obligations under this Agreement to any person or legal entity without limitation.

7.2 No Subfranchising by You

You shall not offer, sell, or negotiate the sale of "Central Bark" franchises to any third party, either in your own name or in the name and/or on behalf of us, or otherwise subfranchise, subcontract, sublicense, share, divide or partition this Agreement.

7.3 Assignment by You

(a) This Agreement has been entered into by us in reliance upon and in consideration of the singular personal skill, qualifications and trust and confidence that we have in you. Therefore, subject to our right of first refusal pursuant to **Section 7.3(d)** of this Agreement, neither your interest in this Agreement nor any of your rights or privileges hereunder shall be assigned or transferred, voluntarily or involuntarily, in whole or in part, by operation of Applicable Law or otherwise ("**Assignment**"), in any manner without our prior written consent, which consent may be withheld for any reason whatsoever.

(b) You shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever without our prior express written consent. To the extent that the foregoing prohibition may be ineffective under Applicable Law, you shall provide not less than ten (10) days prior written notice to us (which notice shall contain the name and address of the secured party and the terms of such pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

(c) We may consider, and you will provide or assist us in compiling, any information we deem necessary or appropriate in connection with our assessment of a proposed Assignment. If we elect to approve a proposed Assignment, we may, at our discretion, condition our approval in any manner we deem necessary and appropriate to protect the Central Bark brand and our interests in the System and this Agreement, including any of the following (each of which you agree is reasonable):

(i) you and any person or entity obligated under this Agreement or Guaranty must be in compliance with your or its obligations;

(ii) you and the proposed assignee and its owners (if the assignee is a Business Entity) must provide all information and documents we request regarding the Assignment and the proposed assignee and its owners or Affiliates;

(iii) you must provide us with executed versions of any relevant documents to effect the Assignment, and all other information we request about the proposed Assignment;

(iv) if you or the transferor offer the assignee financing for any part of the purchase price, all of the assignee's obligations under promissory notes, agreements, or security interests reserved in the Development Obligation must be subordinate to the assignee's obligation to pay all amounts due to us, our Affiliates, and third party vendors and otherwise agree to comply with this Agreement (or any applicable Franchise Agreement with us);

(v) you (and your owner(s)) must sign a general release, in a form satisfactory to us, of any and all claims against us and our shareholders, officers, directors, employees and agents;

(vi) you (and your transferring owner(s)) (and your or their immediate family members) must sign a non-competition covenant in favor of us, commencing on the effective date of the Assignment;

(vii) you must pay all amounts owed to us, our Affiliates, and third-party vendors and must have submitted all required reports and statements under this Agreement and any Franchise Agreement with us;

(viii) you and your owners must not have violated any provision of this Agreement or any other agreement with us or our Affiliates during both the 60-day period before you requested our consent to the Assignment and the period between your request and the effective date of the Assignment;

(ix) the assignee, at our request, must sign our then-current form of multi-unit franchise agreement and related documents, any and all of the provisions of which may differ materially from any and all of those contained in this Agreement;

(x) you must pay or cause to be paid to us an Assignment fee in an amount equal to $2,500 per Franchise Agreement not yet signed that is required to meet the Development Obligation; and

(xi) the Assignment of this Agreement must not be made separate and apart from the Assignment to the same assignee of all Franchise Agreements that were signed pursuant to this Agreement.

(d) Your written request for consent to any Assignment must be accompanied by an offer to us of a right of first refusal to purchase the interest which is proposed to be transferred, on the same terms and conditions offered by the third party; provided that we may substitute cash for any non-cash consideration proposed to be given by such third party (in an amount determined by us reasonably and in good faith as the approximate equivalent value of said non-cash consideration); and provided further that you shall make representations and warranties to us customary for transactions of the type proposed (the "**Purchase Option**"). If we elect to exercise the Purchase Option, we or our designee, as applicable, shall send written notice of such election to you within thirty (30) days of our receipt of your request. If we accept such offer, the closing of the transaction shall occur within one hundred twenty (120) days following the date of our acceptance. Any material change in the terms of an offer prior to closing or the failure to close the transaction within one hundred twenty (120) days following the written notice provided by you shall cause it to be deemed a new offer, subject to the same right of first refusal by us, or its third-party designee, as in the case of the initial offer. Our failure to exercise such option shall not constitute consent to the transfer or a waiver of any other provision of this Agreement, including any of the requirements of this Article with respect to the proposed transfer.

(e) If you are a Business Entity, each of the following shall be deemed to be an Assignment of this Agreement: (i) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of twenty percent (20%) or more in the aggregate, whether in one (1) or more transactions, of your Equity or voting power, by operation of law or otherwise or any other event(s) or transaction(s); (ii) your issuance of any securities which itself or in combination with any other transaction(s) results in the Owners, as constituted on the Effective Date, owning eighty percent (80%) or less of the outstanding Equity or voting power of the Business Entity; (iii) if you are a Partnership, the withdrawal, resignation, removal, death or legal incapacity of a general partner or of any limited partner owning twenty percent (20%) or more of the Partnership Rights of the Partnership, or the admission of any additional general partner, or the transfer by any general partner of any of its Partnership Rights in the Partnership, or any change in the ownership or control of any general partner; (iv) the death or legal incapacity of any Owner owning twenty percent (20%) or more of the Equity or voting power of the Business Entity; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Business Entity, however effected.

(f) Written information used to raise or secure funds can reflect upon us and the System. You agree to submit any written information intended to be used for that purpose to us before inclusion in any registration statement, prospectus or similar offering memorandum. Should we object to any reference to us or our Affiliates or any of our business in the offering literature or prospectus, the literature or prospectus shall not be used until our objections are addressed to our satisfaction or withdrawn. You may not engage in a public offering of securities without our prior written consent.

ARTICLE 8.
NON-COMPETITION; CONFIDENTIALITY

8.1 Non-Competition

(a) During the Term, you agree not to (and to cause each Restricted Person not to), in any capacity, either directly or indirectly: (i) engage in any Competitive Activity, at any location, whether within or outside the Multi-unit Territory; or (ii) divert or attempt to divert any business or any customers of Central Bark Facilities to any other person or Business Entity, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks.

(b) To the extent permitted by Applicable Law, upon the expiration or termination of this Agreement, or if you make an Assignment, or if any Restricted Person's relationship with you shall cease, then for a period of two (2) years thereafter, you agree not to (and to cause each such Restricted Person not to), (i) either directly or indirectly, engage in any Competitive Activities within the Multi-unit Territory or within ten (10) miles of any Central Bark Facility then existing; or (ii) divert or attempt to divert any business or any customers of Central Bark Facilities to any other person or Business Entity, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Marks.

(c) The parties have attempted in **Sections 8.1(a)** and **8.1(b)** of this Agreement above to limit your right to compete only to the extent necessary to protect us from unfair competition. The parties hereby expressly agree that if the scope or enforceability of **Section 8.1(a)** or **8.1(b)** of this Agreement is disputed at any time by you, a court or arbitrator, as the case may be, may modify either or both of such provisions to the extent that it deems necessary to make such provision(s) enforceable under Applicable Law. In addition, we reserve the right to reduce the scope of either, or both, of said provisions without your consent, at any time or times, effective immediately upon notice to you. Any period of time specified in this Article 9 will be tolled and suspended for any period of time during which you are in violation of any restrictive covenant of this Agreement or any other agreement with us.

8.2 Confidentiality

(a) You and your Owners and personnel may from time to time be provided and/or have access to certain confidential information, some of which constitutes trade secrets under Applicable Law (the "**Confidential Information**"), relating to the development and operation of Central Bark Facilities, whether or not marked confidential, including (without limitation): (1) site and premises selection criteria; (2) training and operations materials and manuals, including, without limitation, the Operating Manual; (3) the System Standards (as defined in the Franchise Agreement) and other plans, methods, formats, specifications, standards, systems, procedures, techniques, sales and marketing techniques, knowledge, and experience used in developing, promoting and operating Central Bark Facilities; (4) market research, promotional, marketing and advertising programs for Central Bark Facilities; (5) knowledge of specifications for, and suppliers of, Operating Assets (as defined in the Franchise Agreement) and other products, materials, supplies equipment and furnishings; (6) any computer software or similar technology which is proprietary to us, our Affiliates, or the System, including, without limitation, digital passwords and identifications and any source code of, and data, reports, and other printed materials generated by, the software or similar technology; (7) knowledge of the operating results and financial performance of Central Bark Facilities, other than your Central Bark Facilities; and (8) information generated by, or used or developed in, your development of Central Bark Facilities hereunder.

(b) All Confidential Information furnished to you by us or on our behalf, whether orally or by means of written material (i) shall be deemed proprietary, (ii) shall be held by you in strict confidence, (iii) shall not be copied, disclosed or revealed to or shared with any other person except to your employees or contractors who have a need to know such Confidential Information for purposes of this Agreement and who are under a duty of confidentiality no less restrictive than your obligations hereunder, or to individuals or entities specifically authorized by us in advance, and (iv) shall not be used in connection with any other business or capacity. You will not acquire any interest in Confidential Information other than the right to use it as we specify in furtherance of the Development Obligation during this Agreement's term. You agree to adopt and implement reasonable procedures to prevent unauthorized access, use or disclosure of the Confidential Information, including by establishing reasonable security and access measures and restricting its disclosure to key personnel. We may require you to have your employees and contractors execute individual undertakings and shall have the right to regulate the form of and to be a party to or third-party beneficiary under any such agreements. You acknowledge that any form of agreement that we require you to use, provide to you, or regulate the terms of may or may not be enforceable in a particular jurisdiction. You agree that you are solely responsible for obtaining your own professional advice with respect to the adequacy of the terms and provisions of any agreement that your employees and contractors sign.

(c) You acknowledge and agree that, as between we and you, we are the sole owner of all right, title, and interest in and to the System and any Confidential Information. All improvements, developments, derivative works, enhancements, or modifications to the System and any Confidential Information (collectively, "**Innovations**") made or created by you, your employees or your contractors, whether developed separately or in conjunction with us, shall be owned solely by us. You represent, warrant, and covenant that your employees and contractors are bound by written agreements assigning all rights in and to any Innovations developed or created by them to you. To the extent that you, your employees or your contractors are deemed to have any interest in such Innovations, you hereby agree to assign, and do assign, all right, title and interest in and to such Innovations to us. To that end, you shall execute, verify, and deliver such documents (including, without limitation, assignments) and perform such other acts (including appearances as a witness) as we may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining, and enforcing such ownership rights in and to the Innovations, and the assignment thereof. Your obligation to assist us with respect to such ownership rights shall continue beyond the expiration or termination of this Agreement. In the event we are unable for any reason, after reasonable effort, to secure your signature on any document needed in connection with the actions specified

in this **Section 8.2**, you hereby irrevocably designate and appoint us and our duly authorized officers and agents as your agent and attorney in fact, which appointment is coupled with an interest and is irrevocable, to act for and on your behalf to execute, verify, and file any such documents and to do all other lawfully permitted acts to further the purposes of this **Section 8.2** with the same legal force and effect as if executed by you. The obligations of this **Section 8.2** shall survive any expiration or termination of the Agreement.

(d) Confidential Information does not include information, knowledge, or know-how which you can demonstrate lawfully came to your attention before we provided it to you directly or indirectly; which, at the time we disclosed it to you, already had lawfully become generally known through publication or communication by others (without violation an obligation to us or our Affiliates); or which, after we disclose it to you, lawfully becomes generally known through publication or communication by others (without violating an obligation to us or our Affiliates). However, if we include any matter in Confidential Information, anyone who claims that it is not Confidential Information must prove that one of the exclusions provided in this paragraph is fulfilled. Notwithstanding anything to the contrary contained in this Agreement and provided you shall have obtained our prior written consent, which shall not be unreasonably withheld, the restrictions on your disclosure and use of Confidential Information shall not apply to disclosure of Confidential Information in judicial or administrative proceedings to the extent that you are legally compelled to disclose such information, provided you shall have used your best efforts and afforded us the opportunity to obtain an appropriate protective order or other assurance satisfactory to us of confidential treatment for the information required to be disclosed.

8.3 Specific Performance

In view of the importance of the Marks and the incalculable and irreparable harm that would result to the parties in the event of a Default under this **Article 8**, the parties agree that each party may seek specific performance and/or injunctive relief to enforce the covenants and agreements in this Agreement, in addition to any other relief to which such party may be entitled at law or in equity.

ARTICLE 9.
TERMINATION

9.1 Termination Pursuant to a Default of this Agreement

(a) Subject to Applicable Law to the contrary, we may terminate this Agreement, effective upon delivery of written notice to you, upon your Default.

(b) The term "**Default**," as used herein, includes the following:

(i) Any Assignment or attempted Assignment in violation of the terms of **Section 7.2 or 7.3** of this Agreement, or without the written consents required pursuant to this Agreement; provided, however, (1) upon prompt written request following the death or legal incapacity of a Franchisee who is an individual, we shall allow a period of up to sixty (60) days after such death or legal incapacity for his or her heirs, personal representatives, or conservators (the "**Heirs**") to seek and obtain our consent to the Assignment of his or her rights and interests in this Agreement to the Heirs or to another person acceptable to us; or (2) upon prompt written request following the death or legal incapacity of an Owner of a Franchisee which is an Business Entity, directly or indirectly, owning twenty percent (20%) or more of the Equity or voting power of Franchisee, we shall allow a period of up to sixty (60) days after such death or legal incapacity for his or her Heir(s) to seek and obtain our consent to the Assignment of such Equity to the Heir(s) or to another person or persons acceptable to us. If, within said sixty (60) day period, said

Heir(s) fail to receive or attempt to receive our consent, then this Agreement shall immediately terminate at our election.

(ii) Your failure to satisfy the Development Obligation within the Development Periods set forth herein.

(iii) Your or your Affiliates failure to pay any amounts due to us or our Affiliates (including, but not limited to, the Initial Franchise Fee or Royalty Fees) in a timely manner as required by this Agreement or any Franchise Agreement signed by you or your Affiliates, which failure you do not cure within ten (10) days after we deliver written notice of such failure to you.

(iv) Your opening of any Central Bark Facility in the Multi-unit Territory except in strict accordance with the procedures set forth in **Article 7** of this Agreement.

(v) Your failure to comply fully with the requirements of **Article 8** of this Agreement.

(vi) your (or any of your Owners' of Affiliates') (a) failure on three (3) or more separate occasions within any 12 consecutive month period to comply with any provision of this Agreement or (b) failure on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, in either case, whether or not we notify you of the failures, and, if we do notify you of the failures, whether or not you correct the failures after our delivery of notice to you.

(vii) your (or any of your Owners') (a) filing of a petition in bankruptcy or the filing of a petition in bankruptcy against you; (b) making an assignment for the benefit of creditors or admitting in writing your insolvency or inability to pay your debts generally as they become due; (c) your consent to the appointment of a receiver, trustee, or liquidator of all or the substantial part of your property; or (d) attachment, seizure, subjection to a writ or distress warrant, or levying upon a Central Bark Facility developed hereunder, unless the attachment, seizure, writ, warrant, or levy is vacated within 30 days.

(viii) your (or any of your Owners') failure to comply with any other provision of this Agreement which default remains uncured within 30 days after we deliver written notice of the failure to you.

(ix) your (or your Owners) or your approved Affiliates' default under any other agreement between you and us or any of our Affiliates, including any Franchise Agreement executed pursuant hereto, and fail to cure such default within the given cure period, if any.

9.2 Effect of Expiration

Following the expiration of the Term, or the sooner termination of this Agreement: (a) you will have no further right to construct, equip, own, open or operate additional Central Bark Facilities which are not, at the time of such termination or expiration, the subject of a then-existing Franchise Agreement between you and us which is then in full force and effect; and (b) we or our Affiliates may thereafter construct, equip, open, own or operate, and license others to (or grant development rights to) construct, equip, open, own or operate Central Bark Facilities at any location(s) (within or outside of the Multi-unit Territory), without any restriction, subject only to any Designated Area (as defined in the Franchise Agreement) rights granted for any then-existing Central Bark Facility pursuant to a validly existing Franchise Agreement executed for such Central Bark Facility.

All of our and your (and your Owners') obligations which expressly or by their nature survive this Agreement's expiration or termination will continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire, including, without limitation, all obligations relating to indemnification.

ARTICLE 10.
GENERAL CONDITIONS AND PROVISIONS

10.1 Independent Contractor

This Agreement does not constitute you as an agent, legal representative, joint venturer, partner, member, employee, or servant of us for any purpose whatsoever; and it is understood between the parties hereto that you shall be an independent contractor and are in no way authorized to make any contract, agreement, warranty or representation on behalf of us, or to create any obligation, express or implied, on behalf of us. No employee of you shall be deemed to be an employee of us. We shall not have the power to hire or fire your employees and, except as herein expressly provided, we may not control or have access to your funds or the expenditure thereof, or in any other way exercise dominion or control over your business.

10.2 Indemnity by You

You agree to indemnify, defend, and hold harmless us, our Affiliates, and our and their respective Owners, directors, officers, employees, agents, successors, and assignees (the "**Indemnified Parties**") against, and to reimburse any one or more of the Indemnified Parties for, all claims, obligations, and damages directly or indirectly arising out of the operation of the business you conduct under this Agreement or your breach of this Agreement, including, without limitation, those alleged to be caused by the Indemnified Party's negligence, unless (and then only to the extent that) the claims, obligations, or damages are determined to be caused solely by our intentional misconduct in a final, unappealable ruling issued by a court with competent jurisdiction. For purposes of this indemnification, "claims" include all obligations, damages (actual, consequential, or otherwise), and costs that any Indemnified Party reasonably incurs in defending any claim against it, including, without limitation, reasonable accountants', arbitrators', attorneys', and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses, and other expenses of litigation, arbitration, or alternative dispute resolution, regardless of whether litigation, arbitration, or alternative dispute resolution is commenced. Each Indemnified Party may control the defense of any claim against it at your expense (including choosing and retaining its own legal counsel) and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement's expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against you under this paragraph. You agree that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from you under this paragraph. The obligations of this **Section 10.2** shall survive any expiration or termination of the Agreement.

10.3 Waiver and Delay

No waiver by us of any Default or Defaults, or series of Defaults in performance by you, and no failure, refusal or neglect of ours to exercise any right, power or option given to us hereunder or under any Franchise Agreement or other agreement between the parties, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to Central Bark Facilities), or to insist upon strict compliance with or performance of your obligations under this Agreement or any Franchise Agreement or other agreement between the parties, whether entered into before, after or contemporaneously with the execution hereof (and whether or not related to Central Bark Facilities), shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by us of our right at any time thereafter to require exact and strict compliance with the provisions thereof.

The following provision applies if you or the franchise granted hereby are subject to the franchise registration or disclosure laws in California, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, Rhode Island, South Dakota, Virginia, or Wisconsin: 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.

10.4 Survival of Covenants

The covenants contained in this Agreement which, by their nature or terms, require performance by the parties after the expiration or termination of this Agreement shall be enforceable notwithstanding said expiration or other termination of this Agreement for any reason whatsoever.

10.5 Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of our successors and assigns and shall be binding upon and inure to the benefit of you and your respective heirs, executors, administrators, successors and assigns, subject to the prohibitions and restrictions against Assignment contained herein.

10.6 Joint and Several Liability

If you consist of more than one person or Business Entity, or a combination thereof, the obligations and liabilities of each such person or Business Entity to us are joint and several, and such person(s) or Entities shall be deemed to be a general partnership.

10.7 Governing Law

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT OR ANY RELATED AGREEMENT, THE DEVELOPMENT OBLIGATION, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN US (OR ANY OF OUR AFFILIATES, AND OUR AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH.

10.8 Consent to Jurisdiction

SUBJECT TO SECTION 10.16 AND THE PROVISIONS BELOW, WE AND YOU (AND EACH OF YOUR OWNERS) AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR ANY RELATED AGREEMENTS, OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN US (OR ANY OF OUR AFFILIATES, AND OUR AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND YOU (OR YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) MUST BE COMMENCED

EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO WHERE OUR OR, AS APPLICABLE, OUR SUCCESSORS OR ASSIGN'S PRINCIPAL OFFICE THEN IS LOCATED (CURRENTLY LOCATED IN OAKLAND PARK, FLORIDA), AND WE AND YOU (AND EACH OF YOUR OWNERS) IRREVOCABLY CONSENTS TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR FORUM IN THOSE COURTS. NONETHELESS, WE AND YOU (AND EACH OF YOUR OWNERS) AGREE THAT WE AND YOU (AND EACH OF YOUR OWNERS) MAY ENFORCE ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH YOU ARE DOMICILED OR THE MULTI-UNIT TERRITORY IS LOCATED.

10.9 Titles for Convenience

Article and paragraph titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement.

10.10 Gender and Construction

The terms of all Addendums hereto are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full herein. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any article or Section hereof may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided herein to the contrary, any consent, approval, acceptance or authorization of ours which you may be required to obtain hereunder may be given or withheld by us in our sole discretion, and on any occasion where we are required or permitted hereunder to make any judgment, determination or use our discretion, including any decision as to whether any condition or circumstance meets our standards or satisfaction, we may do so in our sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the drafter hereof, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by all parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of all parties hereto. The parties intend that if any provision of this Agreement is susceptible to two (2) or more constructions, one (1) of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

10.11 Severability, Modification

Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

10.12 Entire Agreement

This Agreement and the Addendums incorporated herein contain all of the terms and conditions agreed upon by the parties hereto concerning the subject matter hereof. No other agreements concerning the subject matter hereof, written or oral, shall be deemed to exist or to bind any of the parties hereto and all prior agreements, understandings and representations, are merged herein and superseded hereby. You represent that there are no contemporaneous agreements or understandings between the parties relating to

the subject matter of this Agreement that are not contained herein. This Agreement cannot be modified or changed except by written instrument signed by all of the parties hereto. Nothing in this Agreement, the Franchise Agreement, or any related agreement shall be deemed a waiver of your reliance on any representations made by us in the FDD.

10.13 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

10.14 Fees and Expenses

Should any party hereto commence any action or proceeding for the purpose of enforcing, or preventing the Default of, any provision hereof, whether by arbitration, judicial or quasi-judicial action or otherwise, or for damages for any alleged Default of any provision hereof, or for a declaration of such party's rights or obligations hereunder, then the prevailing party shall be reimbursed by the losing party for all costs and expenses incurred in connection therewith, including reasonable attorneys' fees for the services rendered to such prevailing party. In the event of a Default by you, all of our costs and expenses arising from such Default, including reasonable legal fees and reasonable hourly charges of our administrative employees shall be paid to us by you within five (5) days after cure or upon demand by us if such Default is not cured.

10.15 Notices

All written notices and reports permitted or required to be delivered by the provisions of this Agreement or of the Operating Manual shall be deemed so delivered at the time delivered by hand; one (1) business day after transmission by electronic mail or comparable electronic system; one (1) business day after being placed in the hands of a nationally recognized commercial carrier service for next business day delivery; or three (3) business days after placement in the mail by registered or certified mail, return receipt requested, postage prepaid, to the address set forth in the first paragraph of this Agreement, other future addresses advised by a party in writing. Any required payment or report which we do not actually receive at the correct address during regular business hours on the due date (or postmarked by postal authorities at least two (2) days before it is due) will be deemed delinquent.

10.16 Arbitration

We and you agree that all controversies, disputes, or claims between us or our Affiliates, and our and their respective Owners, officers, directors, agents, and employees, on the one hand, and you and your Affiliates, and your and their Owners, guarantors, affiliates, and employees, on the other hand, arising out of or related to:

1. this Agreement or any other agreement between us (or any of our Affiliates) and you (or any of your Affiliates, or your and their owners);

2. Our relationship with you; or

3. the scope or validity of this Agreement or any other agreement between us (or any of our owners) and you (or any of your Affiliates) or any provision of any of such agreements (including the validity and scope of the arbitration provision under this Section, which we and you acknowledge is to be determined by an arbitrator, not a court);

must be submitted for binding arbitration, on demand of either party, to the American Arbitration Association ("**AAA**"). The arbitration proceedings will be conducted by one arbitrator and, except as this

Section otherwise provides, according to the AAA's then-current Commercial Arbitration Rules. All proceedings will be conducted at a suitable location chosen by the arbitrator that is within fifty (50) miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently, Oakland Park, Florida). All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.). The interim and final awards of the arbitrator shall be final and binding upon each party, and judgment upon the arbitrator's awards may be entered in any court of competent jurisdiction.

The arbitrator has the right to award or include in his or her awards any relief which he or she deems proper, including, without limitation, money damages, pre- and post-award interest, interim costs and attorneys' fees, specific performance and injunctive relief, provided that the arbitrator may not declare any of the trademarks owned by us or our affiliates generic or otherwise invalid, or award any punitive or exemplary damages against any party to the arbitration proceeding (we and you hereby waiving to the fullest extent permitted by law any such right to or claim for any punitive or exemplary damages against any party to the arbitration proceeding). Further, at the conclusion of the arbitration, the arbitrator shall award to the prevailing party its attorneys' fees and costs.

We and you agree to be bound by the provisions of any applicable contractual or statutory limitations provision, whichever expires earlier. We and you further agree that, in any arbitration proceeding, each party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceeding. Any claim which is not submitted or filed as required will be forever barred. The arbitrator may not consider any settlement discussions or offers that might have been made by either us or you.

WE AND YOU AGREE THAT ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT AN ARBITRATION PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR OR THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU AND YOUR AFFILIATES, AND YOUR AND THEIR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES, ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS; (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION PROCEEDING; (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY; OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. NOTWITHSTANDING THE FOREGOING, IF ANY COURT OR ARBITRATOR DETERMINES THAT ALL OR ANY PART OF THE PRECEDING SENTENCE IS UNENFORCEABLE WITH RESPECT TO A DISPUTE, CONTROVERSY OR CLAIM THAT OTHERWISE WOULD BE SUBJECT TO ARBITRATION UNDER THIS SECTION, THEN ALL PARTIES AGREE THAT THIS ARBITRATION CLAUSE SHALL NOT APPLY TO THAT DISPUTE, CONTROVERSY OR CLAIM AND THAT SUCH DISPUTE, CONTROVERSY OR CLAIM SHALL BE RESOLVED IN A JUDICIAL PROCEEDING IN ACCORDANCE WITH THE DISPUTE RESOLUTION PROVISIONS OF THIS AGREEMENT.

You and we agree that, in any arbitration arising as described in this Section, the arbitrator shall have full authority to manage any necessary exchange of information among the parties with a view to achieving an efficient and economical resolution of the dispute.

The provisions of this Section are intended to benefit and bind certain third party non-signatories.

The provisions of this Section will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

Any provisions of this Agreement below that pertain to judicial proceedings shall be subject to the agreement to arbitrate contained in this Section.

10.17 Waiver of Jury Trial

Each party irrevocably waives trial by jury in any action or proceeding brought by either party.

10.18 Class Action Bar

WE AND YOU AGREE THAT ANY PROCEEDING OR ARBITRATION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS AND THAT ANY ARBITRATION OR OTHER PROCEEDING BETWEEN US AND ANY OF OUR AFFILIATES, OR OUR OR THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES, ON THE ONE HAND, AND YOU AND YOUR OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES, ON THE OTHER HAND, MAY NOT BE: (I) CONDUCTED ON A CLASS-WIDE BASIS; (II) COMMENCED, CONDUCTED OR CONSOLIDATED WITH ANY OTHER ARBITRATION OR PROCEEDING; (III) JOINED WITH ANY SEPARATE CLAIM OF AN UNAFFILIATED THIRD-PARTY; OR (IV) BROUGHT ON YOUR BEHALF BY ANY ASSOCIATION OR AGENT. NOTWITHSTANDING THE FOREGOING, IF ANY COURT OR ARBITRATOR DETERMINES THAT ALL OR ANY PART OF THE PRECEDING SENTENCE IS UNENFORCEABLE WITH RESPECT TO A DISPUTE, CONTROVERSY OR CLAIM THAT OTHERWISE WOULD BE SUBJECT TO ARBITRATION UNDER SECTION 10.16, THEN ALL PARTIES AGREE THAT THIS ARBITRATION CLAUSE SHALL NOT APPLY TO THAT DISPUTE, CONTROVERSY OR CLAIM AND THAT SUCH DISPUTE, CONTROVERSY OR CLAIM SHALL BE RESOLVED IN A JUDICIAL PROCEEDING IN ACCORDANCE WITH THE DISPUTE RESOLUTION PROVISIONS OF THIS AGREEMENT.

10.19 Lawful Attorney

Notwithstanding anything otherwise contained in this Agreement, if you do not execute and deliver any documents or other assurances so required of you pursuant to this Agreement or if we take over the management or operation of the business operated hereunder on your behalf for any reason, you hereby irrevocably appoint us as your lawful attorney with full power and authority, to execute and deliver in your name any such documents and assurances, and to manage or operate the business on your behalf, and to do all other acts and things, all in such discretion as we may desire, and you hereby agree to ratify and confirm all of our acts as your lawful attorney and to indemnify and save us harmless from all claims, liabilities, losses, or damages suffered in so doing. You also hereby appoint us as your attorney-in-fact to receive and inspect your sales and other tax records and hereby authorize all tax authorities to provide such information to us for all tax periods during the Term.

ARTICLE 11.
SUBMISSION OF AGREEMENT

11.1 General

The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon the execution thereof by the parties.

ARTICLE 12.
FRANCHISEE

12.1 Business Entity Franchisee Information

If you are a Business Entity, you agree and represent that you will have the authority to execute, deliver, and perform your obligations under this Agreement and all related agreements and are duly

organized or formed and are and will, throughout this Term, remain validly existing and in good standing under the laws of the state of your formation. You represent and warrant that the information set forth in **Addendum 3** which is annexed hereto and by this reference made a part hereof, is accurate and complete in all material respects. You shall notify us in writing within ten (10) days of any change in the information set forth in **Addendum 3**, and shall submit to us a revised **Addendum 3**, which shall be certified by you as true, correct and complete and upon acceptance thereof by us shall be annexed to this Agreement as **Addendum 3**. You promptly shall provide such additional information as we may from time to time request concerning all persons who may have any direct or indirect financial interest in your Business Entity, including providing copies of all amendments to your "Business Entity Documents" as defined in **Addendum 3**. You shall conduct no business other than the business contemplated hereunder and under any currently effective Franchise Agreement between the parties. Your Business Entity Documents shall recite that the issuance and transfer of any interest therein is subject to the restrictions set forth in this Agreement and any Franchise Agreement executed pursuant hereto.

If you are a Business Entity, each of your direct and indirect owners with a twenty percent (20%) or more ownership interest in you during the Term, and their spouses, will execute a guaranty in the form we prescribe undertaking personally to be bound, jointly and severally, by all provisions of this Agreement and any ancillary agreements between you and us. Our current form of guaranty is attached herein as **Addendum 4**. We confirm that a spouse who signs **Addendum 4** solely in his or her capacity as a spouse (and not as an owner) is signing that agreement merely to acknowledge and consent to the execution of the guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, to bind the spouse's own separate property).

12.2 Operating Principal

If you are a Business Entity, you shall at all times have appointed an Operating Principal acceptable to us. The Operating Principal must be an owner of the Business Entity and shall be principally responsible for communicating and coordinating with us regarding business, operational and other ongoing matters concerning this Agreement and Central Bark Facilities developed pursuant hereto. The Operating Principal shall have the full authority to act on your behalf in regard to performing, administering or amending this Agreement and all Franchise Agreements executed pursuant hereto. We may, but are not required to, deal exclusively with the Operating Principal in such regards unless and until our actual receipt of written notice from you of the appointment of a successor Operating Principal, who shall have been accepted by us.

12.3 Business Practices

(a) You represent and warrant that neither you nor any of your Owners conduct any activity, or has failed to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the International Money Laundering Abatement and Anti-Terrorist Financing Act ("**Patriot Act**") and any amendments or successors thereto.

(b) Neither you nor any of your Owners or the employees of either of them is named as a "Specially Designated Nationals" or "Blocked Persons" as designated by the U.S. Department of the Treasury's Office of Foreign Assets Control (currently, this list is published under the internet website address www.treasury.gov/offices/enforcement/ofac/); and that you are neither directly nor indirectly owned or controlled by the government of any country that is subject to a United States embargo, nor do you or any of your Owners act directly or indirectly on behalf of the government of any country that is subject to a United States embargo. You agree to notify us in writing immediately of the occurrence of any event, which renders the foregoing representations and warranties of this paragraph incorrect.

(c) You represent that you understand and have been advised by legal counsel on the requirements of the applicable laws referred to above, including the United States Foreign Corrupt Practices Act, any local foreign corrupt practices laws and the Patriot Act, and hereby acknowledges the importance to us, the System and the parties' relationship of their respective compliance with any requirement to report or provide access to information to us or any government, that is made part of Applicable Law. You shall take all reasonable steps to require your consultants, agents and employees comply with such laws prior to engaging or employing any such persons.

12.4 True and Accurate Information

You affirm that all information set forth in any and all applications, financial statements and submissions to us are true, complete and accurate in all respects, with you expressly acknowledging that we are relying upon the truthfulness, completeness and accuracy of such information.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the first date set forth above.

Barkley Ventures Franchising, LLC	You: _____
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____
Date: _____	Date: _____

APPENDIX

GLOSSARY OF TERMS

AAA: Defined in **Section 10.16**.

Affiliate: A Business Entity that controls, is controlled by, or is under common control with another party, including but not limited to parent, subsidiary or affiliated companies.

Applicable Law: means and includes applicable common law and all applicable statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority, including all labor, immigration, disability, food and drug laws and regulations, as in effect on the Effective Date hereof, and as may be amended, supplemented or enacted from time to time.

Assignment: Defined in **Section 7.3(a)**.

Authorized Products and Services: The specific products and services that we periodically specify in the Operating Manual, or as we otherwise direct in writing, for sale at Central Bark Facilities.

Business Entity: A corporation, a general or limited Partnership, a limited liability company, or another legal entity.

Competitive Activities: To own (as a disclosed or beneficial owner), operate, lend to, advise, be employed by, or have any direct or indirect financial interest in any business (other than a Central Bark Facility operated under a Franchise Agreement with us) operating, or granting franchises or licenses to others to operate: (i) a facility offering day care, boarding, grooming, or training for canines, or any other related canine services, or (ii) a retail facility whose gross receipts from the sale of canine related products represent, at any time, at least 10% of the business' total gross receipts.

Default: Any breach of, or failure to comply with, any of the terms or conditions of an agreement.

Development Period: Each of the time periods indicated on **Addendum 2** during which Franchisee has the right and obligation to construct, equip, open and thereafter continue to operate Central Bark Facilities in accordance with the Development Obligation.

Development Obligation: The Franchisee's right and obligation to construct, equip, open and thereafter continue to operate at sites within the Multi-unit Territory the cumulative number of Central Bark Facilities in **Addendum 2** within each Development Period and, if applicable, within the geographic areas specified therein.

Equity: Capital stock, membership interests, Partnership Rights or other equity ownership interests of a Business Entity.

Franchise Agreement: The form of agreement we use to grant to Franchisee the right to own and operate a single Central Bark Facility in the Multi-unit Territory, including all exhibits, riders, guarantees or other related instruments, all as amended from time to time.

Governmental Authority: All federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

Initial Franchise Fee: Defined in **Section 4.2**.

Operating Manual: The primary source of information regarding the System and the construction and operation of a Central Bark Facility, which includes our operations and training manuals, and any other written directive related to the System, as the same may be amended and revised from time to time, including all bulletins, supplements and ancillary and additional manuals and written directives established by us as in effect and amended from time to time.

Marks: Certain trade names, service marks, trademarks, logos, emblems, and other indicia of origin, including but not limited to the mark "CENTRAL BARK®" and such other trade names, service marks, trademarks, copyrights, insignia, emblems, slogans, logos, commercial symbols, signs, trade dress (including designs and specifications and the motif, decor, and color combinations for a Central Bark Facility), and all other visual identification, as are now designated, and may hereafter be designated by Central Bark, for use in connection with the System.

Multi-unit Territory: The geographic area defined or identified in **Addendum 1**, attached hereto.

Operating Principal: President, manager or authorized representative, who is an Owner of Franchisee, and accepted by us (and until subsequently disapproved by us), to serve as the authorized representative of Franchisee, who Franchisee acknowledges and agrees shall act as Franchisee's representative, and shall have the authority to act on behalf of Franchisee during the Term.

Owner: Any direct or indirect shareholder, member, general or limited partner, trustee, or other Equity owner of an Business Entity, except, that if we or any of our Affiliates have any ownership interest in Franchisee, the term "Owner" shall not include or refer to us or our Affiliate or their respective direct and indirect parents and subsidiaries, and no obligation or restriction upon Franchisee, or its Owners shall bind us, our Affiliate or our and their respective direct and indirect parents and subsidiaries or our and their respective officers, directors, or managers.

Partnership: Any general partnership, limited partnership or limited liability partnership.

Partnership Rights: Voting power, property, profits or losses, or partnership interests of a Partnership.

Purchase Option: Defined in **Section 7.3(d)**.

Restricted Persons: Franchisee, each of its Owners and each of its and their immediate family members, Franchisee's Affiliates, and Franchisee's and its Affiliates respective owners, officers, directors, managers, and Affiliates of each of them.

System: Our unique system relating to the establishment, development and operation of a canine care facility offering day care, boarding services, grooming services, training, a specialty retail boutique for dogs, and other products and services authorized by us, the distinguishing characteristics of which System include, without limitation, marketing and advertising methods and techniques, operating procedures and materials, training and supervision, management assistance, administrative systems, business and reporting forms, staffing procedures, and product and equipment specifications; all of which may be changed, improved, and further developed by us from time to time.

Term: Defined in **Section 3.1**.

Venue: means any site where a Central Bark Facility is located or proposed to be located.

Central Bark Facility or Central Bark Facilities: Defined in **Recital A**

ADDENDUM 1
MULTI-UNIT TERRITORY

The Multi-unit Territory is defined as the territory within the boundaries described below:

ADDENDUM 2
DEVELOPMENT OBLIGATION

Development Schedule

	DEVELOPMENT PERIOD ENDING	CUMULATIVE NO. OF CENTRAL BARK FACILITIES TO BE IN OPERATION
1	_____	____ Central Bark Facilities
2	_____	____ Central Bark Facilities
3	_____	____ Central Bark Facilities
4	_____	____ Central Bark Facilities
5	_____	____ Central Bark Facilities

ADDENDUM 3
BUSINESS ENTITY INFORMATION

Franchisee represents and warrants that the following information is accurate and complete in all material respects:

(i) Franchisee is a (check as applicable):
[ ] corporation
[ ] limited liability company
[ ] general partnership
[ ] limited partnership
[ ] Other (specify): _____

(ii) Franchisee shall provide to us concurrently with the execution hereof true and accurate copies of its charter documents including Articles of Incorporation, Bylaws, Operating Agreement, Regulations Partnership Agreement, resolutions authorizing the execution hereof, and any amendments to the foregoing ("**Business Entity Documents**").

(iii) Franchisee promptly shall provide such additional information as we may from time to time request concerning all persons who may have any direct or indirect financial interest in Franchisee.

(iv) The name and address of each of Franchisee's owners, members, or general and limited partners:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(v) There is set forth below the names, and addresses and titles of Franchisee's principal officers or partners who will be devoting their full time to the Business:

NAME	ADDRESS

(vi) The address where Franchisee's Financial Records, and Business Entity Documents are maintained is: _____
_____

The "Operating Principal" is: _____

ADDENDUM 4

GUARANTY AND ASSUMPTION OF OBLIGATIONS

THIS GUARANTY AND ASSUMPTION OF OBLIGATIONS is given this _____ day of _____, 20__, by the persons indicated below who have executed this Agreement.

In consideration of, and as an inducement to, the execution of that certain Multi-Unit Franchise Agreement (as amended, modified, restated or supplemented from time to time, the "**Agreement**") on this date by Barkley Ventures Franchising, LLC, a Delaware limited liability company ("**we**," "**us**," 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, and transfer 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; (4) 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 owners, and for so long as we have any cause of action against Franchisee or its owners; (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; and (6) at our request, the undersigned shall present updated financial information to us as reasonably necessary to demonstrate his or her ability to satisfy the financial obligations of Franchisee under the Agreement.

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 as a result 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 to 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. Each of the undersigned also agrees to provide us with updated periodic financial information, as we may request from time to time.

Each of the undersigned acknowledges and represents that he or she has had an opportunity to review the Agreement and agrees that the provisions of Article 10 (General Conditions and Provisions), including, but not limited to Section 10.8 (Consent to Jurisdiction), Section 10.14 (Fees and Expenses), and Section 10.16 (Arbitration) have been reviewed by the undersigned and are incorporated, by reference, into and shall govern this Guaranty and Assumption of Obligations and any disputes between the undersigned

and us. Nonetheless, each of the undersigned agrees that we may also enforce this Guaranty and Assumption of Obligations and awards in the courts of the state or states in which he or she is domiciled. The Guarantors shall reimburse us for all costs and expenses we incur in connection with enforcing the terms of this Guaranty.

By signing below, the undersigned spouse of the Guarantor indicated below, acknowledges and consents to the guaranty given herein by his/her spouse. Such consent also serves to bind the assets of the marital estate to Guarantor's performance of this Guaranty. We confirm that a spouse who signs this Guaranty solely in his or her capacity as a spouse (and not as an owner) is signing merely to acknowledge and consent to the execution of the Guaranty by his or her spouse and to bind the assets of the marital estate as described therein and for no other purpose (including, without limitation, to bind the spouse's own separate property).

Each Guarantor that is a business entity, retirement or investment account, or trust acknowledges and agrees that if Franchisee (or any of its affiliates) is delinquent in payment of any amounts guaranteed hereunder, that no dividends or distributions may be made by such Guarantor (or on such Guarantor's account) to its owners, accountholders or beneficiaries, for so long as such delinquency exists, subject to applicable law.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as this Guaranty and Assumption of Obligations was executed.

GUARANTOR(S)	**SPOUSE(S)**
Name:_____ Sign: _____ Address: _____ _____ _____	Name:_____ Sign: _____ Address: _____ _____ _____
Name**:**_____ Sign: _____ Address: _____ _____ _____	Name**:**_____ Sign: _____ Address: _____ _____ _____

BARKLEY VENTURES FRANCHISING, LLC

LEASE ASSIGNMENT AGREEMENT

THIS AGREEMENT made on _____, by and between Barkley Ventures Franchising, LLC (hereinafter called "Franchisor") and _____ _____, (hereinafter called "Franchisee") and _____ _____, (hereinafter called "Landlord") involving a CENTRAL BARK facility (hereinafter called "Facility") to be located at _____ _____, (hereinafter called "Franchise Location"), with reference to the following facts:

A. On _____, Franchisee and Landlord entered into a Lease Agreement (hereinafter called "Lease"), a fully executed copy of which is to be attached hereto as Exhibit A, pursuant to the terms of which Franchisee leased the Franchise Location from Landlord to operate the Facility thereon.

B. On _____, Franchisor and Franchisee executed a Franchise Agreement pursuant to the terms of which Franchisee obtained a franchise from Franchisor to operate the Facility at the Franchise Location.

C. The parties desire to amend the Lease in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, IT IS AGREED:

1. ASSIGNMENT

Franchisee hereby assigns, transfers, and conveys to Franchisor all of Franchisee's right, title, and interest in and to the Lease; however, this assignment shall become effective only upon Franchisor's exercise of the option granted to Franchisor in Paragraph 4 herein subsequent to the occurrence of any of the following events:

a. Default of Lease

If Franchisee shall be in default in the performance of any of the terms of the Lease, unless such default is cured within the period required in the Lease or within thirty (30) days following written demand given by Franchisor, whichever is sooner.

b. Default of Franchise Agreement

The occurrence of any acts that would result in termination as specified in the Franchise Agreement or the continuance beyond the period or periods specified in the Franchise Agreement of any default by Franchisee in the performance of payments required under the Franchise Agreement.

c. Non-Exercise of Option to Renew or Extend

If Franchisee shall have had an option to renew or extend the Lease and shall have failed or elected not to do so within the time specified in the Lease for such renewal or extension, after having been directed in writing by Franchisor to do so.

d. Non-Renewal of Franchise Agreement

If Franchisee fails to exercise an option to renew the Franchise Agreement and Franchisor provides evidence of such failure to Landlord.

2. CONSENT TO ASSIGNMENT

Landlord hereby consents to this assignment, which consent shall remain in effect during the entire term of the Lease and any and all renewals or extensions thereof, and agrees that the Lease shall not be amended, assigned, extended, or renewed, nor shall the Franchise Location be sublet by Franchisee, without the prior written consent of Franchisor.

3. EXERCISE OF OPTION BY FRANCHISOR

Franchisor shall exercise the option granted herein by giving written notice to Franchisee and Landlord in the manner specified in Paragraph 8 hereof within 30 days of the occurrence of an event described in Section 1, or the lapse of any cure period identified thereunder, whichever is later, and by thereafter delivering to Landlord a written assumption of the obligations of the Lease.

Franchisor shall have the right, concurrently with or subsequent to Franchisor's exercise of the option granted herein, to assign and transfer its rights under this Agreement to a new Franchisee selected by Franchisor to operate the Facility, with the prior written consent of Landlord, which shall not be unreasonably withheld, provided that such new Franchisee shall have a credit rating and a net worth adequate for the operation of the Facility. In such event, such new Franchisee shall obtain the assignment of the Lease and shall assume the obligations of the Lease in place and instead of Franchisor.

4. TERMINATION OF RIGHTS OF FRANCHISEE

Upon the exercise of the option granted to Franchisor herein, Franchisee shall no longer be entitled to the use or occupancy of the Franchise Location; all of Franchisee's prior rights in and to the Lease will have been, in all respects, terminated, and, by the terms of this Agreement, assigned to Franchisor, or Franchisor’s assignee.

5. VACATE FRANCHISE LOCATION

Upon the exercise of the option granted to Franchisor herein, Franchisee shall immediately vacate the Franchise Location within the period permitted by the Lease; however, if Franchisee shall fail or refuse to do so, Franchisor shall have the right to enter the Franchise Location and take possession of the Franchise Location.

If Franchisor has not exercised the option granted to Franchisor herein, then upon the expiration or termination of the Lease Franchisee shall vacate the Franchise Location within the period permitted by the Lease. However, if Franchisee shall fail or refuse to do so, Franchisor shall have the right (but not the obligation) to enter the Franchise Location, within 30 days of the expiration or termination of the Lease, to remove all operations manuals, advertising materials and other materials relating to the operation of the Facility or containing Franchisor's trademarks and de-identify the Franchise Location.

6. INDEMNIFICATION

Franchisee hereby agrees to indemnify and hold Landlord and Franchisor harmless from and against any and all loss, costs, expenses (including attorney's fees), damages, claims, and liabilities, however caused, resulting directly or indirectly from or pertaining to the exercise by Franchisor and/or Landlord of the rights and remedies granted under this Agreement.

7. REMEDIES CUMULATIVE

The remedies granted pursuant to this Agreement are in addition to and not in substitution of any or all other remedies available at law or in equity to Franchisor.

8. NOTICES

All notices to Franchisor must be sent by registered or certified mail, postage prepaid, or by a recognized overnight courier or delivery services to the following address:

FRANCHISOR: BARKLEY VENTURES FRANCHISING, LLC
P.O. Box 14217
West Allis, Wisconsin 53214

Franchisor may change its address by giving Landlord written notice of the new address.

9. MISCELLANEOUS

a. Further Acts

The parties agree to execute such other documents and perform such further acts as may be necessary or desirable to carry out the purposes of this Agreement.

b. Heirs and Successors

This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors, and assigns. Franchisor may assign its rights under this Agreement to any designee.

c. Waiver

Failure by any party to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance.

d. Headings

The headings used herein are for purposes of convenience only and shall not be used in construing the provisions hereof. As used herein, the male gender shall include the female and neuter genders; the singular shall include the plural, and the plural, the singular.

e. Attorney's Fees

If any party commences an action against any other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorney's fees and costs of suit.

f. Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. The parties agree that scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

10. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the internal laws of the State of [*insert state of Franchise Location*]; however, if this Agreement concerns a location in a state other than such state and the laws of that state require terms other than those or in addition to those contained herein, then this Agreement shall be deemed modified so as to comply with the appropriate laws of such state, but only to the extent necessary to prevent the invalidity of this Agreement or any provision hereof, the imposition of fines or penalties, or the creation of civil or criminal liability on account thereof. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of the prohibition of unenforceability without invalidating the remaining provisions of this Agreement. Any prohibition against or unenforceability of any provisions of this Agreement in any jurisdiction, including the state whose laws govern this Agreement, shall not invalidate the provision or render it unenforceable in any other jurisdiction. To the extent permitted by applicable law, Franchisee and Landlord waive any provision of law which renders any provision of this Agreement prohibited or unenforceable in any respect.

IN WITNESS WHEREOF, the parties have executed this Agreement at _____ _____, _____, on the date first shown above.

BARKLEY VENTURES FRANCHISING, LLC

By: _____

Title: _____

_____
(typed or printed name and title)

LANDLORD: _____
(name of entity)

By: _____

Title: _____

_____
(typed or printed name and title)

FRANCHISEE (Tenant): _____

By: _____

Title: _____

_____
(typed or printed name and title)

EXHIBIT A
TO LEASE ASSIGNMENT AGREEMENT

Executed Lease Agreement

EXHIBIT E
(TO DISCLOSURE DOCUMENT)

FINANCIAL STATEMENTS

BARKLEY VENTURES FRANCHISING, LLC

Unaudited Financial Statements

Dated April 30, 2026

These Financial Statements Have Been Prepared without an Audit. Prospective Franchisees or Sellers of Franchises Should be Advised that No Independent Certified Public Accountant Has Audited These Figures or Expressed an Opinion with Regard to their Content or Form.

BARKLEY VENTURES FRANCHISING, LLC

(A Wholly Owned Subsidiary of
Barkley Ventures, Inc.)
Balance Sheet

	4/30/2026
Assets	
Current Assets:	
Cash	$ 521,942
Accounts Receivable	270,625
Other Current Assets	46,363
Total current assets	838,930
Fixed Assets	61,845
Other Assets	57,062
Total assets	$ 957,837
Liabilities and Stockholder's Equity	
Current liabilities	
Accounts Payable	$ 130,583
Deferred Franchise Fee Income (Current)	262,950
Other Current Liabilities	146,393
Total current liabilities	539,926
Deferred Franchise Fee Income	280,150
Other Liabilities	24,438
Total liabilities	844,514
Stockholder's equity:	
Owner Equity	2,511,771
Retained earnings (accumulated deficit)	(2,342,765)
Net Income	(55,683)
Total stockholder's equity (deficit)	113,323
Commitments and contingencies	-
Total liabilities and stockholder's equity (deficit)	$ 957,837

BARKLEY VENTURES FRANCHISING, LLC

(A Wholly Owned Subsidiary of
Barkley Ventures, Inc.)
Statement of Operations

	4/30/2026
Revenues:	
Franchise fee revenue	$ 13,750
Brand Fund revenue	183,720
Royalty revenue	731,164
Other Revenue	192,624
Total revenue	1,121,258
Brand Fund expenses	183,720
Professional Fees	101,545
Selling, general, and administrative expenses	814,136
Net Operating income (loss)	21,857
Management Fees	80,000
Interest expense (income)	(2,460)
Other Expenses	-
Income (loss) before income taxes	(55,683)
Income tax (expense) benefit	-
Net income (loss)	$ (55,683)

BARKLEY VENTURES FRANCHISING, LLC

(A Wholly Owned Subsidiary of
Barkley Ventures, Inc.)
Statement of Cash Flows

	4/30/2026
CASH FLOWS FROM OPERATING ACTIVITES:	
Net income (loss)	$ (55,683)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:	
Changes in operating assets and liabilities	93,049
Net cash provided by (used in) operating activities	37,366
Net Cash provided by (used in) investing activities	(10,000)
NET INCREASE (DECREASE) IN CASH	27,366
Cash at beginning of period	494,576
Cash at end of period	$ 521,942

Barkley Ventures Franchising, LLC

AUDITED FINANCIAL STATEMENTS

Years ended December 31, 2025, 2024, and 2023

Barkley Ventures Franchising, LLC

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INDEPENDENT AUDITOR'S REPORT

To the Member
Barkley Ventures Franchising, LLC

Opinion

We have audited the accompanying financial statements of Barkley Ventures Franchising, LLC , a Delaware limited liability company (the "Company"), which comprise the balance sheet as of December 31, 2025, and the related statements of operations and member's equity, and cash flows for the year then ended, and the related notes to the financial statements.

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

Basis for Opinion

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

Prior Period Financial Statements

The financial statements of the Company as of and for the periods ended December 31, 2024, and 2023, were audited by other auditors whose report dated May 13, 2025, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

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

Other information Included in the Company's Franchise Disclosure Document

Management is responsible for the other information included in the Company's Franchise Disclosure Document. The other information comprises information regarding the franchiser, applicable fees, initial investment amounts, obligations, franchisee agreements, restrictions, and franchisee information and statistics among other items, but it does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of other information exists, we are required to describe it in our report.

Report on Supplementary Information

The supplementary information included in the schedule of operating expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements. The information is the representation of management. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

UHY LLP

Farmington Hills, Michigan
April 16, 2026

Barkley Ventures Franchising, LLC
BALANCE SHEETS

	December 31,		
	2025	**2024**	**2023**
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	**$ 489,654**	$ 250,944	$ 1,523,477
Accounts receivable, net of allowance for credit losses	**256,731**	229,629	134,512
Brand fund receivable	**65,759**	114,876	41,050
Interest receivable	**-**	-	9,738
Prepaid and other current assets	**45,637**	79,960	104,024
Current portion of costs to obtain revenue contracts	**4,747**	-	-
Total current assets	**862,528**	675,409	1,812,801
PROPERTY AND EQUIPMENT, net	**23,818**	40,833	72,120
Other Assets			
Intangible assets, net	**28,027**	42,027	-
Operating lease right-of-use assets, net	**39,504**	5,816	17,232
Costs to obtain revenue contracts, net of current portion	**32,958**	-	-
Restricted cash	**4,922**	16,504	23,845
Total assets	**$ 991,757**	$ 780,589	$ 1,925,998
LIABILITIES AND MEMBER'S EQUITY			
CURRENT LIABILITIES			
Accounts payable	**$ 46,094**	$ 35,071	$ 37,750
Credit card payable	**35,333**	29,386	77,132
Brand fund liability	**64,078**	-	69,269
Current portion of deferred revenue	**353,975**	115,650	118,150
Accrued expenses	**3,450**	1,257	12,651
Current portion of operating leases	**15,233**	7,890	15,407
Total current liabilities	**518,163**	189,254	330,359
LONG-TERM LIABILITIES			
Deferred revenue, net of current portion	**280,150**	581,085	407,720
Operating leases, net of current portion	**24,439**	-	7,890
Total long-term liabilities	**304,589**	581,085	415,610
MEMBER'S EQUITY	**169,005**	10,250	1,180,029
Total liabilities and member's equity	**$ 991,757**	$ 780,589	$ 1,925,998

Barkley Ventures Franchising, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY

	Years ended December 31,		
	2025	**2024**	**2023**
Revenues			
Royalties and service fees	**$ 2,071,632**	$ 1,764,621	$ 1,578,879
Franchise fees	**259,066**	275,152	207,815
Brand fund fees	**577,280**	733,191	683,375
Technology fees	**77,600**	71,550	63,450
Other fees	**138,695**	100,578	47,993
Total revenues	**3,124,273**	2,945,092	2,581,512
Operating expenses			
Brand fund expenses	**577,280**	733,191	683,375
Other operating expenses	**2,395,673**	3,420,220	2,908,065
Income (loss) from operations	**151,320**	(1,208,319)	(1,009,928)
Other income			
Interest income	**7,435**	30,246	50,652
Miscellaneous income	**-**	8,294	12,506
Total other income	**7,435**	38,540	63,158
Net income (loss)	**$ 158,755**	$ (1,169,779)	$ (946,770)
Member's equity, beginning	**10,250**	1,180,029	2,154,599
Member distributions	**-**	-	(27,800)
Member's equity, ending	**$ 169,005**	$ 10,250	$ 1,180,029

See notes to financial statements.

Barkley Ventures Franchising, LLC
STATEMENTS OF CASH FLOWS

	Years ended December 31,		
	2025	**2024**	**2023**
OPERATING ACTIVITIES			
Net income (loss)	$ 158,755	$ (1,169,779)	$ (946,770)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:			
Depreciation and amortization	41,015	39,900	15,721
Reduction in the carrying amount of right-of-use assets	12,528	11,416	10,999
Changes in:			
Accounts receivable	(27,102)	(95,117)	(9,671)
Brand fund receivable	49,117	(73,826)	86
Interest receivable	-	9,738	(9,738)
Prepaid expenses	34,323	24,064	(68,018)
Costs to obtain revenue contracts	(37,705)	-	-
Accounts payable	11,023	(2,679)	(48,103)
Accrued expenses	2,193	(11,394)	(44,966)
Brand fund liability	64,078	(69,269)	(161,625)
Credit card payable	5,947	(47,746)	24,932
Deferred revenues	(62,610)	170,865	359,370
Operating lease right-of-use liabilities	(14,434)	(15,407)	(14,674)
Net cash provided by (used in) operating activities	237,128	(1,229,234)	(892,457)
INVESTING ACTIVITIES			
Purchase of intangible assets	-	(50,640)	-
Purchase of property and equipment	(10,000)	-	(52,603)
Net cash used in investing activities	(10,000)	(50,640)	(52,603)
FINANCING ACTIVITY			
Member distributions	-	-	(27,800)
NET CHANGE IN CASH	227,128	(1,279,874)	(972,860)
CASH, Beginning	267,448	1,547,322	2,520,182
CASH, Ending	$ 494,576	$ 267,448	$ 1,547,322

NOTE 1 – COMPANY OPERATIONS

Barkley Ventures Franchising, LLC (the "Company") located in Oakland Park, Florida, was established for the purpose of selling franchises for the operation of a personalized canine care facility offering day care, overnight boarding services, grooming services, training, and a specialty retail boutique for dogs under the name "Central Bark." The Company extends credit to customers located throughout the United States.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of certain accounting policies followed by the Company in preparation of these financial statements. The policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Credit Risk

The Company from time to time during the years covered by these financial statements may have bank balances in excess of its insured limits. Management has deemed this as a normal business risk. The amounts on deposit at December 31, 2025, 2024, and 2023, exceeded the $250,000 federally insured limit by $239,654, $944, and $1,273,477, respectively.

Cash and Cash Equivalents

Cash equivalents are money market investments with maturities of 90 days or less, are carried at cost, which approximates market value.

Restricted Cash

The Company has cash balances restricted for the purpose of funding certain advertising expenditures for the franchise brand. These funds are collected from the franchises and are paid to vendors for advertising costs permissible under all state franchising laws. The balance for restricted cash at December 31, 2025, 2024, and 2023, was $4,922, $16,504, and $23,845, respectively.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are stated at the invoiced amount less an allowance for credit losses for estimated amounts not expected to be collected. An allowance for credit losses is based on the current expected credit loss impairment model ("CECL"), when deemed necessary, based on the Company's historical losses, existing economic conditions, and the financial stability of its customers. At December 31, 2025, 2024, and 2023, the allowance for credit losses amounted to $-0-, $16,385, and $-0-, respectively.

The allowance for credit losses for accounts receivable and the related activity are as follows:

	December 31,		
	2025	2024	2023
Beginning balance	$ 16,385	$ -	$ -
Provision for credit losses	5,214	16,385	-
Write-offs	(21,599)	-	-
Ending balance	$ -	$ 16,385	$ -

Leases

The Company determines if an arrangement is a lease at inception by determining whether the agreement conveys the right to control the use of the identified asset for a period of time, whether the Company has the right to obtain substantially all of the economic benefits from use of the identified asset, and the right to direct the use of the asset. Lease liabilities are recognized at the commencement date based upon the present value of the remaining future minimum lease payments over the lease term using the rate implicit in the lease or the risk-free rate. The risk-free rate is defined as the daily treasury par yield curve rate for a period of time that approximates the lease term. The Company's lease terms include options to renew or terminate the lease when it is reasonably certain that it will exercise the option.

The lease right-of-use assets are initially measured at the carrying amount of the lease liability and adjusted for any prepaid or accrued lease payments, remaining balance of lease incentives received, unamortized initial direct costs, or impairment charges relating to the right-of-use-asset. Certain leases contain escalation clauses, which are factored into the right-of-use asset where appropriate. Lease expense for minimum lease payments are recognized on straight-line basis over the lease term. The Company does not record short-term leases that are twelve months or less.

Property and Equipment

Property and equipment are stated at cost. Provisions for depreciation and amortization of property and equipment are computed under the straight-line method over the estimated useful lives of the assets, which generally range between 3-15 years.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company has elected to be taxed as a limited liability company under provisions of the Internal Revenue Code. Accordingly, the accompanying financial statements do not reflect a provision for federal income taxes. The sole member of the Company is taxed on its proportionate share of the Company's taxable income.

Advertising Costs

Advertising costs are expensed as incurred. For the years ended December 31, 2025, 2024, and 2023, advertising expenses totaled $10,385, $4,800 and $450,291, respectively.

Subsequent Events

The Company has performed a review of events subsequent to the balance sheet date through April 16, 2026, the date the financial statements were available to be issued and determined that there have been no events that would require adjustment to the financial statements other than the amended line of credit described in Note 4.

NOTE 3 – REVENUES

The Company executes franchise agreements that set the terms of its arrangement with each franchisee. The Company's revenues consist of royalties, franchise fees, brand fund fees, technology and other fees. Royalty revenues, which are based upon a percentage of the franchisees' sales, and technology fees are recognized on a monthly basis when earned. Fees to attend the Company's annual convention are recognized at the date of the convention.

Marketing fees received from franchisees are recorded as a current liability until the marketing activities have been performed. At which time, the associated revenue and expenses are recorded in the statement of operations and member's equity. The Company is the principal in these arrangements, and therefore the advertising fund contributions and expenditures are reported on a gross basis in the statement of operations and member's equity.

NOTE 3 – REVENUES (Continued)

The Company follows the guidance of FASB ASU 2021-02, *Franchisors – Revenue from Contracts with Customers (Subtopic 952-606)*, creating a practical expedient that simplifies the identification of performance obligations for private company franchisors for certain pre-opening services. If the practical expedient is elected, the pre-opening services provided by a franchisor to a franchisee can be accounted for as a single performance obligation, distinct from the franchise license. Pre-opening services per ASU 2021-02 are defined as follows:

1. Assistance in selection of a site
2. Assistance in obtaining facilities and preparing the facilities for their intended use, including related financing, architectural and engineering services, and lease negotiation
3. Training of the franchisee's personnel or the franchisee
4. Preparation and distribution of manuals and similar materials concerning operations, administration, and record keeping
5. Bookkeeping, information technology and advisory services, including setting up the franchisee's records, and advising the franchisee about income, real estate, and other taxes, or about regulations affecting the franchisee's business
6. Inspection, testing, and other quality control programs

The Company elected to apply the practical expedient allowed by ASU 2021-02 and has elected to account for all qualifying pre-opening activities as a single performance obligation. Therefore, the initial franchise fees from the sale of new franchises are recognized at a single point in time, the date of the franchisee's soft opening, for the pre-opening services performance obligation, with the remaining portion of the initial franchise fee recognized over time for the license of intellectual property performance obligation. When the total selling price of the pre-opening services exceeds the total initial franchise fee, then none of the initial franchise fees will be recognized over time.

Contract assets primarily relate to sales commissions incurred upon signing of the franchise agreement. The Company follows ASC 340-40 with respect to capitalization and amortization of incremental costs of obtaining a contract. Contract liabilities primarily relate to advance payments, but performance obligations have not yet been satisfied, and revenue has not been recognized. The beginning and ending balances of contracts receivable from customers, contract assets, and contract liabilities, were as follows:

	December 31,		
	2025	2024	2023
Accounts receivable, beginning of year	$ 344,505	$ 175,562	$ 165,977
Accounts receivable, end of year	$ 322,490	$ 344,505	$ 175,562
Contract assets, beginning of year	$ -	$ -	$ -
Contract assets, end of year	$ 37,705	$ -	$ -
Unearned revenue, beginning of year	$ 696,735	$ 525,870	$ 83,250
Unearned revenue, end of year	$ 634,125	$ 696,735	$ 525,870

NOTE 4 – RELATED PARTY TRANSACTIONS

Barkley Ventures, Inc., the Company's sole member, pays for payroll related costs on behalf of the Company and is reimbursed accordingly. Payroll expenses reimbursed to Barkley Ventures Inc. totaled $1,208,093, $1,559,020, and $1,180,583 for the years ended December 31, 2025, 2024, and 2023, respectively.

A store owned by a shareholder of the Company's sole member is required to pay royalty, brand, and technology fees. Royalty fees equal 6% of gross sales. Marketing fund contributions equal 2% of gross sales, or a $500 monthly minimum fee. Technology fees equal to $150 per month. Revenues and accounts receivable from this entity amounted to the following:

	December 31,		
	2025	2024	2023
Royalty fees	$ 47,244	$ 37,797	$ 35,874
Marketing fund contributions	$ 15,748	$ 12,599	$ 11,852
Technology fees	$ 1,970	$ 1,800	$ -
Accounts receivable	$ 6,156	$ 3,596	$ 3,650

On November 1, 2021, the Company's sole member entered into a management agreement with Newspring Franchise Management Company, LLC, which also provides management services to the Company's sole member's series A preferred stockholder. The management company provides the Company management and advisory services regarding the Company's financial and business affairs, capital raises, mergers, acquisitions and divestitures, strategic guidance, relationships with lenders, and the operation and expansion of its business. A monthly management fee is payable on the first day of each month. The management agreement is effective until the earlier of either the mutual agreement of both parties terminating the agreement or the sale of the Company's sole member. The management fee expense totaled $242,501, $240,000, and $240,000 for the years ended December 31, 2025, 2024, and 2023, respectively.

The Company pays consulting fees to a related party for franchise development services. The total amount paid for these services for the year ended December 31, 2025, 2024, and 2023, was $52,542, $-0-, and $-0-, respectively.

NOTE 5 – BRAND FUND RECEIVABLE AND LIABILITY

In addition to the monthly royalty and service fee, each franchise is required to make a brand fund contribution equal to the greater of; 2% of monthly gross sales, per terms of the franchise agreement, or a $500 monthly minimum fee. Such funds received are treated as a liability until disbursed. The fund is used to benefit all Central Bark facilities through advertising and promotional activities. The funds are maintained in a separate account and accounted for separately from the Company's general operating fund.

The brand fund receivable represents the amount owed for December sales by the franchisees. Management estimates potential bad debts int eh brand fund using the same methodology as described in note 2. Management has concluded that realization losses on balances outstanding at year-end will be immaterial.

NOTE 6 – FRANCHISE INFORMATION

The following is a summary of the franchise activity for franchises for the years ended December 31, 2025, 2024, and 2023:

	December 31,		
	2025	2024	2023
Franchises open at beginning of year	41	37	35
Franchises opened during the period	5	5	2
Franchises closed during the period	2	1	-
Franchises open at year end	44	41	37
Franchises sold during the year	2	3	3

NOTE 7 – LEASES

The Company follows the guidance of FASB ASU 2016-02, *Leases (Topic 842)*. This ASU requires lessees to recognize right-of-use assets and lease obligations for most operating leases as well as finance leases. The Company entered into an operating lease for a training center on July 1 2022, and renewed the lease on July 1 2025. The lease expires on June 30, 2028.

The Company has elected to apply the short-term lease exception to all leases with a term of one year or less.

The lease asset and liability were calculated utilizing the risk free borrowing rate of 3.75% after the renewal in 2025, and 2.85% prior. The lease has three-year option to renew the lease, which was not considered when assessing the value of the right-of-use asset because the company is not reasonably certain that it will exercise the option to renew the lease.

NOTE 7 – LEASES (Continued)

Maturities of operating lease liabilities as of December 31, 2025:

Years ending December 31,	Amount
2026	$ 16,720
2027	17,582
2028	9,139
Total undiscounted cash flows	43,441
Less: Present value discount	(16,720)
Total lease liabilities	26,721
Less: current portion	(15,233)
Lease liabilities, less current portion	$ 11,488

Total rent expense was $16,393, $12,054, and $12,081 for the years ended December 31, 2025, 2024, and 2023, respectively.

Supplemental cash flow information related to leases was as follows for the years ended December 31, 2025, 2024, and 2023:

	December 31,		
	2025	2024	2023
Right of use assets obtained in exchange for lease obligations:			
Operating leases (non-cash activity)	$ 46,216	$ -	$ -

NOTE 8 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2025, 2024, and 2023:

	December 31,		
	2025	2024	2023
Furniture and equipment	$ 2,995	$ 8,854	$ 8,854
Building improvements	35,971	35,971	35,971
Other depreciable property	62,603	75,478	75,478
Total	101,569	120,303	120,303
Less accumulated depreciation and amortization	77,751	79,470	48,183
Property and equipment, net	$ 23,818	$ 40,833	$ 72,120

NOTE 9 – INTANGIBLE ASSETS

Intangible assets are recorded at cost at the date of acquisition and definite-lived intangible assets are amortized over their estimated useful lives.

Intangible assets consisted of the following at December 31, 2025, 2024, and 2023:

	December 31,		
	2025	2024	2023
Design manual	$ 29,040	$ 29,040	$ -
Domain names	21,600	21,600	-
Total	50,640	50,640	-
Less accumulated amortization	22,613	8,613	-
Intangible assets, net	$ 28,027	$ 42,027	$ -

The intangible asset amortization was $14,000 and $8,613 for the years ended December 31, 2025, and 2024, respectively.

NOTE 9 – INTANGIBLE ASSETS (Continued)

Estimated and amortization expense for the definite-lived intangible assets are as follows:

Years ending December 31,	Amount
2026	$ 14,000
2027	7,547
2028	4,320
2029	2,160
Total	$ 28,027

NOTE 10 – RETIREMENT PLAN

The Company maintains a deferred compensation plan qualified under Section 401(k) of the Internal Revenue Code. For the years ended December 31, 2025, 2024, and 2023, the Company contributed $35,260, $50,433, and $40,662, respectively, to the retirement plan.

SUPPLEMENTARY INFORMATION TO THE FINANCIAL STATEMENTS

BARKLEY VENTURES FRANCHISING, LLC
SCHEDULES OF GENERAL AND ADMINISTRATIVE EXPENSES

	Years ended December 31,		
	2025	**2024**	**2023**
Payroll	**$ 1,208,093**	$ 1,559,020	$ 1,180,583
Management fees	**242,501**	240,000	240,000
Professional fees	**201,168**	375,844	300,286
Convention	**133,636**	63,963	50,403
Software	**117,395**	145,249	120,929
Travel and entertainment	**116,864**	186,396	175,988
Franchise development	**61,661**	445,393	73,158
Insurance	**89,355**	122,989	89,625
Office	**63,356**	71,993	80,979
Depreciation and amortization	**41,015**	39,900	15,721
Retirement plan expense	**35,260**	50,433	40,662
Telephone	22,349	34,590	34,194
Meetings	**21,076**	32,592	8,588
Occupancy	**15,115**	13,858	18,264
Advertising	**10,385**	4,800	450,291
Miscellaneous	**6,191**	4,880	14,436
Bad debt expense	**5,214**	16,385	-
Training	**3,008**	10,740	-
Licenses and permits	**2,031**	1,195	13,958
	$ 2,395,673	$ 3,420,220	$ 2,908,065

See notes to financial statements.

EXHIBIT F
(TO DISCLOSURE DOCUMENT)

FRANCHISEE LISTS

LIST OF OPERATIONAL FRANCHISEES

(As of December 31, 2025)

Franchisee Owners	Franchisee	Address	City	State	Zip	Phone
Chris Gaba	Central Bark Dog Day Care and Training Center, Inc.	3699 N. Dixie Hwy.	Oakland Park	FL	33334	954-567-3647
Mike & Lisa Roth	Roth Pet Hotel, Inc	5221 Young Pine Rd	Orlando	FL	32829	407-440-4057
Don Stacey	Wild Rose Ventures, LLC	1502 Elizabeth Avenue	West Palm Beach	FL	33401	561-513-8997
Jeremy and Lindsay Le	BayAmos, LLC	1940 Briarwood Court	Brookhaven	GA	30329	404-248-2275
Mondrian Contreras	Healthy Tails, LLC	140 W Elk Trail	Carol Stream	IL	60188	407-770-9222
Ray Djokic	Lucky Leash Resorts, LLC	256 Commerce Drive, Unit D	Grayslake	IL	60030	847-548-2275
Ray Djokic	Lucky Leash Resorts DT, LLC	420 S 1st St, Milwaukee	Milwaukee	WI	53204	414-347-9612
Ray Djokic	Lucky Leash Resorts East Side, LLC	3800 N 1st S	Milwaukee	WI	53212	414-332-2270
Ray Djokic	Lucky Leash Resorts Tosa, LLC	6228 W State St STE G	Wauwatosa	WI	53213	414-771-7200
Ray Djokic	Lucky Leash Resorts Mequon, LLC	11035 N Weston Dr #62w	Mequon	WI	53092	262-512-9663
Layne and Ellyn Pollard	Rosco's Playhouse, LLC	3880 Grove Ave	Gurnee	IL	60031	847-672-6188
Janet DeOliveira & Mickey Sparacino	Washington Whiskers, Inc.	8513 Ardwick Ardmore Road	Landover	MD	20785	240-582-7389
Lenny Hoisington	Baxter's Buds, LLC	1720 2nd St SW	Rochester	MN	55902	507-322-6655
Angie and Chris Holbrook	Baxter's Playhouse, LLC	3115 Hadley Ave North	Oakdale	MN	55128	651-528-6974
Tamal Riedman	The Bark Side, LLC	750 McKinley Street	Eugene	OR	97402	541-505-7101
Jennifer & Steve Adams	ABA Ventures, LLC	9600 Monroe Rd	Charlotte	NC	28270	704-261-3061

Mike and Stephanie Meszaros	JACS PETS, LLC	8 Lincoln Circle	Fairless Hills	PA	19030	215-946-7297
Portia Scott	The Dog Wish, LLC	2501 Wharton Street, Building F	Philadelphia	PA	19146	267-861-2275
Eleesa Collins	Painted Paws, LLC	3615 E Market Street	York	PA	17402	717-650-2381
Tanya Marion	Savvy & Co. Ventures, LLC	2931 Augusta Rd	West Columbia	SC	29170	(803) 866-2275
Jessica Whitney	Fairy Tail Investments, LLC	3675 N. 124th St.	Brookfield	WI	53005	262-781-5554
Christy and Allen Stanczak	FranklinCB, LLC.*	9550 S. 60th Street	Franklin	WI	53132	414-421-9003
Christy and Allen Stanczak	Christy's Wolfpack, LLC	16700 W Victor Rd	New Berlin	WI	53151	262-785-0444
Christy and Allen Stanczak	Christys Wolf Pack, LLC	2530 Advance Rd	Madison	WI	53718	608-663-8300
Mark Dandrea	Apollo's Doggy Day Care, Inc.	7600 75th Street, Suite 202	Kenosha	WI	53142	262-694-3647
Erik Olson	Happy Be Lucky, Inc	1910 Mirro Drive	Manitowoc	WI	54220	920-652-9663
Koren Black	Team LB, LLC	1075B W. Northbranch Dr.	Oak Creek	WI	53154	414-571-1500
Esther Grams	Brew City Bark, LLC	333 N 25th St	Milwaukee	WI	53233	414-933-4787
Gareth Wood	Bosco Holdings, LLC	3513 S. 32nd Street	Sheboygan	WI	53081	920-457-9663
Brandy Luckow and Colin Campbell	Back the Bark, LLC	244 Info Hwy Ct	Slinger	WI	53086	920-629-3567
Trevor Huerion	Dog Care Ventures, LLC	N64W22600 Main Street	Sussex	WI	53089	262-246-8100
Daniel Mobili and Jossalyn Wallace	Coastal Canines Center, LLC	35 Miracle Strip Pkwy SW	Fort Walton Beach	FL	32548	850-200-4408
Denise and Ron Donofrio	Main Street Hudson Valley, Inc.*	15 Burnett Boulevard	Poughkeepsie	NY	12603	845-456-2275
Jennifer Skomski	JSE Doggie Daycare, INC	18447 Whitemarsh Ln	Strongsville	OH	44149	440-526-2276

Clark Shuler	Wilde Yutani, Inc	8185 Camargo Rd	Madeira	OH	45243	513-272-4107
Philip Clark	Cademery Properties LLC*	65 Saginaw Drive	Rochester	NY	14623	585-360-4372
Jessica Rowe	NJRowe, LLC	5614 San Jose Blvd	Jacksonville	FL	32217	905-730-1200
Lisa and Emily Fenster	Elf Dogs, LLC	4 Regent Park Blvd	Ashville	NC	28803	828-214-7611
Armando Sanchez	ZAZO4, LLC	3240 Spring Cypress Rd	Spring	TX	77388	832-729-4067
Wyatt Smith	Smith & Paws, LLC	5001 S Western St	Amarillo	TX	79109	806-437-1060
Daniel Glad	Glad Ventures, LLC	1307 E Oregon Ave	Phoenix	AZ	85014	510-710-4523
Carol Martin and James DeFrank	D Is for Dog, LLC*	33 Putnam Lane	Danbury	CT	06810	914-439-2593
Meredith Manino	Winston CB LLC	1015 Golf Drive	Bloomington Hills	MI	48302	248-672-2344
Michael Carter	Prima Carte, Inc*	1468 Ambleside Circle	Naperville	IL	60540	630-660-6202
Brett Antonio	Best Puppy, LLC*	725 Iredell St	Durham	NC	27705	919-885-1885

FRANCHISE AGREEMENTS SIGNED BUT FACILITY NOT YET OPERATIONAL

(As of December 31, 2025)

Franchisee Owners	Franchisee	Address	City	State	Zip	Phone
Carol Martin and James DeFrank	D Is for Dog, LLC*	TBD	Ridgefield	CT		914-439-2593
Carol Martin and James DeFrank	D Is for Dog, LLC*	TBD	Darien	CT		914-439-2593
Michael Carter	Prima Carte, Inc*	TBD	Naperville	IL		630-660-6202
Michael Carter	Prima Carte, Inc*	TBD	Downers Grove	IL		630-660-6202
Frank and Lauren Belfiore	Belfiore Paws, LLC*	TBD	Parsippany	NJ		973-713-5931
Frank and Lauren Belfiore	Belfiore Paws, LLC*	TBD	Madison-Florham Park	NJ		973-713-5931
Frank and Lauren Belfiore	Belfiore Paws, LLC*	TBD	Succasoona	NJ		973-713-5931

Jennifer Morss	4 The Kids LLC Series 1*	375 N. Stephanie St, Building 511	Henderson	NV	89014	702-332-3228
Jennifer Morss	4 The Kids LLC Series 1*	TBD	Enterprise	NV		702-332-3228
Jennifer Morss	4 The Kids LLC Series 1*	TBD	Summerlin	NV		702-332-3228
Gina and Jason Sedita	Hudson Valley Dog Resort, LLC	TBD	Middletown	NY		845-742-4523
Phil Clark	Cademery Properties LLC*	TBD	Rochester	NY		585-557-2813
Phil Clark	Cademery Properties LLC*	TBD	Rochester	NY		585-557-2813
Denise and Ron Donofrio	Main Street Hudson Valley, Inc.*	TBD	White Plains	NY		954-661-8688
Denise and Ron Donofrio	Main Street Hudson Valley, Inc.*	TBD	Carol Garden	NY		954-661-8688
Christian Lampone	Dog Dayz Canine Retreat of Doylestown, LLC*	TBD	Doylestown	PA		215-766-2345
Christian Lampone	Dog Dayz Canine Retreat of Doylestown, LLC*	TBD	Plymouth Meeting	PA		215-766-2345
Christian Lampone	Dog Dayz Canine Retreat of Doylestown, LLC*	TBD	Quakertown	PA		215-766-2345
Christian Lampone	Dog Dayz Canine Retreat of Doylestown, LLC*	TBD	Allentown	PA		215-766-2345
Christian Lampone	Dog Dayz Canine Retreat of Doylestown, LLC*	TBD	Pottstown	PA		215-766-2345
Brett Antonio*	Best Puppy, LLC*	TBD	North Raleigh	NC		919-606-5364
Brett Antonio*	Best Puppy, LLC*	TBD	East Raleigh	NC		919-606-5364
Brett Antonio*	Best Puppy, LLC*	TBD	Holy Springs	NC		919-606-5364
Brett Antonio*	Best Puppy, LLC*	TBD	Belmont	NC		919-606-5364
Rose and Rick Weaver	DotWon, LLC*	TBD	Johns Creek	GA		757-581-7017
Robert Pokowitz and Mat Gavin	SNB Pro Pet 1, LLC*	TBD	Smyrna	GA		770-365-3400
Robert Pokowitz and Mat Gavin	SNB Pro Pet 1, LLC*	TBD	West Midtown	GA		770-365-3400
Robert Pokowitz and Mat Gavin	SNB Pro Pet 1, LLC*	TBD	Kennesaw	GA		770-365-3400

Matthew Trewhalla	MJT Holdings, LLC	TBD	Austin	TX		281-636-9275
Jason Lazott and Manny Hernandez	Furcrest 01, LLC*	TBD	North Hills	PA		954-383-4312
Jason Lazott and Manny Hernandez	Furcrest 02, LLC*	TBD	South Hills	PA		954-383-4312
Jason Lazott and Manny Hernandez	Furcrest 03, LLC*	TBD	Bloomfield	PA		954-383-4312
Jason Lazott and Manny Hernandez	Furcrest 04, LLC*	TBD	Cranberry Township	PA		954-383-4312
Jason Lazott and Manny Hernandez	Furcrest 05, LLC*	TBD	Robinson Township	PA		954-383-4312

***Indicates multi-unit franchisee**

LIST OF FORMER FRANCHISEES THAT CEASED OPERATIONS IN 2025

Franchisee and Franchisee Owners	Address	Phone
Amy Smith	14623 N. Nebraska Avenue Tampa, FL 33613	813- 979-1123
Trey and Vanessa Hill	22011 Emory Oak Place, Land O Lakes, FL 34637	813-203-2582
Anthony & Courtney Girolamo	2931 Augusta Rd, West Columbia, SC 29170	803-866-2275
Matt & Ashley Sander	N64W22600 Main Street, Sussex WI 53089	262-246-8100

LIST OF FRANCHISEES THAT HAVE NOT COMMUNICATED WITH FRANCHISOR WITHIN 10 WEEKS OF THE ISSUANCE DATE OF THIS DISCLOSURE DOCUMENT

[None]

EXHIBIT G
(TO DISCLOSURE DOCUMENT)

REPRESENTATIONS AND ACKNOWLEDGEMENT STATEMENT

REPRESENTATIONS AND ACKNOWLEDGMENT STATEMENT

DO NOT SIGN THIS QUESTIONNAIRE IF YOU ARE LOCATED, OR YOUR CENTRAL BARK FACILITY WILL BE LOCATED IN: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN. DO NOT SIGN THIS ACKNOWLEDGMENT IF YOU ARE A RESIDENT OF MARYLAND OR THE BUSINESS IS TO BE OPERATED IN MARYLAND.

The purpose of this Statement is to demonstrate to Barkley Ventures Franchising, LLC ("Franchisor") that the person(s) signing below ("I," "me" or "my"), whether acting individually or on behalf of any legal entity established to acquire the franchise rights, (a) fully understands that the purchase of a CENTRAL BARK facility franchise is a significant long-term commitment, complete with its associated risks, and (b) is not relying on any statements, representations, promises or assurances that are not specifically set forth in Franchisor's Franchise Disclosure Document and Exhibits (collectively, the "FDD") in deciding to purchase the franchise.

In that regard, I represent to Franchisor and acknowledge that:

I understand that buying a franchise is not a guarantee of success. Purchasing or establishing any business is risky, and the success or failure of the franchise is subject to many variables such as my skills and abilities (and those of my partners, officers, employees), the time my associates and I devote to the business, competition, interest rates, the economy, inflation, operation costs, location, lease terms, the marketplace generally and other economic and business factors. I am aware of and am willing to undertake these business risks. I understand that the success or failure of my business will depend primarily upon my efforts and not those of Franchisor.	INITIAL:
I received a copy of the FDD, including the Franchise Agreement, at least 14 calendar days before I executed the Franchise Agreement. I understand that all of my rights and responsibilities and those of Franchisor in connection with the franchise are set forth in these documents and only in these documents. I acknowledge that I have had the opportunity to personally and carefully review these documents and have, in fact, done so. I have been advised to have professionals (such as lawyers and accountants) review the documents for me and to have them help me understand these documents. I have also been advised to consult with other franchisees regarding the risks associated with the purchase of the franchise.	INITIAL:
Neither the Franchisor nor any of its officers, employees or agents (including any franchise broker) has made a statement, promise or assurance to me concerning any matter related to the franchise (including those regarding advertising, marketing, training, support service or assistance provided by Franchisor) that is contrary to, or different from, the information contained in the FDD.	INITIAL:
My decision to purchase the franchise has not been influenced by any oral representations, assurances, warranties, guarantees or promises whatsoever made by the Franchisor or any of its officers, employees or agents (including any franchise broker), including as to the likelihood of success of the franchise.	INITIAL:
I have made my own independent determination as to whether I have the capital necessary to fund the business and my living expenses, particularly during the start-up phase.	INITIAL:

PLEASE READ THE FOLLOWING QUESTION CAREFULLY. THEN SELECT YES OR NO AND PLACE YOUR INITIALS WHERE INDICATED.	INITIAL:
Have you received any information from the Franchisor or any of its officers, employees or agents (including any franchise broker) concerning actual, average, projected or forecasted sales, revenues, income, profits or earnings of the franchise business (including any statement, promise or assurance concerning the likelihood of success) other than information contained in the FDD? ☐ Yes ☐ No (Initial Here: ____) If you selected "Yes," please describe the information you received on the lines below: _____ _____.	

Prohibited Parties Clause. I acknowledge that Franchisor, its employees and its agents are subject to U.S. laws that prohibit or restrict (a) transactions with certain parties, and (b) the conduct of transactions involving certain foreign parties. These laws include, without limitation, U.S. Executive Order 13224, the U.S. Foreign Corrupt Practices Act, the Bank Secrecy Act, the International Money Laundering Abatement and Anti-terrorism Financing Act, the Export Administration Act, the Arms Export Control Act, the U.S. Patriot Act, and the International Economic Emergency Powers Act, and the regulations issued pursuant to these and other U.S. laws. As part of the express consideration for the purchase of the franchise, I represent that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been listed on:

1. the U.S. Treasury Department's List of Specially Designated Nationals;

2. the U.S. Commerce Department's Denied Persons List, Unverified List, Entity List, or General Orders;

3. the U.S. State Department's Debarred List or Nonproliferation Sanctions; or

4. the Annex to U.S. Executive Order 13224.

I warrant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, is now, or has been: (i) a person or entity who assists, sponsors, or supports terrorists or acts of terrorism; or (ii) is owned or controlled by terrorists or sponsors of terrorism. I warrant that I am now, and have been, in compliance with U.S. anti-money laundering and counter-terrorism financing laws and regulations, and that any funds provided by me to Franchisor were legally obtained in compliance with these laws.

I further covenant that neither I nor any of my employees, agents, or representatives, nor any other person or entity associated with me, will, during the term of the Franchise Agreement, become a person or entity described above or otherwise become a target of any anti-terrorism law.

[*signature page follows*]

FRANCHISEE:

Sign here if you are taking the franchise as an **INDIVIDUAL(S)** **(Note: use these blocks if you are an individual or a partnership but the partnership is not a separate legal entity)**

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

_____
Signature
Print Name: _____
Date: _____

Sign here if you are taking the franchise as a **CORPORATION, LIMITED LIABILITY COMPANY OR PARTNERSHIP**

_____
Print Name of Legal Entity

By: _____
Signature

Print Name: _____
Title: _____
Date: _____

BARKLEY VENTURES FRANCHISING, LLC
AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER

THIS AGREEMENT AND CONDITIONAL CONSENT TO TRANSFER (this "Agreement") is made and entered into on _____, by and among **BARKLEY VENTURES FRANCHISING, LLC** ("Franchisor"), _____ (herein referred to together as "Seller"), and _____ (herein referred to together as "Buyer"). All capitalized terms used but not defined in this Agreement have the meanings set forth in the Seller Franchise Agreement (hereinafter defined).

R E C I T A L S:

WHEREAS, Seller is the franchisee pursuant to that certain franchise agreement dated _____ between Franchisor and Seller (the "Seller Franchise Agreement"), governing the operation of the CENTRAL BARK® doggy day care facility located at _____ (the "Franchised Business");

WHEREAS, Seller wishes to sell, assign and transfer all of Seller's rights, obligations and assets relating to the Seller Franchise Agreement and the Franchise Location (collectively, the "Transfer");

WHEREAS, Seller has requested that Franchisor consent to the Transfer and release Seller from all obligations under the Seller Franchise Agreement; and

WHEREAS, as a condition to the Transfer, Buyer shall execute Franchisor's then current franchise agreement for a Franchised Business (the "Buyer Franchise Agreement"), and the Seller Franchise Agreement shall be terminated in accordance herewith.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Recitals**. The Recitals above are incorporated herein by reference and made a part of this Agreement.

2. **Consent to Assignment**. Subject to the terms and conditions of this Agreement, Franchisor hereby consents to the Transfer.

3. **Conditional Consent; Release of Guaranty.** The Seller Franchise Agreement provides that the Transfer cannot take place without the consent of Franchisor. Franchisor will consent to the Transfer, as provided in the Seller Franchise Agreement, and will release Seller from any obligations arising under the Seller Franchise Agreement from and after the Closing Date (hereinafter defined) of the Transfer; provided, however, such consent and release are expressly contingent upon compliance with the following terms and conditions on or before the date of the closing of the Transfer ("Closing Date"):

(a) **Franchise Agreement**. The Seller Franchise Agreement will terminate as of the Closing Date in accordance with the terms set forth in Section 5 below, and the operation of the Franchised Business will thereafter be governed by the Buyer Franchise Agreement;

(b) **Payment of Amounts Due**. Seller will pay all amounts due and owing to Franchisor through the Closing Date, including but not limited to past due royalty and advertising fees;

(c) **Transfer Fee**. Upon execution of this Agreement, a transfer fee of $_____ ("Transfer Fee") shall be paid to Franchisor as provided in the Seller Franchise Agreement. Seller and Buyer acknowledge and agree that Franchisor has earned the Transfer Fee upon receipt thereof and that the Transfer Fee is not refundable;

(d) **Training**. The Buyer (or its approved partner, member, or shareholder) shall have agreed to complete Franchisor's training program to Franchisor's satisfaction; and

(e) **Other Conditions for Approval of Transfer**. All conditions of Section XVIII.C. of the Seller Franchise Agreement shall have been met prior to or concurrently with the Closing Date.

4. **Contingency.** Franchisor may terminate this Agreement and/or the Buyer Franchise Agreement, if the conditions under Section 3 above are not met prior to or concurrently with the Closing Date.

5. **Termination of Seller Franchise Agreement**. Franchisor and Seller acknowledge and agree that, as of the Closing Date and upon the Transfer and compliance with the conditions set forth in Section 3 above, the Seller Franchise Agreement and the guaranties (if any) will automatically terminate and Seller shall have no further rights or obligations thereunder except that Seller shall not be released from:

(a) any obligations to pay money to Franchisor owed under either the Seller Franchise Agreement or the guaranty (if any) prior to the Closing Date; or

(b) the provisions of the Seller Franchise Agreement that, either expressly or by their nature, survive termination of the Seller Franchise Agreement (including without limitation the post-termination restrictive covenants, dispute resolution and notice, and confidentiality provisions of the Seller Franchise Agreement).

6. **Post-Termination Obligations**. Seller further agrees to fully comply, at Seller's own expense, with Seller's duties and obligations under Section XVI. of the Seller Franchise Agreement, including, but not limited to, the following:

(a) Seller shall immediately cease to use, by advertising or in any manner whatsoever, the name "CENTRAL BARK" or any forms, manuals, slogans, signs, marks, symbols, or devices used in connection with the operation of the Franchised Business;

(b) Seller shall not hereafter use, communicate or divulge, in any manner, or for any purpose, directly or indirectly, any of Franchisor's Confidential Information, trade secrets, procedures, forms, techniques, know-how or materials acquired by Seller by virtue of the relationship established by the Seller Franchise Agreement;

(c) Seller shall take such action as shall be necessary to change Seller's sole proprietorship/corporate/limited liability company/partnership name or cancel any assumed name or equivalent registration which contains the name "CENTRAL BARK" or any other Mark of Franchisor;

(d) Seller shall immediately execute any and all agreements necessary to effectuate such termination in a prompt and timely manner;

(e) Seller shall furnish Franchisor, within thirty (30) days after the date hereof, with evidence satisfactory to Franchisor, of Seller's compliance with the foregoing obligations; and

(f) Seller shall comply with Seller's confidentiality and non-compete obligations under the Seller Franchise Agreement.

7. **Release and Indemnification of Franchisor Parties**. Seller, on behalf of itself and its current and former affiliates, and each such foregoing person's or entity's partners, owners, employees, agents, representatives, spouses, heirs, administrators, successors and assigns (the "Franchise Owners Group") hereby fully and forever releases, remises and discharges, and forever holds harmless Franchisor, its current and former affiliates, and each such foregoing entity's predecessors, shareholders, partners, members, directors, officers, agents, representatives, successors and assigns, and their respective heirs and administrators (the "Franchisor Group") of and from any and all claims, damages, demands, debts, liabilities, actions or causes of action, costs, agreements, promises and expenses of every kind and nature whatsoever, at law or in equity whether known or unknown, foreseen or unforeseen, liquidated or unliquidated (collectively, the "Claims"), which any member of the Franchise Owners Group had, has or may have had against any member of the Franchisor Group, including, without limitation, Claims involving any and all matters arising from, in connection with or in any way related or pertaining, directly or indirectly, to the Seller Franchise Agreement, the relationship created by the Seller Franchise Agreement, or the development, ownership or operation of the Franchised Business. Seller further indemnifies and holds the Franchisor Group harmless against, and agrees to reimburse them for any loss, liability, expense or damages (actual or consequential) including, without limitation, reasonable attorneys', accountants' and expert witness fees, costs of investigation and proof of facts, court costs and other litigation and travel and living expenses, which any member of the Franchisor Group may suffer with respect to any claims or causes of action which any customer, creditor or other third party now has, ever had, or hereafter would or could have, as a result of, arising from or relating to the Seller Franchise Agreement or the Franchised Business. Seller, on behalf of the Franchise Owners Group, represents and warrants that no member of the Franchise Owners Group has made an assignment or any other transfer of any interest in the claims, causes of action, suits, debts, agreements or promises described herein.

If the Franchised Business Seller operates under the Franchise Agreement is located in California or if Seller is a resident of California, the following shall apply:

Section 1542 acknowledgment. It is Seller's intention, on Seller's own behalf and on behalf of the Franchise Owners Group, in executing this release that this instrument be and is a general release which shall be effective as a bar to each and every claim, demand, or cause of action released by Seller or the Franchise Owners Group. Seller recognizes that Seller or the Franchise Owners Group may have some claim, demand, or cause of action against the Franchisor Group of which you, he, she, or it is totally unaware and unsuspecting, which you, he, she, or it is giving up by executing this release. It is Seller's intention, on Seller's own behalf and on behalf of the Franchise Owners Group, in executing this instrument that it will deprive you, him, her, or it of each such claim, demand, or cause of action and prevent you, him, her, or it from asserting it against the Franchisor Group. In furtherance of this intention, Seller, on Seller's own behalf and on behalf of the Franchise Owners Group, expressly waives any rights or benefits conferred by the provisions of Section 1542 of the California Civil Code, which provides as follows:

"A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party."

Seller acknowledges and represents that Seller has consulted with legal counsel before executing this release and that Seller understands its meaning, including the effect of Section 1542 of the California

Civil Code, and expressly consents that this release shall be given full force and effect according to each and all of its express terms and provisions, including, without limitation, those relating to the release of unknown and unsuspected claims, demands, and causes of action.

If the Franchised Business is located in Maryland or if either Seller or Buyer is a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

If the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 et seq, governs the parties' franchise relationship, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Minnesota Franchise Act.

If either Seller or Buyer is a resident of Washington, the following shall apply:

Any general release provided for hereunder shall not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

8. **Role of Franchisor**. Buyer and Seller acknowledge and agree that they have negotiated the Transfer without involvement by Franchisor, that Franchisor has not effected or arranged the Transfer, and that Franchisor's only involvement in the transaction has been for the purpose of exercising its right of consent to the Transfer in accordance with the Seller Franchise Agreement.

9. **Conflicting Provisions**. If there is any conflict between the provisions of this Agreement and the provisions of the Seller Franchise Agreement, the provisions of this Agreement will prevail.

10. **Binding Effect**. This Agreement inures to the benefit of Franchisor and its successors and assigns and will be binding upon Buyer and Seller and their respective successors, permitted assigns and legal representatives.

11. **Miscellaneous**.

(a) This Agreement constitutes the entire understanding between the parties with respect to the transaction this Agreement contemplates.

(b) This Agreement will be construed and interpreted in accordance with the laws of the State of Florida, without regard to its conflicts of laws rules.

(c) The captions and headings are only for convenience of reference, are not a part of this Agreement, and will not limit or construe the provisions to which they apply. All references in this Agreement to the singular usage will be construed to include the plural and the masculine and neuter usages to include the other and the feminine.

(d) This Agreement may be executed in multiple counterparts, each of which will be deemed an original and all of which taken together shall constitute one and the same agreement. The parties agree that faxed, scanned or electronic signatures shall have the same effect and validity, and may be relied upon in the same manner, as original signatures.

(e) Each of the Franchisor Parties will be deemed to be a third party beneficiary of this Agreement with an independent right to enforce it.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement on the day stated on page one.

FRANCHISOR:
BARKLEY VENTURES FRANCHISING, LLC,
a Delaware limited liability company

_____

By:_____
Its:_____

BUYER:

_____

_____

SELLER:

_____

_____

BARKLEY VENTURES FRANCHISING, LLC

GRANT OF FRANCHISOR CONSENT AND FRANCHISEE RELEASE

Barkley Ventures Franchising, LLC ("we," "us," or "our") and the undersigned franchisee, _____ ("you" or "your"), currently are parties to a certain Franchise Agreement (the "Franchise Agreement") dated _____. You have asked us to take the following action or to agree to the following request: [insert as appropriate for renewal or transfer situation]_____

_____

_____

_____. We have the right under the Franchise Agreement to obtain a general release from you (and, if applicable, your owners) as a condition of taking this action or agreeing to this request. Therefore, we are willing to take the action or agree to the request specified above if you (and, if applicable, your owners) give us the release and covenant not to sue provided below in this document. You (and, if applicable, your owners) are willing to give us the release and covenant not to sue provided below as partial consideration for our willingness to take the action or agree to the request described above.

Consistent with the previous introduction, you, on your own behalf and on behalf of your affiliated entities, and each such foregoing person's or entity's successors, heirs, executors, administrators, personal representatives, agents, assigns, partners, owners, directors, officers, principals, and employees (collectively, the "Releasing Parties"), hereby fully and forever release and discharge us and our current and former affiliated entities, and each such foregoing entity's officers, directors, owners, principals, employees, agents, representatives, successors, and assigns (collectively, the "BVF Parties") of and from any and all claims, damages, demands, causes of action, suits, duties, liabilities, and agreements of any nature and kind (collectively, "Claims"), whether at law or in equity, and known or unknown, that you and any of the other Releasing Parties now has, ever had, or, but for this document, hereafter would or could have against any of the BVF Parties, including without limitation, Claims arising out of or related to, (1) the Franchise Agreement, (2) the development, ownership or operation of your Central Bark facility, or (3) your and the other Releasing Parties' relationship with any of the BVF Parties, from the beginning of time to the date of your signature below. You, on your own behalf and on behalf of the other Releasing Parties, further covenant not to sue any of the BVF Parties on any of the Claims released by this paragraph and represent that you have not assigned any of the Claims released by this paragraph to any individual or entity who is not bound by this paragraph.

We also are entitled to a release and covenant not to sue from your owners. By his, her, or their separate signatures below, your owners likewise grant to us the release and covenant not to sue provided above.

IF THE CENTRAL BARK FACILITY YOU OPERATE UNDER THE FRANCHISE AGREEMENT IS LOCATED IN CALIFORNIA OR IF YOU ARE A RESIDENT OF CALIFORNIA, THE FOLLOWING SHALL APPLY:

SECTION 1542 ACKNOWLEDGMENT. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS RELEASE

THAT THIS INSTRUMENT BE AND IS A GENERAL RELEASE WHICH SHALL BE EFFECTIVE AS A BAR TO EACH AND EVERY CLAIM, DEMAND, OR CAUSE OF ACTION RELEASED BY YOU OR THE RELEASING PARTIES. YOU RECOGNIZE THAT YOU OR THE RELEASING PARTIES MAY HAVE SOME CLAIM, DEMAND, OR CAUSE OF ACTION AGAINST THE BVF PARTIES OF WHICH YOU, HE, SHE, OR IT IS TOTALLY UNAWARE AND UNSUSPECTING, WHICH YOU, HE, SHE, OR IT IS GIVING UP BY EXECUTING THIS RELEASE. IT IS YOUR INTENTION, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, IN EXECUTING THIS INSTRUMENT THAT IT WILL DEPRIVE YOU, HIM, HER, OR IT OF EACH SUCH CLAIM, DEMAND, OR CAUSE OF ACTION AND PREVENT YOU, HIM, HER, OR IT FROM ASSERTING IT AGAINST THE BVF PARTIES. IN FURTHERANCE OF THIS INTENTION, YOU, ON YOUR OWN BEHALF AND ON BEHALF OF THE RELEASING PARTIES, EXPRESSLY WAIVE ANY RIGHTS OR BENEFITS CONFERRED BY THE PROVISIONS OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, WHICH PROVIDES AS FOLLOWS:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

YOU ACKNOWLEDGE AND REPRESENT THAT YOU HAVE CONSULTED WITH LEGAL COUNSEL BEFORE EXECUTING THIS RELEASE AND THAT YOU UNDERSTAND ITS MEANING, INCLUDING THE EFFECT OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE, AND EXPRESSLY CONSENT THAT THIS RELEASE SHALL BE GIVEN FULL FORCE AND EFFECT ACCORDING TO EACH AND ALL OF ITS EXPRESS TERMS AND PROVISIONS, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO THE RELEASE OF UNKNOWN AND UNSUSPECTED CLAIMS, DEMANDS, AND CAUSES OF ACTION.

If the Central Bark Facility is located in Maryland or if you are a resident of Maryland, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

If the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 *et seq*, governs the parties' franchise relationship, the following shall apply:

Any general release provided for hereunder shall not apply to any liability under the Minnesota Franchise Act.

If you are a resident of Washington, the following shall apply:

Any general release provided for hereunder shall not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

(*Signature page follows*)

IN WITNESS WHEREOF, the parties hereto have executed and delivered this release on the date stated on the first page hereof.

BARKLEY VENTURES FRANCHISING, LLC

Print Name:_____

Title:_____

By:_____ Date:_____

FRANCHISEE

_____

Print Name:_____

Title:_____

By:_____ Date:_____

FRANCHISEE OWNER

Print Name:_____

Title:_____

By:_____ Date:_____

Print Name:_____

Title:_____

By:_____ Date:_____

MULTI-STATE ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT, AND MULTI-UNIT FRANCHISE AGREEMENT OF BARKLEY VENTURES FRANCHISING, LLC

FOR THE FOLLOWING STATES: CALIFORNIA, HAWAII, ILLINOIS, INDIANA, MARYLAND, MICHIGAN, MINNESOTA, NEW YORK, NORTH DAKOTA, RHODE ISLAND, SOUTH DAKOTA, VIRGINIA, WASHINGTON, OR WISCONSIN.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The following are additional disclosures for the Franchise Disclosure Document of BARKLEY VENTURES FRANCHISING, LLC required by various state franchise laws. Each provision of these additional disclosures will only apply to you if the applicable state franchise registration and disclosure law applies to you. Depending on the law in your state, the provisions of this State-Specific Addendum ("**State Addendum**") may apply to modify the Franchise Disclosure Document that was given to you, as well as the Franchise Agreement, and any applicable Addenda, Exhibits, Appendices, or mutually-agreed modifications thereto.

CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

1. THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF THE AGREEMENT.

2. SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE YOU A FRANCHISE DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF BUSINESS OVERSIGHT BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

3. OUR WEBSITE, www.centralbarkusa.com, HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THE WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

4. The following is added at the end of Item 3:

Neither we, our parent, predecessor or affiliates nor any person in Item 2 of the 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. Sections 78a et seq., suspending or expelling such persons from membership in that association or exchange.

5. **Section 31512.1 Franchise Agreement Provisions Void as Contrary to Public Policy:**

Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
(c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
(d) Violations of any provision of this division.

6. The following statement is added to the remarks column of Item 6 for the row entitled **Interest**:

The highest rate of interest allowed by California law is 10% annually.

7. The following paragraphs are added at the end of Item 17:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination or nonrenewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, and the law applies, the law will control.

The Franchise Agreement and Multi-Unit Franchise Agreement contain a covenant not to compete that extends beyond termination of the franchise. This provision might not be enforceable under California law.

The Franchise Agreement and Multi-Unit Franchise Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).

The Franchise Agreement and Multi-Unit Franchise Agreement require application of the laws of the State of Florida. This provision might not be enforceable under California law.
The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

The Franchise Agreement and Multi-Unit Franchise Agreement require binding arbitration. The arbitration will be conducted at a suitable location chosen by the arbitrator that is within 50 miles of our or, as applicable, our successor's or assign's then-current principal place of business (currently Oakland Park, Florida) with the costs being borne as provided in the Franchise Agreement. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The Franchise Agreement requires you to sign a general release of claims upon renewal or transfer of the Franchise Agreement, and the Multi-Unit Franchise Agreement required you to sign a general release of claims upon transfer of the Multi-Unit Franchise Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000– 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

Under the Franchise Agreement, we reserve the right to require that franchisees comply with maximum and minimum prices it sets for goods and services. The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements per se violations of the California's Cartwright Act (Cal. Bus. and Prof Code §§ 16700 to 16770).

8. The following paragraph is added to the end of Item 19:

The financial performance representations figures do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Central Bark franchise. Franchisees or former franchisees listed in the Franchise Disclosure Document may be one source of this information.

ILLINOIS

Illinois law governs the Franchise Agreement and Multi-Unit Development Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

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

MARYLAND

1. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. The following is added to the end of the "Summary" section of Item 17(h), entitled **"Cause" defined – non-curable defaults**:

The Franchise Agreement and Multi-Unit Franchise Agreement provide for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

3. The following is added to the end of the "Summary" section of Item 17(u), entitled **Dispute Resolution by arbitration or mediation**:

The Franchise Agreement and Multi-Unit Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

4. The following sentence is added to the end of the "Summary" section of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of Law**:

You may bring suit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The following language is added to the end of the chart in Item 17:

You must bring any claims arising under the Maryland Franchise Registration and Disclosure Law within 3 years after the grant of the franchise.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

6. Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the multi-unit franchise agreement opens.

MINNESOTA

1. The disclosure in the Item 6 chart, entitled "**Liquidated Damages**," will not be enforced, to the extent prohibited by applicable law.

2. **Renewal, Termination, Transfer and Dispute Resolution**. The following is added at the end of the chart in Item 17:

Minnesota law provides you with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) of the Franchise Agreement and Multi-Unit Franchise Agreement and 180 days' notice for non-renewal of the Franchise Agreement and Multi-Unit Franchise Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document, the Franchise Agreement, or the Multi-Unit Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Any release as a condition of renewal and/or transfer/assignment will not apply to the extent prohibited by applicable law with respect to claims arising under Minn. Rule 2860.4400D. Additionally, consent to the transfer of your franchise will not be unreasonably withheld.

Minn. Rule Part 2860.4400J prohibits a franchisee from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties, or judgment notes. However, BVF and you will enforce these provisions in its Franchise Agreement and Multi-Unit Franchise Agreement to the extent the law allows.

3. **Use of the Marks.** The following is added at the end of the chart in Item 17:

Pursuant to Minn. Stat. Sec. 80C.12 Subd. 1(G), we will protect your rights to use the Marks. We will indemnify you from any loss, cost, or expense arising out of any claim, suit, or demand regarding the use of the Marks.

4. **Returned Check Fees.** The following is added at the end of the chart in Item 17:

Any service charge imposed for checks returned due to non-sufficient funds will not exceed the thirty-dollar ($30.00) cap established by Minn. Stat. Sec. 604.113.

5. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under 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 conflicting term in any document executed with the franchise.

NEW YORK

1. The following information is added to the cover page of the Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark::

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony; a violation of a franchise, antitrust or securities law; fraud; embezzlement; fraudulent conversion; misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject

to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither BVF, its affiliates, officers or general partner during the 10-year period immediately before the date of the Franchise 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.

4. The following is added to the end of the "Summary" sections of Item 17(c), entitled **Requirements for franchisee to renew or extend**, and Item 17(m), entitled **Conditions for franchisor approval of transfer**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

5. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

6. The following is added to the end of the "Summary" section of Item 17(j), entitled **Assignment of contract by franchisor**:

However, no assignment will be made except to an assignee who in good faith and judgment of BVF, is willing and financially able to assume BVF's obligations under the Franchise Agreement or Multi-Unit Franchise Agreement.

6. The following is added to the end of the "Summary" sections of Item 17(v), entitled **Choice of forum**, and Item 17(w), entitled **Choice of law**:

The foregoing choice of law should not be considered a waiver of any right conferred upon BVF or you by Article 33 of the General Business Law of the State of New York.

7. Franchise 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.

8. Receipts – Any sale must be made in compliance with §638(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. §680 *et seq*.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earlier of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this _____ day of _____, 20___.

ATTEST BARKLEY VENTURES FRANCHISING, LLC

_____ By:_____
Witness Name: Name:_____
Title:_____

Franchisee:

Witness:_____ _____

NORTH DAKOTA:

1. The State of North Dakota has determined that requiring a franchisee to sign a general release upon renewal of a franchise agreement is unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement that a franchisee sign a general release as a condition of renewing the franchise agreement is deleted.

2. The State of North Dakota has determined that requiring a franchisee to consent to termination or liquidated damages in a franchise agreement is unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement that a franchisee consent to termination or liquidated damages is deleted.

3. The State of North Dakota has determined that certain covenants restricting competition may be contrary to Section 9-08-06 of the North Dakota Century Code. Any covenants

against competition shall be subject to this section of the North Dakota Century Code. Covenants not to compete such as those mentioned above are generally considered unenforceable in the state of North Dakota.

4. The State of North Dakota has determined that parties agreeing to the arbitration or mediation of disputes at a location that is remote from the site of the franchisee's business is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The site of arbitration or mediation will be agreeable to all parties and may not be remote from the franchisee's place of business.

5. The State of North Dakota has determined that requiring franchisees to consent to the jurisdiction of courts outside of North Dakota is unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement in the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that a franchisee consent to the jurisdiction of courts outside North Dakota is deleted.

6. The State of North Dakota has determined that a Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that specify they are governed by the laws of a state other than North Dakota, are unfair, unjust, or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The laws of the State of North Dakota will govern the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements.

7. The State of North Dakota has determined that a Franchise Disclosure Document, Franchise Agreement, and/or the Supplemental Agreement requiring the waiver of a trial by jury to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement in the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that a franchisee waive a jury trial is deleted.

8. The State of North Dakota has determined that a Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements requiring a franchisee to consent to a waiver of exemplary and punitive damages to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. Any reference or requirement in the Franchise Disclosure Document, Franchise Agreement, and/or Supplemental Agreements that a franchisee consent to a waiver of exemplary and punitive damages is deleted.

9. The State of North Dakota has determined that requiring a franchisee to consent to a limitation of claims to be unfair, unjust, and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law. The limitation of claims period is governed by North Dakota law.

10. The State of North Dakota has determined that requiring a franchisee pay all costs and expenses incurred by the franchisor in enforcing the agreement to be unfair, unjust and inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.

Therefore, the prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

11. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (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.

RHODE ISLAND

1. The following language is added to the end of the "Summary" sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**:

> Section 19-28.1-14 of the Rhode Island Franchise Investment Act provides that "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

VIRGINIA

1. The following language is added to the end of the "Summary" section of Item 17(e), entitled **Termination by franchisor without cause**:

> Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Multi-Unit Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON:

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, 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.

19. Pursuant to WAC 460-80-460, franchisor will defer collection of the Initial Franchise Fee and any other initial fees described in Item 5 of the Franchise Disclosure Document until the franchisor has fulfilled its initial pre-opening obligations to the franchisee and the franchised business is open for business.

20. Pursuant to WAC 460-80-460, franchisor will defer collection of all development fees. The development fee will be prorated so that the franchisee pays the franchisor a proportional share of the development fee upon the opening of each unit developed under the Multi-Unit Franchise Agreement. The prorated portion attributable to each unit will not be collected until franchisor has fulfilled its initial pre-opening obligations

for that unit and the unit is open for business.

21. Section XVI(A) of the Franchise Agreement is modified to provide for liquidated damages equal to the expected Royalty Fees for the lesser of two years or the remainder of the Franchise Agreement.

22. Section XVIII(C)(14) of the Franchise Agreement is modified as follows: "Franchisee may use Franchisor's designated broker, if Franchisee chooses to do so, then Franchisee shall be responsible for the payment of all fees and expenses in connection with the broker's services;..."

23. Before opening your business, you must begin marketing activities approximately ninety (90) days prior to the scheduled opening date, as described in the Franchise Agreement. During this period, we highly recommend and encourage you to obtain at least one hundred completed customer enrollment forms, unless prohibited by applicable law. All enrollment activities must follow the standards and specifications in the Operating Manual or other written instructions we provide, and you are responsible for ensuring that any enrollment marketing complies with all applicable laws.

The undersigned parties do hereby acknowledge receipt of this Addendum. Dated this _____ day of _____ 20_____.

Barkley Ventures Franchising, LLC	**FRANCHISEE NAME (Company Name)**:
	_____ (Print Franchisee Name)
By: _____	By: _____
Print Name: _____	Print Name: _____
Its: _____	Its: _____

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE FRANCHISE AGREEMENT

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"), and _____, whose principal address is _____ (hereinafter referred to as "Franchisee").

Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____ _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Franchise Agreement occurred in Illinois and the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Illinois, and/or (b) Franchisee is domiciled in Illinois.

1. Illinois law governs the Franchise Agreement and Multi-Unit Development Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE
FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"), and _____ _____, whose principal address is _____ (hereinafter referred to as "Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in Maryland and/or (b) the Franchised Business that Franchisee will operate under the Franchise Agreement will be operated in Maryland.

2. **RELEASES.** The following is added to Item 5 and to the end of Section IIC. and Section XVIIIC.5. of the Franchise Agreement:

> The general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **INSOLVENCY**. The following sentence is added to the end of Section XVA. ("Termination without Right to Cure") of the Franchise Agreement:

> Section XVA.1. may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. **CONSENT TO JURISDICTION**. The following language is added to the end of Section XXVIII of the Franchise Agreement:

> **NOTWITHSTANDING THE FOREGOING, FRANCHISEE MAY BRING AN ACTION IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.**

5. **ARBITRATION**. The following language is added to the end of Section XXX of the Franchise Agreement:

> This Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a

violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. **CLASS ACTION BAR AND LIMITATIONS OF CLAIMS.** The following sentence is added to the end of Section XXXIII of the Franchise Agreement:

FRANCHISEE MUST BRING ANY CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW WITHIN 3 YEARS AFTER FRANCHISOR GRANTS FRANCHISEE THE FRANCHISE.

7. **STATEMENTS, 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.

8. **MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.** The following is added as a new Section XXXVII to the end of the Franchise Agreement:

XXXVII **MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.**

All representations requiring Franchisee 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.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"),
and _____, whose principal address is _____
(hereinafter referred to as "Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RENEWAL AND TERMINATION**. The following is added to the end of Sections IIB. and XV of the Franchise Agreement:

> However, with respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

3. **RELEASES.** The following is added to the end of Section IIC. and Section XVIIIC.5. of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

4. **DAMAGES**. The following language is added to the end of Section XVIA. of the Franchise Agreement:

> Franchisor and Franchisee acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, Franchisor and Franchisee agree to enforce the provision to the extent the law allows.

5. **APPLICABLE LAW**. Section XXVII of the Franchise Agreement is deleted and replaced with the following:

XXVII **APPLICABLE LAW**

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT OR ANY RELATED AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **CONSENT TO JURISDICTION**. Section XXVIII of the Franchise Agreement is deleted and replaced with the following:

XXVIII **CONSENT TO JURISDICTION**

SUBJECT TO SECTION XXX AND THE PROVISIONS BELOW, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR ANY RELATED AGREEMENTS, OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO WHERE FRANCHISOR'S OR, AS APPLICABLE, ITS SUCCESSOR'S OR ASSIGN'S PRINCIPAL OFFICE THEN IS LOCATED

(CURRENTLY LOCATED IN OAKLAND PARK, FLORIDA), AND FRANCHISOR AND FRANCHISEE (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR FORUM IN THOSE COURTS. NONETHELESS, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT FRANCHISOR AND FRANCHISEE (AND EACH OWNER) MAY ENFORCE ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH FRANCHISEE IS DOMICILED OR THE FRANCHISED BUSINESS IS LOCATED. NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT FRANCHISOR, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

7. **INJUNCTIVE RELIEF**. Section XXIX of the Franchise Agreement is deleted and replaced with the following:

XXIX **INJUNCTIVE RELIEF**.

Nothing contained in this Agreement shall bar Franchisor from seeking (1) injunctive relief against threatened conduct that will cause Franchisor irreparable loss or damages under customary equity rules, including applicable rules for seeking restraining orders and preliminary injunctions; or (2) in any dispute regarding possession of the premises, the remedy of forcible detainer against Franchisee for any breach of a sublease for the premises under customary rules governing such actions. Franchisee agrees that Franchisor may seek such injunctive relief from any court of competent jurisdiction, but upon due notice, in addition to such other relief as may be available at equity or law, and Franchisee's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had, and Franchisee hereby expressly waives any claim for damages caused by such injunction.

8. **WAIVER OF PUNITIVE DAMAGES/WAIVER OF JURY TRIAL**. If and then only to the extent required by the Minnesota Franchises Law, Sections XXXI and XXXII of the Franchise Agreement are deleted.

9. **CLASS ACTION BAR AND LIMITATION OF CLAIMS**. The following is added to the end of Section XXXIII of the Franchise Agreement:

10. **; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN THREE (3) YEARS AFTER THE CAUSE OF ACTION ACCRUES**.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN NEW YORK

THIS RIDER, by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"), and _____, whose principal address is _____ (hereinafter referred to as "Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, (the "Franchise Agreement") that has been signed concurrently with this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in the State of New York and the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in New York, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in New York.

2. **RELEASES**. The following language is added to the end of Sections IIC. and XVIIIC.5. of the Franchise Agreement:

> Notwithstanding the foregoing, all rights enjoyed by Franchisee and any causes of action arising in Franchisee's favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

3. **TERMINATION AND DEFAULTS**. The following language is added to the end of Section XV of the Franchise Agreement:

> Franchisee may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

4. **ASSIGNMENT BY FRANCHISOR**. The following language is added to the end of Section XVIIIA. of the Franchise Agreement:

> However, no transfer will be made except to an assignee who, in Franchisor's good faith and judgment, is willing and financially able to assume Franchisor's obligations under this Agreement.

5. **APPLICABLE LAW; CONSENT TO JURISDICTION**. The following statement is added at the end of Sections XXVII and XXVIII of the Franchise Agreement:

> **THIS SECTION SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON FRANCHISOR OR FRANCHISEE BY THE PROVISIONS OF ARTICLE 33 OF THE NEW YORK STATE GENERAL BUSINESS LAW, AS AMENDED, AND THE REGULATIONS ISSUED THEREUNDER.**

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER, by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"), and _____, whose principal address is _____ (hereinafter referred to as "Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, (the "Franchise Agreement") that has been signed concurrently with this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) Franchisee is domiciled in the State of Rhode Island and the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Rhode Island, and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Rhode Island.

2. **APPLICABLE LAW; CONSENT TO JURISDICTION**. The following statement is added at the end of Sections XXVII and XXVIII of the Franchise Agreement:

> **SECTION 19-28.1-14 OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT PROVIDES THAT "A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE THIS STATE OR REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THIS ACT."**

(*Remainder of page intentionally blank*)

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

THE FOLLOWING PAGES IN THIS EXHIBIT ARE STATE-SPECIFIC RIDERS TO THE MULTI-UNIT FRANCHISE AGREEMENT

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN ILLINOIS

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "us"), and _____, whose principal address is _____ _____ (hereinafter referred to as "you").

We and you are parties to that certain Multi-Unit Franchise Agreement dated _____ _____ (the "Multi-Unit Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Franchise Agreement. This Rider is being signed because (a) any of the offering or sales activity relating to the Multi-Unit Franchise Agreement occurred in Illinois and the Central Bark Facilities that you will develop under the Multi-Unit Franchise Agreement will be located in Illinois, and/or (b) you are domiciled in Illinois.

1. Illinois law governs the Franchise Agreement and Multi-Unit Development Agreement.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Your rights upon Termination and Non-Renewal of an agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

5. Payment of Initial Franchise/Development Fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

6. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Multi-Unit Franchise Agreement.

US:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name: _____
Its: _____

Dated:_____

YOU:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN MARYLAND

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "us"), and _____, whose principal address is _____ _____ (hereinafter referred to as "you").

1. **BACKGROUND**. We and you are parties to that certain Multi-Unit Franchise Agreement dated _____ (the "Multi-Unit Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Multi-Unit Franchise Agreement. This Rider is being signed because (a) you are domiciled in Maryland and/or (b) the Central Bark Facilities that you will develop under the Multi-Unit Franchise Agreement will be operated in Maryland.

2. **RELEASES.** The following is added to Item 5 and the end of 7.3(c)(v) of the Multi-Unit Franchise Agreement:

> The general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.
>
> Pursuant to COMAR 02.02.08.16L, the general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

3. **INSOLVENCY**. The following sentence is added to the end of Section 9.1(b)(vii). of the Multi-Unit Franchise Agreement:

> Section 9.1(b)(vii) may not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.).

4. **CONSENT TO JURISDICTION**. The following language is added to the end of Section 10.8 of the Multi-Unit Franchise Agreement:

> NOTWITHSTANDING THE FOREGOING, YOU MAY BRING AN ACTION IN MARYLAND FOR CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.

5. **ARBITRATION**. The following language is added to the end of Section 10.16 of the Multi-Unit Franchise Agreement:

> This Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a

violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

6. **CLASS ACTION BAR.** The following sentence is added to the end of Section 10.18 of the Multi-Unit Franchise Agreement:

YOU MUST BRING ANY CLAIMS ARISING UNDER THE MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW WITHIN 3 YEARS AFTER WE GRANT YOU THE FRANCHISE.

7. **STATEMENTS, 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.

8. **MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.** The following is added as a new Section 10.20 to the end of the Multi-Unit Franchise Agreement:

10.20 **MARYLAND FRANCHISE REGISTRATION AND DISCLOSURE LAW.**

All representations requiring you 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.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Multi-Unit Franchise Agreement.

US:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

YOU:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
FRANCHISE AGREEMENT
FOR USE IN MINNESOTA

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "Franchisor"),
and _____, whose principal address is _____
(hereinafter referred to as "Franchisee").

1. **BACKGROUND**. Franchisor and Franchisee are parties to that certain Franchise Agreement dated _____, 20___ (the "Franchise Agreement") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Franchise Agreement. This Rider is being signed because (a) the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in Minnesota; and/or (b) any of the offering or sales activity relating to the Franchise Agreement occurred in Minnesota.

2. **RENEWAL AND TERMINATION**. The following is added to the end of Sections IIB. and XV of the Franchise Agreement:

> However, with respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of this Agreement.

3. **RELEASES.** The following is added to the end of Section IIC. and Section XVIIIC.5. of the Franchise Agreement:

> Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Minnesota Franchises Law.

4. **DAMAGES**. The following language is added to the end of Section XVIA. of the Franchise Agreement:

> Franchisor and Franchisee acknowledge that certain parts of this provision might not be enforceable under Minn. Rule Part 2860.4400J. However, Franchisor and Franchisee agree to enforce the provision to the extent the law allows.

5. **APPLICABLE LAW**. Section XXVII of the Franchise Agreement is deleted and replaced with the following:

XXVII **APPLICABLE LAW**

ALL MATTERS RELATING TO ARBITRATION WILL BE GOVERNED BY THE UNITED STATES FEDERAL ARBITRATION ACT (9 U.S.C. §§ 1 ET SEQ.). EXCEPT TO THE EXTENT GOVERNED BY THE FEDERAL ARBITRATION ACT, THE UNITED STATES TRADEMARK ACT OF 1946 (LANHAM ACT, 15 U.S.C. SECTIONS 1051 ET SEQ.), OR OTHER UNITED STATES FEDERAL LAW, THIS AGREEMENT OR ANY RELATED AGREEMENT, THE FRANCHISE, AND ALL CLAIMS ARISING FROM THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) WILL BE GOVERNED BY THE LAWS OF THE STATE OF FLORIDA, WITHOUT REGARD TO ITS CONFLICT OF LAWS RULES, EXCEPT THAT (1) ANY STATE LAW REGULATING THE OFFER OR SALE OF FRANCHISES OR GOVERNING THE RELATIONSHIP OF A FRANCHISOR AND ITS FRANCHISEE WILL NOT APPLY UNLESS ITS JURISDICTIONAL REQUIREMENTS ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THIS PARAGRAPH, AND (2) NOTHING IN THIS AGREEMENT WILL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

6. **CONSENT TO JURISDICTION**. Section XXVIII of the Franchise Agreement is deleted and replaced with the following:

XXVIII **CONSENT TO JURISDICTION**

SUBJECT TO SECTION XXX AND THE PROVISIONS BELOW, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT ALL ACTIONS ARISING UNDER THIS AGREEMENT OR ANY RELATED AGREEMENTS, OR OTHERWISE AS A RESULT OF THE RELATIONSHIP BETWEEN FRANCHISOR (OR ANY OF ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OWNERS, OFFICERS, DIRECTORS, AGENTS, REPRESENTATIVES, AND EMPLOYEES) AND FRANCHISEE (OR ITS OWNERS, GUARANTORS, AFFILIATES, AND EMPLOYEES) MUST BE COMMENCED EXCLUSIVELY IN THE STATE OR FEDERAL COURT WHICH IS CLOSEST TO WHERE FRANCHISOR'S OR, AS APPLICABLE, ITS SUCCESSOR'S OR ASSIGN'S PRINCIPAL OFFICE THEN IS LOCATED

(CURRENTLY LOCATED IN OAKLAND PARK, FLORIDA), AND FRANCHISOR AND FRANCHISEE (AND EACH OWNER) IRREVOCABLY CONSENT TO THE JURISDICTION OF THOSE COURTS AND WAIVE ANY OBJECTION TO EITHER THE JURISDICTION OF OR FORUM IN THOSE COURTS. NONETHELESS, FRANCHISOR AND FRANCHISEE (AND EACH OWNER) AGREE THAT FRANCHISOR AND FRANCHISEE (AND EACH OWNER) MAY ENFORCE ANY ARBITRATION ORDERS AND AWARDS IN THE COURTS OF THE STATE OR STATES IN WHICH FRANCHISEE IS DOMICILED OR THE FRANCHISED BUSINESS IS LOCATED. NOTWITHSTANDING THE FOREGOING, MINN. STAT. SEC. 80C.21 AND MINN. RULE 2860.4400J PROHIBIT FRANCHISOR, EXCEPT IN CERTAIN SPECIFIED CASES, FROM REQUIRING LITIGATION TO BE CONDUCTED OUTSIDE MINNESOTA. NOTHING IN THIS AGREEMENT SHALL ABROGATE OR REDUCE ANY OF FRANCHISEE'S RIGHTS UNDER MINNESOTA STATUTES CHAPTER 80C OR FRANCHISEE'S RIGHT TO ANY PROCEDURE, FORUM OR REMEDIES THAT THE LAWS OF THE JURISDICTION PROVIDE.

7. **INJUNCTIVE RELIEF**. Section XXIX of the Franchise Agreement is deleted and replaced with the following:

XXIX **INJUNCTIVE RELIEF**.

Nothing contained in this Agreement shall bar Franchisor from seeking (1) injunctive relief against threatened conduct that will cause Franchisor irreparable loss or damages under customary equity rules, including applicable rules for seeking restraining orders and preliminary injunctions; or (2) in any dispute regarding possession of the premises, the remedy of forcible detainer against Franchisee for any breach of a sublease for the premises under customary rules governing such actions. Franchisee agrees that Franchisor may seek such injunctive relief from any court of competent jurisdiction, but upon due notice, in addition to such other relief as may be available at equity or law, and Franchisee's sole remedy in the event of the entry of such injunctive relief shall be the dissolution of such injunctive relief, if warranted, upon hearing duly had, and Franchisee hereby expressly waives any claim for damages caused by such injunction.

8. **WAIVER OF PUNITIVE DAMAGES/WAIVER OF JURY TRIAL**. If and then only to the extent required by the Minnesota Franchises Law, Sections XXXI and XXXII of the Franchise Agreement are deleted.

9. **CLASS ACTION BAR AND LIMITATION OF CLAIMS**. The following is added to the end of Section XXXIII of the Franchise Agreement:

10. **; PROVIDED, HOWEVER, THAT MINNESOTA LAW PROVIDES THAT NO ACTION MAY BE COMMENCED UNDER MINN. STAT. SEC. 80C.17 MORE THAN THREE (3) YEARS AFTER THE CAUSE OF ACTION ACCRUES**.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Franchise Agreement.

FRANCHISOR:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

FRANCHISEE:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN NEW YORK

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "us"), and _____, whose principal address is _____ _____ (hereinafter referred to as "you").

1. **BACKGROUND**. We and you are parties to that certain Multi-Unit Franchise Agreement dated _____, (the "Multi-Unit Franchise Agreement") that has been signed concurrently with this Rider. This Rider is annexed to and forms part of the Multi-Unit Franchise Agreement. This Rider is being signed because (a) you are domiciled in the State of New York and the Central Bark Facilities that you will develop under the Multi-Unit Franchise Agreement will be located in New York, and/or (b) any of the offering or sales activity relating to the Multi-Unit Franchise Agreement occurred in New York.

2. **RELEASES**. The following is added to the end of Section 7.3(c)(v) of the Multi-Unit Franchise Agreement:

> Notwithstanding the foregoing, all rights enjoyed by you and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force to the extent required by the non-waiver provisions of GBL Sections 687.4 and 687.5, as amended.

3. **TERMINATION AND DEFAULTS**. The following language is added to the end of Section 9.1 of the Multi-Unit Franchise Agreement:

> You may terminate this Agreement on any grounds available by law under the provisions of Article 33 of the General Business Law of the State of New York.

4. **ASSIGNMENT BY US**. The following language is added to the end of Section 7.1 of the Multi-Unit Franchise Agreement:

> However, no transfer will be made except to an assignee who, in our good faith and judgment, is willing and financially able to assume our obligations under this Agreement.

5. **GOVERNING LAW; CONSENT TO JURISDICTION**. q he following statement is added at the end of Sections 10.7 and 10.8 of the Multi-Unit Franchise Agreement:

> THIS SECTION SHALL NOT BE CONSIDERED A WAIVER OF ANY RIGHT CONFERRED UPON US OR YOU BY THE PROVISIONS OF ARICLE 33 OF THE NEW YORK STATE GENERAL BUSINESS LAW, AS AMENDED, AND THE REGULATIONS ISSUED THEREUNDER.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Multi-Unit Franchise Agreement.

US:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

YOU:

_____

By:_____
Name:_____
Its:_____

Dated:_____

RIDER TO THE BARKLEY VENTURES FRANCHISING, LLC
MULTI-UNIT FRANCHISE AGREEMENT
FOR USE IN RHODE ISLAND

THIS RIDER**,** by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, (hereinafter referred to as "us"), and _____, whose principal address is _____ _____ (hereinafter referred to as "you").

1. **BACKGROUND**. We and you are parties to that certain Multi-Unit Franchise Agreement dated _____, (the "Multi-Unit Franchise Agreement") that has been signed concurrently with this Rider. This Rider is annexed to and forms part of the Multi-Unit Franchise Agreement. This Rider is being signed because (a) you are domiciled in the State of Rhode Island and the Central Bark Facilities that you will develop under the Multi-Unit Franchise Agreement will be located in Rhode Island, and/or (b) any of the offering or sales activity relating to the Multi-Unit Franchise Agreement occurred in Rhode Island.

2. **GOVERNING LAW; CONSENT TO JURISDICTION**. q he following statement is added at the end of Sections 10.7 and 10.8 of the Multi-Unit Franchise Agreement:

> **SECTION 19-28.1-14 OF THE RHODE ISLAND FRANCHISE INVESTMENT ACT PROVIDES THAT "A PROVISION IN A FRANCHISE AGREEMENT RESTRICTING JURISDICTION OR VENUE TO A FORUM OUTSIDE THIS STATE OR REQUIRING THE APPLICATION OF THE LAWS OF ANOTHER STATE IS VOID WITH RESPECT TO A CLAIM OTHERWISE ENFORCEABLE UNDER THIS ACT."**

(*Remainder of page intentionally blank*)

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed, sealed and delivered this Rider on the date noted below, to be effective as of the effective date of the Multi-Unit Franchise Agreement.

US:

BARKLEY VENTURES FRANCHISING, LLC

By:_____
Name:_____
Its:_____

Dated:_____

YOU:

_____

By:_____
Name:_____
Its:_____

Dated:_____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

THIS RIDER, by and between Barkley Ventures Franchising, LLC, a limited liability company formed and operating under the laws of the State of Delaware, having its principal place of business at 3699 N. Dixie Hwy., Oakland Park, Florida 33334, ("Franchisor"), and_____ _____, whose principal address is _____ ("Franchisee").

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
_____	_____

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	No Filing
Illinois	Pending
Indiana	July 10, 2025
Maryland	Pending
Michigan	July 14, 2025
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Barkley Ventures Franchising, LLC ("BVF") offers you a franchise, it must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement with, or make a payment to, BVF or an affiliate in connection with the proposed franchise sale, or sooner if required by applicable state law. Under Iowa law, BVF must give you this Disclosure Document at the earlier of BVF's 1st personal meeting or 14 calendar days before you sign an agreement with, or make a payment to BVF or an affiliate in connection with the proposed franchise sale. Under Michigan law, BVF must give you this Disclosure Document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Under New York law, BVF must provide this Disclosure Document at the earlier of the 1st personal meeting or 10 business days before you sign a binding agreement with, or make a payment to, BVF or an affiliate in connection with the proposed franchise sale.

If BVF does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on Exhibit A.

The franchisor is Barkley Ventures Franchising, LLC, 3699 N. Dixie Hwy., Oakland Park, Florida 33334. The franchise seller for this offering is:

- ❑ Bob Crawford
  Barkley Ventures
  Franchising, LLC
  3699 N. Dixie Hwy.
  Oakland Park, FL 33334
  (866) 799-BARK
- ❑ Tom Monaghan
  Barkley Ventures
  Franchising, LLC
  3699 N. Dixie Hwy.
  Oakland Park, FL 33334
  (866) 799-BARK
- ❑ Chip Baranowski
  Barkley Ventures
  Franchising, LLC
  3699 N. Dixie Hwy.
  Oakland Park, FL 33334
  (866) 799-BARK

Issuance Date: June 3, 2026

(The effective dates in the franchise registration states are noted on the State Effective Dates page of this Disclosure Document.)

See Exhibit A for BVF's registered agents authorized to receive service of process.

I have received a Disclosure Document dated June 3, 2026 that included the following Exhibits:

A	List of State Agencies /Agents for Service of Process
B	Franchise Agreement
C	Multi-Unit Franchise Agreement
D	Lease Assignment Agreement
E	Financial Statements
F	List of Franchisees
G	Representations and Acknowledgment Statement
H	Form of Consent to Transfer
I	Form of General Release
J	State Addenda and Agreement Rider
K	Receipts

_____	_____	_____
Date	Signature	Printed Name
(Do not leave blank)		

Please sign this copy of the receipt, print the date on which you received this Disclosure Document, and return it, by mail or facsimile, to Barkley Ventures Franchising, LLC, P.O. Box 14217, West Allis, Wisconsin 53214. Phone: (866) 799-BARK, Facsimile: (866) 398-1349.

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