

FRANCHISE DISCLOSURE DOCUMENT

	ITK9 FRANCHISE, LLC An Ohio Limited Liability Company 5690 Wolff Road Medina, OH 44256 (877) 585-9727 info@thedogwizard.com www.thedogwizard.com
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ITK9 Franchise, LLC (d/b/a. “The Dog Wizard”) offers franchises for businesses that will establish and operate dog training businesses.

The total investment necessary to begin operation of a The Dog Wizard business is \$116,400-\$195,750 which includes \$81,400-\$82,700 that must be paid to the franchisor or an affiliate.

The total investment necessary to begin operation of two to five The Dog Wizard franchised businesses is \$179,400- \$365,250. This includes \$131,400 to \$207,700 that must be paid to the franchisor or an affiliate.

This disclosure document summarizes certain provisions of the 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 payments to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no governmental agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jason Watson, ITK9 Franchise, LLC, 5690 Wolff Road, Medina, OH 44256, (704) 954-8830.

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: May 20, 2025

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 Exhibits E-2 and E-2.
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 F 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 The Dog Wizard 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 The Dog Wizard franchisee?	Item 20 or Exhibits E-1 and E-2 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 Exhibits C and D.

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

Special Risks to Consider About *This* Franchise

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

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

2. **Limited Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with a longer operating history.

3. **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.

4. **Turn Over Rate.** During the last 3 years, a large number of franchised outlets (19) were terminated, re-acquired, or ceased operations for other reasons. The franchise could be a higher risk investment than a franchise in a system with a lower turnover rate.

5. **Sales Performance Required.** You must maintain minimum sales performance levels. Your inability to maintain these levels may result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

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.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MICHIGAN**

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

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise 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 franchise'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, logo type, 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 obligation to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

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

Any questions regarding this notice should be directed to Department of the Attorney General's Office, Consumer Protection Division, Franchise Section, G. Mennen Williams Building, 525 W. Ottawa Street, Lansing, Michigan 48913; telephone number (517) 373-7117.

ITK9 FRANCHISE, LLC

TABLE OF CONTENTS

ITEM 1 THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES	1
ITEM 2 BUSINESS EXPERIENCE	3
ITEM 3 LITIGATION.....	3
ITEM 4 BANKRUPTCY	3
ITEM 5 INITIAL FEES.....	3
ITEM 6 OTHER FEES.....	5
ITEM 7 ESTIMATED INITIAL INVESTMENT.....	11
ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES	18
ITEM 9 FRANCHISEE'S OBLIGATIONS	22
ITEM 10 FINANCING.....	23
ITEM 11 FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING	23
ITEM 12 TERRITORY	33
ITEM 13 TRADEMARKS	35
ITEM 14 PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION	37
ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS	37
ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL	38
ITEM 17 RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION.....	39
ITEM 18 PUBLIC FIGURES.....	42
ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS	42
ITEM 20 OUTLETS AND FRANCHISEE INFORMATION.....	45
ITEM 21 FINANCIAL STATEMENTS	52
ITEM 22 CONTRACTS.....	52
ITEM 23 RECEIPTS	52

EXHIBIT A FRANCHISE AGREEMENT

Schedule 1- Ownership of Franchise

Schedule 2- Territory

Schedule 3- Guarantee, Indemnification, and Acknowledgement

Schedule 4- Authorization Agreement for Prearranged Payment (Direct Debits)

Schedule 5- Code of Conduct (Rules, Standards, Procedures, and Code of Conduct)

Schedule 6- State Addenda to the Franchise Agreement

EXHIBIT B RELEASE

EXHIBIT C LIST OF STATE ADMINISTRATORS

EXHIBIT D AGENTS FOR SERVICE OF PROCESS

EXHIBIT E-1 LIST OF CURRENT FRANCHISEES

EXHIBIT E-2 LIST OF FORMER FRANCHISEES

EXHIBIT F FINANCIAL STATEMENTS

EXHIBIT G STATE ADDENDA TO THE DISCLOSURE DOCUMENT

EXHIBIT H	FRANCHISE DISCLOSURE ACKNOWLEDGEMENT
EXHIBIT I	DEPOSIT AGREEMENT
EXHIBIT J	STATE EFFECTIVE DATES
EXHIBIT K	RECEIPTS

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

The franchisor is ITK9 Franchise, LLC d/b/a The Dog Wizard (“**The Dog Wizard**”). In this Franchise Disclosure Document, when we refer to The Dog Wizard we sometimes use the words “**Dog Wizard**,” “**TDW**,” “**we**,” “**us**,” or “**our**.” A person who buys a franchise from us is called “**you**” in this Franchise Disclosure Document. If you are a limited liability company, corporation, or other entity, “**you**” also includes your owners.

The Franchisor and Predecessors

We are an Ohio limited liability company organized on August 2, 2019. Our principal place of business is 5690 Wolff Road, Medina, OH 44256. We do business under the name THE DOG WIZARD. We began offering franchises in April 2020 that are focused on the business of dog training and related products and services. We operate businesses of the type being offered as company owned outlets and have since August 2, 2019. We do not conduct any other business activities or offer franchises in any other line of business.

Exhibit D contains our agents for service of process.

We have a predecessor, The Dog Wizard Academy, LLC. The Dog Wizard Academy, LLC was a North Carolina limited liability company organized on June 25, 2012. The Dog Wizard Academy, LLC offered franchises from May 2013 to February 2020. Its current principal place of business is 5690 Wolff Road, Medina, OH 44256.

The Dog Wizard Academy, LLC had a predecessor, The Dog Wizard, Inc. that operated a dog training school from March 19, 2005 until September 2014 at 216 Foster Avenue, Charlotte, NC 28203, and a dog training school (which trained dog trainers) from March 1, 2010 until June 25, 2012.

Parents

We have a parent, ITK9 Company, LLC, an Ohio limited liability company, formed on August 2, 2019, with a principal place of business at 5690 Wolff Road, Medina, OH 44256. ITK9 Company, LLC acquired ownership in us on August 6, 2019.

Affiliates

Dog Wizard Resource Center LLC - We have an affiliate Dog Wizard Resource Center LLC, an Ohio limited liability company formed on December 1, 2021, with a principal place of business at 5690 Wolff Road, Medina, OH 44256. Dog Wizard Resource Center LLC offers products for our franchisees to purchase for use in their Franchised Business.

The Dog Wizard Academy LLC- We have an affiliate The Dog Wizard Academy LLC, an Ohio limited liability company formed on April 23, 2020, with a principal place of business at 5690

Wolff Road, Medina, OH 44256. The Dog Wizard Academy provides our training programs for franchisees and their employees.

DTDR 1 dba The Dog Wizard Fayetteville – We have an affiliate DTDR 1 LLC, an Ohio limited liability company formed on July 2, 2020, with a principal place of business at 5690 Wolff Road, Medina, OH 44256. DTDR 1 LLC offers dog training services as an affiliate-owned outlet and does not provide products or services to our franchisees.

DTDR 2 dba The Dog Wizard Dayton – We have an affiliate DTDR 2 LLC, an Ohio limited liability company formed on July 2, 2020, with a principal place of business at 5690 Wolff Road, Medina, OH 44256. DTDR 1 LLC offers dog training services as an affiliate-owned outlet and does not provide products or services to our franchisees.

None of our affiliates offer or have offered franchises in any line of business.

The Business that You Will Conduct

We offer a franchise program under the name “The Dog Wizard” for establishing and operating dog training businesses, including various obedience, behavior modification and specialty training services (the “**Franchised Business**”). You will use the techniques that we train you on to teach dog obedience. You will normally work from home in terms of where you conduct the administrative aspects of the Franchised Business, and will train your clients’ dogs at their home, parks, or plan to use space at a local dog boarding or day care facility. You will operate under the trademarks and service marks that we specify (the “**Marks**”) pursuant to our guidelines and Operations Manual (the “**Manual**” (collectively the “**System**”).

The Market and Competition

The market is a year-round business and is a service that appeals to all demographics and income levels.

The dog training industry is competitive. Your competition may include other national and local dog training businesses, dog boarding businesses, and dog/pet daycare businesses. You may also experience competition from retail pet stores.

Applicable Regulations

You must comply with federal, state, and local laws concerning leash laws (keeping pets restrained except in certain specified areas), pet waste removal laws while on public property, and animal cruelty laws which forbid inhumane treatment of animals. You should investigate the application of these laws further.

ITEM 2

BUSINESS EXPERIENCE

Grant Reeves, Chief Executive Officer. Mr. Reeves has served as our Chief Executive Officer since August 2022. Mr. Reeves served as our Chief Financial Officer from August 2019 to August 2022. Mr. Reeves also serves as the Chief Executive Officer for ITK9 Company, The Dog Wizard Academy, LLC, The Dog Wizard Resource Center, LLC and ITK9 Finance, LLC since August 2022. From September 2019 to August 2022, Mr. Reeves served as Chief Financial Officer for ITK9 Company, LLC and ITK9 Finance, LLC in Medina, Ohio. From September 2017 to September 2019, Mr. Reeves served as the CFO of the Upbeat K9 Franchise Corporation in Medina, Ohio. From 2005 to December 2021, Mr. Reeves served as the CEO of Dock Dogs Inc. in Medina, Ohio.

Jason Watson, Senior Vice President of Sales & Business Development. Mr. Watson has served as our Senior Vice President of Sales and Business Development since September 2021. From January 2020 to September 2021, Mr. Watson served as our Vice President of Sales & Business Development. From June 2019 to February 2020, Mr. Watson has also served as the Vice President of Sales and Business Development for The Dog Wizard Academy, LLC in Medina, Ohio. From April 2018 to the present, Mr. Watson has served as the CEO of Recon K9, LLC in Charlotte, North Carolina. From October 2015 to April 2018, Mr. Watson served as the Director of Marketing and Business Development for Capewell Aerial Systems LLC in Charlotte, North Carolina.

Krissy Spero, Academy Director. Ms. Spero has served as our Academy Director since November 2022. Ms. Spero also serves as a The Dog Wizard franchisee through Krissy's Pet Care, LLC, in Spartanburg, SC and Columbia, SC.

ITEM 3

LITIGATION

No litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

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

ITEM 5

INITIAL FEES

The Initial Franchise Fee for a single THE DOG WIZARD Franchised Business is \$60,000. If the population of your Territory exceeds 225,000, you must pay an additional \$0.275 (27.5 cents) for every person added to the initial 225,000-person population Territory (the "Per Person Fee"). We will not reduce the Initial Franchise Fee if the population in your Territory is less than 200,000.

If you decide to purchase additional territories in the future, you will pay the then-current Initial Franchise Fee, and will not receive a multi-unit discount.

If you decide to purchase additional zip codes to expand your territory in the future, you will pay the then current Per Person Fee and will be limited to purchasing zip codes that include less than 50,000 people. If you decide to purchase zip codes that contain more than 50,000 people, you will be required to purchase an entire Territory at the then current Territory price.

If you purchase Multiple Franchises from us, pursuant to separate Franchise Agreement signed at the same time, you will realize a unit discount as shown below:

<i>Initial/upfront Purchase</i>	<i>Cost per Unit</i>	<i>Total Initial Franchise Fee</i>
1 unit	\$60,000	\$60,000
2 units	\$55,000	\$110,000
3 units	\$48,333.33	\$145,000
4 units	\$41,250	\$165,000
5 units	\$37,000	\$185,000

We offer a \$5,000 discount from the Initial Franchise Fee to veterans who provide required documentation of military service. This discount is deducted from the Total Initial Franchise Fee, not per unit.

Deposit Agreement. You can reserve a specific Territory by paying a non-refundable \$10,000 deposit per territory and by sending us a signed Deposit Agreement (which is attached to this Disclosure Document as Exhibit I). The deposit will be applied toward your Initial Franchise Fee.

Initial Training Fee. We offer both initial business and dog training for new franchisees.

Business Training - We require that you, or the on-site business manager, attend initial business training to learn the basic aspects of how to operate the Franchised Business. There is no fee for this training.

Initial Dog Training - Before operating the Franchised Business, we require that you, or a designated trainer, complete Online Training, Virtual/Live Lesson Training, and In-Person/Hands-On Training.

If you plan to have a designated trainer, you must still successfully complete Online Training and observe Virtual/Live Lesson Training. You also have the option to observe the In-Person/Hands-On Training to ensure that you are familiar with the services that you will be selling/providing to your clients. You are not required to pay a fee and will not be graded or evaluated by the instructors to observe Virtual Live Lesson Training and Virtual/Live Lessons.

The fees for training are as follows: Online Training Fee \$2,500, Virtual/Live Lesson Training \$4,400, and In-Person/Hands-On Training Fee \$3,100. You are responsible for all training fees, travel and living expenses, and your employees' wages to attend initial training.

Start-Up Digital Marketing. You will need to purchase from us a digital marketing package in the amount of \$5,400. This fee includes your first month of Local Advertising Fees to support the launch of your business. The Start-up Digital Marketing is due within one week of your initial onboarding meeting and is non-refundable.

Start-up Kit. You must purchase from us or an affiliate approximately \$6,000 of marketing items, sample products, and training equipment. For any additional persons in your Franchised Business that require Start-up Kit supplies, we will charge you \$1,300. Actual dollar figures may vary depending on supplier pricing to us. We reserve the right to change the mix of this offering at any time and without notice. This fee is due upon invoice and it is non-refundable once we place the order on your behalf.

Except as described above, all initial fees listed above are uniform, due with the signing of the Franchise Agreement, and are non-refundable.

ITEM 6 **OTHER FEES**

Type of Fee	Amount	Due Date	Remarks
Royalty Fee (Notes 1 and 2)	8% of Weekly Gross Revenues	Weekly	See Note 2 for a definition of "Gross Revenues." Paid via ACH
The Dog Wizard Customer Support Desk (or "TDW Customer Success") Fees (Note 3)	No charge for first 90 days and then \$10.00 per lead that we manage	Weekly	See below Note 3 for mandatory 90 day usage and fees.
Administrative Training (Note 3)	\$500	Prior to Receiving Training	You will pay this fee for us to train your administrator.
Designated Number and Ring Central Fees.	Currently, you are required to pay \$5.49 per month for a Designated Number. You must also pay us \$40 per month for each line.	Monthly	You are also required to establish a line for each on-site business manager, administrator, trainer, and any employee that communicates with clients on your behalf and

Type of Fee	Amount	Due Date	Remarks
			pay our then current, Ring Central Fee.
Technology Fee	\$600 to \$800	Monthly	<p>The range is based on the software we deem necessary for you to operate your business, such as how many employees and trainers you hire.</p> <p>Also, the configuration of these tech services may change from time to time, and vendors/partners may change at our sole discretion.</p>
Early Termination Fee	The sum of \$10,000 or the royalties paid to us for the twenty-four (24) months prior to the termination of the Franchise Agreement (or the total number of months if the franchise has been in operation fewer than 24 months), whichever is greater.	Within 30 days of demand	Paid in a lump sum payment from you to us.
Renewal Fee	\$10,000	When you enter into a new franchise agreement upon the expiration of the term of your original franchise agreement	
Transfer Fee	<p>\$12,500 for a transfer to a new franchisee that we approve, or</p> <p>\$2,500 for a transfer to an entity you control, to a</p>	Before transfer	Payable if you transfer the business without our assistance.

Type of Fee	Amount	Due Date	Remarks
	family member, to an employee of yours, or to another franchisee		
Transfer Assistance Fee	\$12,500, plus any sales or business broker costs	Upon transfer	The Transfer Assistance Fee is paid to us if you request that we assist you with a transfer.
Interest and Late Fee (Note 4)	On all fees due to us by you, 1.5% per month or the maximum allowed by law, whichever is less Late Fee is \$50	On demand	Interest applies to late payments. The Late Fee applies each time a report or record is not submitted on time.
Taxes	Actual amount incurred	At time of payment of fees to us which are subject to any tax	You must reimburse us for any sales or excise taxes we may pay on the Initial Franchise Fee, royalties, etc.
Third Party Charges and Reimbursement	Actual amount incurred	At time of reimbursement	You must reimburse us for any expense we pay on your behalf, including a good faith refund of client fees.
Initial Dog Training Fees	\$2,500 Online Training; \$4,400 Virtual/Live Lesson Training; and \$3,100 for In-Person/Hands-On Training.	Before dog training begins	Anyone who engages in dog training must successfully complete our Initial Dog Training program, which takes place online, virtually, and/or at a location that we determine. Fees do not include transportation, meals or housing.
Additional Training/Kennel Tech Fee	\$1000/Week	At the time of training	If, at the end of Initial Dog Training, we feel that you or your trainer are not at a satisfactory level to begin training dogs, we may require you or your trainer to continue training at your expense until you earn a

Type of Fee	Amount	Due Date	Remarks
			satisfactory level of dog training. This fee is required for Kennel Tech training program. The Fee does not include transportation, meals or housing.
Top Dog Training Certification	\$1000/per year	Before Training	To qualify as a Top Dog Trainer
Product Evaluation Fee	Currently \$0 but we may charge a fee depending on the cost to evaluate a new product	On demand, before evaluation of product	
Inspection Fee	Our costs and expenses of correcting uncured deficiencies from inspections	On demand, after inspection	
Audit Fee	Cost of audit plus 18% interest (or the highest interest rate allowed by applicable law) on underpayment	On demand	Payable only if the audit is prompted by your failure to maintain or submit records or if audit shows an understatement of 3% or more for any month.
Local Advertising/ Search Engine Optimization	<p>\$1,500 per month, of which \$454 is currently paid to us for the Digital Marketing Program.</p> <p>We reserve the right to increase this monthly requirement by 25%.</p>	Monthly	You must spend this sum to promote your business pursuant to our guidelines. We may require that you pay this entire amount to us for the Digital Marketing Program. We may audit to ensure compliance and may charge you the difference if you do not spend the monthly minimum.
Brand Fund	<p>2% of Gross Revenues</p> <p>This fee will support local and/or national advertising, banner ads, social media, graphic packages, multi-media</p>	Weekly	Paid via ACH concurrent with Royalty Fee

Type of Fee	Amount	Due Date	Remarks
	development, and marketing administrative expenses.		
Indemnification	Amount of expense advanced plus 18% interest or the highest interest rate allowed by applicable law	On demand	You must reimburse us if we are held liable for claims arising from your business.
Attorney Fees and Costs	Varies	At the time of litigation	You must pay our costs and attorney fees if we are the substantially prevailing party in litigation with you.
Temporary Management Fee in the event of death or incapacity	\$500 per day plus reimbursement of our expenses	At time of death or incapacity	You must pay us this fee upon your death or incapacity if we run your franchise for a period of time.
Revenue derived outside of Territory	20% of Gross Revenue	Weekly	If you derive revenue from any zip code(s) outside any territory that you own, and those zip code(s) generate more than \$10,000 annually based on any trailing twelve-month period, you must immediately purchase those zip code(s). You will pay \$.275 per person that resides in (each of) those zip codes that you must purchase per this requirement, or 20% of the Gross Revenue collected from such zip code(s) until the zip code(s) are purchased and added to your Territory.

*We uniformly impose and collect all the fees in this table. You pay them to us, and we do not refund them.

Notes:

1. Before you may open for business, you must sign and deliver to us all bank documents needed to permit us and our affiliates to debit your bank account via ACH Electronic Transfer for all fees and payments due to us or our affiliates. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and the bank new documents to permit us to debit your bank account within three days. We require you to execute an Automatic Bank Draft Authorization and pay most fees to us via ACH electronic funds transfer. See Schedule 5 to the Franchise Agreement - Authorization Agreement for Prearranged Payment (Direct Debits). Royalties are due to us by you based on the real-time collection of payments that you receive in any payment method that you receive from a client (cash, credit, Venmo, as examples).

2. “Gross Revenues” means all money and other consideration that you receive in connection with the operation of the Franchised Business or any other business that you operate in conjunction with the Franchised Business that provides a product or service for dogs. This includes revenue emanating from the sale of any authorized products or services (as that term may be modified from time to time by us) or from the sale of any goods or services under, using, or in connection with our Marks. This includes revenue from dog boarding or daycare obtained from dogs that are boarded as a part of the training process. It does not include tips or gratuities; refunds or discounts made to clients; or sales, excise, or other taxes that are separately stated and that you are required by law to collect from clients and pay to the appropriate government taxing authority. In processing all revenue that you collect from your customers, you must use the merchant payment processor that we authorize. There are no exceptions to this requirement.

3. You are required to use the Customer Success Team during the 90 Day Support Period. There will be no charge for the Customer Success Team during the 90 Day Support Period. During the 90 Day Support Period, you, your business manager, or a dedicated customer service person, must complete our Administrative Training to perform the functions that the Customer Support Team handles.

Should you not successfully complete the Administrative Training within the 90 Day Support Period, the Customer Support Team will continue to manage your leads per the fee schedule below.

	Fees
<u>90 Day Support Period:</u> Managing all prospect leads, related communication, and scheduling the initial evaluation	<ul style="list-style-type: none">• Rate: no cost for the first 90 days. If, for any reason, we continue to manage your leads after the 90 days, you will pay us \$10.00 per lead.
<u>After 90 Day Support Period-</u> Manage your own prospect leads, related communication, and scheduling of initial evaluations.	<ul style="list-style-type: none">• Before transitioning to managing your own customer service function, you must complete our Administrative Training. You will pay us \$500 for every administrator we train for you.

A lead is defined as any individual seeking services and can be in the form of phone call, web inquiry, email, etc. Further details are contained in our Manual or other bulletin. We reserve the right to vary the options available and may increase the costs associated with these options by up to 15% per year.

We may increase the costs associated with the above options by up to 15% each year.

4. The maximum interest rate in California is 10% annually

ITEM 7
ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT

A. SINGLE UNIT FRANCHISE

Type of Expenditure	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee (Note 1)	\$60,000	\$60,000	Lump sum via Check or Wire	Upon signing of Agreement	Us
Travel and Living Expenses to Attend Initial Training (Note 2)	\$2,000	\$4,000	Check or Credit Card	As incurred	Vendors
Initial Training Fee (Note 3)	\$10,000	\$30,000	Check or Credit Card	Prior to opening	Us or an Affiliate
Start-up Kit (Note 4)	\$6,000	\$7,300	Check or Credit Card	Prior to opening	Us or an Affiliate
Start-Up Digital Marketing (Note 5)	\$5,400	\$8,400	Check or Credit Card	Prior to opening	Us and Vendors
Licenses (Note 6)	\$1000	\$1,500	Check or Credit Card	Per statute or ordinance	Government Agencies
Computers, Software, Office Equipment, Furniture, Phones, Answering Service (Note 7)	\$750	\$2,500	Check or Credit Card	Prior to opening	Vendors
Professional Fees (Note 8)	\$2,500	\$5,000	Check or Credit Card	Prior to opening	Your lawyer or accountant

Type of Expenditure	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Insurance (Note 9)	\$1,500	\$2,500	Check	Prior to opening	Insurance company
Utilities and Operational Services (Note 10)	\$250	\$500	Check, Credit Card, or Electronic Transfer	As arranged	Utilities, Credit card companies
Vehicle Expenses (Note 11)	\$0	\$5,000	Check, Credit Card, or Electronic Transfer	As incurred	Vendors
Vehicle Wrap Production and Installation (Note 12)	\$3,200	\$5,400	Check or Credit Card	Prior to opening	Vendors
Inventory and Supplies (Note 13)	\$500	\$750	Check or Credit Card	As incurred	Vendors
Additional Funds – 3 months (Note 14)	\$25,800	\$65,400	Check or Credit Card	As incurred	Vendors, Suppliers, Employees
TOTALS	\$116,400	\$195,750			

Notes:

1. The Initial Franchise Fee for a single THE DOG WIZARD Franchised Business is \$60,000. If the population of your Territory exceeds 225,000, you must pay an additional \$0.275 (27.5 cents) for every person added to the initial 225,000-person population Territory (the “Per Person Fee”). We will not reduce the Fee if your Territory is less than 200,000 persons. The Initial Franchise Fee is due upon signing the Franchise Agreement and is non-refundable. The same calculation for expanding a Territory applies to the below Multiple Franchise purchase approach.

You may decide to purchase Multiple Franchises in which case you will establish one (1) franchise per Territory. See Item 5 and Table B below for a more detailed explanation of the Initial Fees.

2. Travel and Living Expenses to Attend Initial Training. The estimate includes travel and living expenses while attending Initial Training and any salary that you may decide to pay yourself or a staff member. Training is conducted at a franchise location that we designate.

3. Initial Dog Training Fee. You, or a designated trainer, must attend all three modules of our dog training program before operating the Franchised Business. If you send a designated trainer, you must still complete Online Training and observe Virtual/Live Lesson Training. All staff who provide or assist with dog training services must also successfully complete all three modules of the dog training program. The low end assumes that you will attend dog training and the high end assumes that three individuals will attend training. You should prioritize any Trainer recruiting efforts to be in your Territory or Territories. If your efforts extend beyond your Territory, and it is to the detriment of a neighboring Franchisee at our sole discretion, we may require that you stop those efforts outside your Territory
4. Start-up Kit. You must purchase from us approximately \$6,000 of marketing items, sample products, and training equipment. For any additional persons in your Franchised Business that require Start-up Kit supplies, we will charge you \$1,300 Actual dollar figures may vary depending on supplier pricing to us. We reserve the right to change the mix of this offering at any time and without notice. The high-end represents an additional person.
5. Start-up Digital Marketing. You will need to purchase from us a one-time digital marketing package in the amount of \$5,400, which includes the first month of the ongoing fee to support the launch of your business. The high-end represents an additional, optional, digital marketing spend.
6. Licenses. You must obtain whatever licenses and permits are required (if any) to occupy the premises and operate the Franchised Business at your location and in your jurisdiction. The nature and amounts of these licenses will depend on the local laws, rules, and ordinances in your jurisdiction.
7. Computers, Software, Office Equipment, Furniture, Phones, Answering Service. You must have or obtain the following: an iPad/tablet, a desktop or laptop computer, a smartphone (iPhone or compatible equivalent), a printer, and a Square or similar credit card swipe reader. You will need those software programs that are typically included in a standard suite of office software (including email, word processing, a web browser and other programs). If you already own suitable hardware, you will not need to buy new equipment. Your business number must be answered by a live person or live answering service at all times during regular business hours. You will also need a desk, chair, and basic office supplies for an in-home office set-up.
8. Professional Fees. You may decide to engage a lawyer or an accountant to assist you in the review of this offering, the purchase of the franchise, forming a legal entity or in obtaining any necessary permits or licenses.
9. Insurance. You must obtain and maintain the types and amounts of insurance coverage described in Item 8 under the heading “Insurance.”
10. Utilities and Operational Services. The estimate in the chart includes 3 months of charges for your cell phone service plan. Your costs may vary based on your carrier, your plan, and your usage.

11. Vehicle Expenses. You are required to have a vehicle to service your clients. If you do not have a vehicle capable of carrying two large dog crates, you will need to purchase one. We expect you to have one (1) van for every three (3) Trainers that you employ on a full-time basis. In the table above, we set forth the estimated expenses for 90 days of financing a vehicle capable of carrying two large dog crates, plus estimated vehicle operation costs (gasoline, etc.). We recommend a Ford Transit Van 150, 250, or 350, Transit Connect, Dodge ProMaster, or a Mercedes Sprinter.
12. Vehicle Wrap Production and Installation. You will need to have a vehicle wrapped with The Dog Wizard graphics pursuant to our specifications. The cost of the vehicle wrap production is approximately \$14,50 per square foot plus \$100 shipping fee and applicable taxes. The total cost of the wrap and installation will vary depending on the make and model of your vehicle and local installation charges.
13. Inventory and Supplies. You will need miscellaneous inventory and supplies to support your administrative functions.
14. Additional Funds-3 months. This estimate includes your start-up expenses during your first three months of operation. These expenses include payroll, royalties, additional local advertising, and other fees payable to us, potential maintenance for equipment, bank charges, state taxes, depreciation/amortization, labor, and other miscellaneous items. This range includes an estimate of compensation. The low range accounts for yourself or one staff member and the high range accounts for three full time trainers in the business. All expenses paid to us, or our affiliates, are non-refundable. Whether amounts paid to third parties are refundable would depend on their policies.

In formulating these estimates, we have relied on our officers', directors', and franchisees' experience in operating a business like the Franchised Business. We have not included estimated initial expenses for the leasing of office or retail space because you would normally work from home and your vehicle. We do not offer financing directly or indirectly for any part of the initial investment.

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B. MULTI-TERRITORY PURCHASE

Type of Expenditure	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Initial Franchise Fee (Note 1)	\$110,000	\$185,000	Lump sum via Check or Wire	Upon signing of Agreement	Us
Travel and Living Expenses to Attend Initial Training (Note 2)	\$2,000	\$4,000	Check or Credit Card	As incurred	Vendors
Initial Training Fee (Note 3)	\$10,000	\$50,000	Check or Credit Card	Prior to opening	Us or an Affiliate
Start-up Kit (Note 4)	\$6,000	\$7,300	Check or Credit Card	Prior to opening	Us or an Affiliate
Start-Up Digital Marketing (Note 5)	\$5,400	\$8,400	Check or Credit Card	Prior to opening	Us and Vendors
Licenses (Note 6)	\$1000	\$1,500	Check or Credit Card	Per statute or ordinance	Government Agencies
Computers, Software, Office Equipment, Furniture, Phones, Answering Service (Note 7)	\$750	\$4,000	Check or Credit Card	Prior to opening	Vendors
Professional Fees (Note 8)	\$2,500	\$5,000	Check or Credit Card	Prior to opening	Your lawyer or accountant
Insurance (Note 9)	\$2,000	\$3,000	Check	Prior to opening	Insurance company
Utilities and Operational Services (Note 10)	\$250	\$500	Check, Credit Card, or Electronic Transfer	As arranged	Utilities, Credit card companies
Vehicle Expenses (Note 11)	\$0	\$5,000	Check, Credit Card, or Electronic Transfer	As incurred	Vendors

Type of Expenditure	Amount-Low	Amount-High	Method of Payment	When Due	To Whom Payment is to be made
Vehicle Wrap Production and Installation (Note 12)	\$3,200	\$5,400	Check or Credit Card	Prior to opening	Vendors
Inventory and Supplies (Note 13)	\$500	\$750	Check or Credit Card	As incurred	Vendors
Additional Funds – 3 months (Note 14)	\$35,800	\$85,400	Check or Credit Card	As incurred	Vendors, Suppliers, Employees
TOTALS	\$179,400	\$365,250			

1. The low-end comprises the initial franchise fee of \$110,000 for two outlets. The high-end comprises of the initial franchise fee of \$185,000 for five outlets.

2. Travel and Living Expenses to Attend Initial Training. The estimate includes travel and living expenses while attending Initial Training and any salary that you may decide to pay yourself or a staff member. Training is conducted at a franchise location that we designate.

3. Initial Dog Training Fee. You, or a designated trainer, must attend all three modules of our dog training program before operating the Franchised Business. If you send a designated trainer, you must still complete Online Training and observe Virtual/Live Lesson Training. All staff who provide or assist with dog training services must also successfully complete all three modules of the dog training program. The low end assumes that you will attend dog training and the high end assumes that three individuals will attend training. You should prioritize any Trainer recruiting efforts to be in your Territory or Territories. If your efforts extend beyond your Territory, and it is to the detriment of a neighboring Franchisee at our sole discretion, we may require that you stop those efforts outside your Territory

4. Start-up Kit. You must purchase from us approximately \$6,000 of marketing items, sample products, and training equipment. For any additional persons in your Franchised Business that require Start-up Kit supplies, we will charge you \$1,300 Actual dollar figures may vary depending on supplier pricing to us. We reserve the right to change the mix of this offering at any time and without notice. The high-end represents an additional person.

5. Start-up Digital Marketing. You will need to purchase from us a one-time digital marketing package in the amount of \$5,400, which includes the first month of the ongoing fee to support the launch of your business. The high-end represents an additional, optional, digital marketing spend.

6. Licenses. You must obtain whatever licenses and permits are required (if any) to occupy the premises and operate the Franchised Business at your location and in your jurisdiction. The

nature and amounts of these licenses will depend on the local laws, rules, and ordinances in your jurisdiction.

7. Computers, Software, Office Equipment, Furniture, Phones, Answering Service. You must have or obtain the following: an iPad/tablet, a desktop or laptop computer, a smartphone (iPhone or compatible equivalent), a printer, and a Square or similar credit card swipe reader. You will need those software programs that are typically included in a standard suite of office software (including email, word processing, a web browser and other programs). If you already own suitable hardware, you will not need to buy new equipment. Your business number must be answered by a live person or live answering service at all times during regular business hours. You will also need a desk, chair, and basic office supplies for an in-home office set-up.

8. Professional Fees. You may decide to engage a lawyer or an accountant to assist you in the review of this offering, the purchase of the franchise, forming a legal entity or in obtaining any necessary permits or licenses.

9. Insurance. You must obtain and maintain the types and amounts of insurance coverage described in Item 8 under the heading “Insurance.”

10. Utilities and Operational Services. The estimate in the chart includes 3 months of charges for your cell phone service plan. Your costs may vary based on your carrier, your plan, and your usage.

11. Vehicle Expenses. You are required to have a vehicle to service your clients. If you do not have a vehicle capable of carrying two large dog crates, you will need to purchase one. We expect you to have one (1) van for every three (3) Trainers that you employ on a full-time basis. In the table above, we set forth the estimated expenses for 90 days of financing a vehicle capable of carrying two large dog crates, plus estimated vehicle operation costs (gasoline, etc.). We recommend a Ford Transit Van 150, 250, or 350, Transit Connect, Dodge ProMaster, or a Mercedes Sprinter.

12. Vehicle Wrap Production and Installation. You will need to have a vehicle wrapped with The Dog Wizard graphics pursuant to our specifications. The cost of the vehicle wrap production is approximately \$14,50 per square foot plus \$100 shipping fee and applicable taxes. The total cost of the wrap and installation will vary depending on the make and model of your vehicle and local installation charges.

13. Inventory and Supplies. You will need miscellaneous inventory and supplies to support your administrative functions.

14. Additional Funds-3 months. This estimate includes your start-up expenses during your first three months of operation. These expenses include payroll, royalties, additional local advertising, and other fees payable to us, potential maintenance for equipment, bank charges, state taxes, depreciation/amortization, labor, and other miscellaneous items. This range includes an estimate of compensation. The low range accounts for yourself or one staff member and the high range accounts for three full time trainers in the business.

All expenses paid to us, or our affiliates, are non-refundable. Whether amounts paid to third parties are refundable would depend on their policies.

In formulating these estimates, we have relied on our officers', directors', and franchisees' experience in operating a business like the Franchised Business. We have not included estimated initial expenses for the leasing of office or retail space because you would normally work from home and your vehicle. We do not offer financing directly or indirectly for any part of the initial investment.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

The Goods or Services Required to be Purchased or Leased.

Advertising Materials.

You must purchase marketing material from us, an affiliate, or a designated vendor. You must obtain our approval before placing any advertising.

Computer Hardware and Software.

You must purchase the computer hardware and software we specify, which may include a vendor designation.

Furniture, Fixtures, Equipment.

You must purchase furniture, fixtures, and equipment, pursuant to our specifications.

Insurance.

Subject to changes in the Manual or other notices, you must obtain the below types of insurance at the stated coverage amounts. We require that you purchase the following insurance from our designated vendor, currently, Business Insurers of the Carolinas or an equivalent policy which must be approved by us, that matches the normal minimum coverage of the animal training/boarding industry.

Commercial General Liability Policy

- Includes property damage, bodily injury and death, premises and completed ops, contractual & product liability coverage (Not less than \$1 million per occurrence/\$2 million aggregate). To also include Care Custody or Control limit (also known as Animal Bailee with minimum limit of \$25,000).

Non-Owned Automobile Liability

- At least \$100,000; only if you have subcontractors or employees that are driving vehicles that are not owned and insured by the company.

Professional Liability (Errors or Omissions).

- Minimum of \$25,000 if your business gross revenue is \$250,000 or less and you are a single operator.
- Or a minimum of \$100,000 if your business gross revenue is more than \$250,000 or you have subcontractors or employees.

We require you to purchase the following insurance from a responsible carrier or carriers acceptable to us, with a rating of at least “A” by Standard and Poor, Moody’s and A.M. Best, and at present must include, at a minimum, the following unless a greater amount is required in your state:

- Commercial Auto Insurance or Non-Owned Hired with a minimum of \$500,000 Combine Single Limit.
- Employer’s Liability and Worker’s Compensation Insurance (as required by state and local laws).

From time to time we may expand the insurance requirements and your coverage amounts. You must purchase a Commercial Umbrella Liability Insurance with a minimum coverage of \$1,000,000 per occurrence when you open more than one territory.

Each policy, except workers’ compensation, must name us as an additional insured. All policies must be endorsed to include a waiver of subrogation in our favor and our subsidiaries, affiliates, successors and assigns and their respective directors, officers, shareholders, members, managers, partners, employees, servants, representatives, independent contractors and associates.

You may, with our written consent, elect to have reasonable deductibles for the coverages described in above.

Certificates of insurance must be sent in upon annual expiration date.

Inventory and Supplies

You will need to obtain dog collars, leashes, dog crates and miscellaneous inventory and supplies pursuant to our specifications. You must purchase certain training supplies from our affiliate or a designated vendor pursuant to our specifications.

Telephone Service

You agree to maintain a dedicated telephone number for your business, and use our designated vendor, currently Ring Central.

Training Services

You and your employees must be trained and certified by us, an affiliate, or an approved third-party designate that we specify before handling and training any customer dogs.

Uniforms

You must purchase uniforms, apparel, and other logoed attire from us or an affiliate. You and your employees must always wear our logoed apparel whenever training dogs and/or in any customer engagement.

Vehicle and Wrap

You must operate your business from a wrapped vehicle pursuant to our specifications. If you do not have a vehicle capable of carrying two large dog crates, you will need to buy such a vehicle. The vehicle must display the Marks in the manner specified in the guidelines we provide.

Whether We or Our Affiliates Are Approved Suppliers

We or an affiliate are approved suppliers and the only approved suppliers of training services, advertising material, logoed attire, Dog Wizard leashes, kennels, collars, and various training accessories.

Officer Interests in Suppliers

Our officers, Grant Reeves and Jason Watson own an interest in us, our parent, and our affiliates.

Approval of Alternate Suppliers

If you propose to use any products or services and/or supplier which is not then approved by us, you must first notify us and submit sufficient information concerning such products or services and/or supplier so that we will decide at our sole discretion whether such products or services comply with our specifications and standards and/or such supplier meets our approved supplier criteria. We have the right to charge reasonable fees to cover our costs (which may include salary costs of our employees or agents to review and evaluate the product, service or supplier and fees payable to independent businesses qualified to certify, research or analyze the product, service or supplier, as appropriate). We will make a reasonable effort to evaluate and approve or disapprove the additional product or supplier within 2 weeks of our receipt of your notification, but we may have up to thirty (30) days. We do not generally make our criteria for approval of suppliers available to you, but we may elect to do so if you ask. We may revoke our approval of a product, service or supplier at any time and for any reason by providing you written notice or through a change to the Manual.

Specifications

We issue and modify specifications to franchisees by updating the confidential Manual.

Revenue from Franchisee Purchases

We derive revenue or other material consideration from required purchases or leases by you.

In the fiscal year ending December 31, 2024, we earned \$222,847 from required purchases from franchisees, representing 7% of our total revenue of \$3,174,526.

Our affiliate, Dog Wizard Resource Center, LLC, earned \$864,509.

Our affiliate, The Dog Wizard Academy, LLC, earned \$382,984.

Required Purchases and Leases as a Proportion of Costs

We estimate that required purchases and leases by franchisees will represent approximately 65%-80% of your costs to establish and operate the Franchised Business.

Supplier Payments to Us

We receive quarterly payments of 10% of the net payment processing revenue from our processor, Fullsteam/Vonigo Pay.

We receive quarterly payments from our partner ADP of 10% of the first year net reoccurring revenue.

Cooperatives

At this time, we do not have any purchasing or distribution cooperatives.

Purchase Arrangements

We may negotiate purchase price arrangements with suppliers, including price terms, for the benefit of franchisees.

Material benefits

We do not provide material benefits to you based on your use of a particular supplier. However, when your franchise is up for renewal, we require you to be in compliance with your franchise agreement to continue your franchise rights, including compliance with any supplier standards contained in our Manual.

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 agreement	Disclosure document item
a. Site selection and acquisition/lease	6.11	11 and 12
b. Pre-opening purchases	3.1, 6.1, 6.16, 12.1	5 and 8
c. Site development and other pre-opening requirements	5.1 and 6.11	11
d. Initial and ongoing training	5; Schedule 8	11
e. Opening	Declarations Page and Section 12.1; Schedule 8	11
f. Fees	2.2.8, 4, 5, 6.3, 6.15, 11, 12, 14.3.9, 19.4, 19.7, 24.12; Schedule 8	5, 6, 7, 8, 11
g. Compliance with standards and policies/operating manual	6 and 8	18, 11, 13, 14, 15 and 16
h. Trademarks and proprietary information	7, 8 and 9; Schedule I	13 and 14
i. Restrictions on products/services offered	3.1 and 3.2	18 and 16
j. Warranty and customer service requirements	6.1 and 6.5	6
k. Territorial development and sales quotas	1.2; Schedules 2 and 9	12
l. Ongoing product/service purchases	3.1, 3.2, and 6.3	8 and 16
m. Maintenance, appearance, and remodeling requirements	2.2.2, 6.1, 9, 14.3.6	11, 12
n. Insurance	13	7 and 8
o. Advertising	12	6 and 11
p. Indemnification	19.4	6
q. Owner's participation/management/staffing	6.5 and 17.1	15
r. Records and reports	10	6 and 11
s. Inspection and audits	3.4	6 and 11
t. Transfer	14	17
u. Renewal	2.2	17
v. Post-termination obligations	9, 16 and 23.2.	17
w. Non-competition covenants	17.2; Schedule I	15 and 17
x. Dispute resolution	24; Schedule I	17

Obligation	Section in agreement	Disclosure document item
y. Other: Guarantee of franchisee obligations	Schedule 3 (Guarantee, Indemnification, and Acknowledgment)	15 and 17

ITEM 10 **FINANCING**

Neither we nor any affiliates offer direct or indirect financing. We do not guarantee your note, lease or other 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.

Pre-Opening Assistance

Before you open your Franchised Business, we will:

1. Provide you with access to lists of Required Products and Optional Products. (Sections 3.1 and 3.2 of the Franchise Agreement)
2. Provide access to an initial training program, as more fully described below in this Item 11. (Sections 3.3 and 5.1 of the Franchise Agreement)
3. Provide your staff with access to online, live training classes, and in person/hands-on training, for any staff that will provide dog training. (Section 5.2 of the Franchise Agreement)
4. Provide you with access to the Manual, which includes (among other things) systems and processes for establishing and operating the Franchised Business. (Sections 3.5 and 8 of the Franchise Agreement)
5. Consult with you, as we deem necessary, on the implementation of an Advertising Program, as more fully described below in this Item 11. (Section 12.1 of the Franchise Agreement)
6. Grant you the right to use the System and the Marks. (Section 1.1 of the Franchise Agreement)
7. Provide a Start-up Kit of marketing items, sample products, and training equipment. We arrange for delivery of the items, but we do not install these items. We provide you the names of approved suppliers for other items, pursuant to our specifications. Though we may require signage for use in the field at the place of dog training, building signage is generally not required for this business, given you will operate it from your home. (Sections 3.1 and 4.1 of the Franchise Agreement)

Site Selection Assistance

We do not currently provide site selection assistance as the franchised business is mobile with the base operation typically operated from your home. Dog training services will be provided by you from your home, your trainer's homes, at clients' homes, or in another suitable private or public location. We do not generally own the premises and lease them to you. You are responsible for ensuring that the premises conform to local ordinances and building codes and for obtaining any required permits. (Franchise Agreement 6.11)

Length of Time between Signing and Opening

You must open your Franchised Business within six (6) months of signing the Franchise Agreement and within one month after the completion of the initial training program. Since our initial training program will take approximately 6-7 weeks and the Franchise Agreement will typically be signed before training, we expect you to open 6 months from the date we sign the Franchise Agreement. Factors that will affect the length of time to open include the time for you, your on-site-manager, and designated trainer (as applicable) to successfully complete your training requirements and to obtain any needed permits, equipment, and supplies. (Franchise Agreement 6.11)

Post-Opening Assistance

During the operation of the Franchised Business, we will:

1. Provide you with access to periodic updates to the list of Required Products, Optional Products. (Section 3.1 and 3.2 of the Franchise Agreement)
2. We offer recommendations to assist you in setting prices, but do not set a minimum or maximum price at which you must sell your services. (Franchise Agreement, Section 5.5)
3. Conduct site visits, as we deem necessary. (Sections 3.4 of the Franchise Agreement)
4. Review proposed new products and services. (Section 6.3 of the Franchise Agreement)
5. Provide access to the Manual. (Sections 3.5 and 8 of the Franchise Agreement)
6. Update the Manual, as we deem appropriate. (Section 8.4 of the Franchise Agreement)
7. Provide site visits, periodic advice and written materials concerning required and suggested techniques for managing the Franchised Business, as we deem advisable. (Section 3.6 of the Franchise Agreement)

8. Establish purchasing or distribution cooperatives, as we deem advisable. (Section 3.7 of the Franchise Agreement)

9. Establish and maintain any computer software programs and appropriate hardware, as we deem necessary for your operation of the Franchised Business. (Section 3.8 of the Franchise Agreement)

10. Offer additional training as we deem appropriate. (Sections 5.2 and 5.3 of the Franchise Agreement)

11. Review proposed advertising materials submitted by you. (Section 12.5 of the Franchise Agreement)

12. Conduct regional or national meetings as we deem necessary. (Section 6.10 of the Franchise Agreement)

13. Establish an organization to facilitate communication between us and our franchisees, called a “Franchisee Advisory Council,” if we deem advisable. (Section 6.12 of the Franchise Agreement)

14. TDW Customer Success. We offer a Customer Success Team that supports the management of customer leads and operating support during your first ninety (90) days after the launch of your start-up digital marketing has started and you have generated your first lead (“90 Day Support Period”). This support includes the timely management of all customer leads from initial contact, to scheduling the evaluation and all other general inquiries that are usual in the day-to-day business operation of the franchise. You will manage all prospective client communication after the evaluation, client scheduling, and payment processing of which the customer support team will provide quality assurance support to you. You may generate your own leads and schedule your own appointments. However, they must be entered into the operating system within company policies. (Section 3.9 of the Franchise Agreement)

Advertising Program

Start-up Kit. Before you open your Franchised Business, you must purchase from us or an affiliate approximately \$6,000 of training equipment (branded leashes, collars, place mats), sample products, and marketing materials (brochures, rack cards, local event marketing materials). For any additional persons in your Franchised Business that require Start-up Kit supplies, we will charge you \$1,300. Actual dollar figures may vary depending on supplier pricing to us. We reserve the right to change the mix of this offering at any time and without notice. (Section 4.1 of the Franchise Agreement).

Vehicle Wrap - You must operate your business from a wrapped vehicle pursuant to our specifications. If you do not have a vehicle capable of carrying two large dog crates, you will need to purchase one. The vehicle must display the Marks in the manner specified in the Manual. Your wrapped vehicle must be used for appointments with current and potential clients. You must purchase The Dog Wizard branded vehicle wrap and installation from our designated vendor. The cost is approximately \$14.50 for each square foot, \$100 for shipping and applicable sales tax. The

total cost of the wrap and installation will vary depending on the make and model of your vehicle and local installation charges. (Section 6.16 of the Franchise Agreement).

Start-Up Digital Marketing – Before opening the Franchised Business, you will need to purchase from us a digital marketing package in the amount of \$5,400. This fee includes your first month of Local Advertising Fees to support the launch of your business. The Start-Up Digital Marketing will include initial market analysis, website implementation, initial creation and optimization of Google Business Profiles, social media accounts, online AdWords, press releases, and Google Optimization to support the launch of your business. (Section 12.1 of the Franchise agreement).

Local Advertising – We require you to spend at least \$1500 each month on local advertising and marketing, pursuant to our guidelines. We may require that you pay this entire amount to us for the Digital Marketing Program. Currently, you must pay at least \$454 of the monthly requirement to us for our Digital Marketing Program. We reserve the right to increase the monthly requirement by 25%. The Digital Marketing Program includes management of your local marketing program, ongoing technical SEO, website maintenance, and paid advertising with a minimum marketing spend. Management Fees paid to marketing services, even designated vendors, do not count toward your monthly minimum. (Section 12.1 of the Franchise Agreement).

Our other currently designated vendor charges a \$500 management fee for omni-channel marketing. The management fee is paid directly to the vendor and does not apply to your minimum local advertising requirement. However, any budget spent on the platforms through these optional channels would apply towards your minimum required spend.

Should you create your own advertising or promotional materials that are not supplied through our designated vendors, you must submit all advertising and promotional materials to us for approval (except with respect to prices you will charge clients) if we have not prepared or previously approved them. You may not use materials until they have been approved by us. If you have not received written disapproval within 30 days of our receipt of these samples or materials, you may use them. You must stop using any advertising disapproved by us immediately upon notice. (Sections 12.3 and 12.5 of the Franchise Agreement).

Brand Fund – We have established a Brand Fund to support national advertising, banner ads, social media, graphic packages, and multi-media development for franchisee use. You are required to contribute 2% of Gross Revenues to a Brand Fund weekly with your Royalties. We reserve the right to adjust this amount up to 3% of Gross Revenues. We use monies in the Brand Fund to purchase advertising that may include online, radio, television, direct mail, billboards, print, or other advertising and on marketing administrative expenses related to our marketing and branding efforts. We may use local, regional, or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located.

Franchisor-owned outlets will not have to contribute to the Brand Fund. We will administer the Brand Fund and it may not be audited. However, unaudited financial statements of the Brand Fund will be made available to you upon written request. If we sell a Franchisor-owned outlet to you, you will be required to contribute to the Brand Fund.

In the fiscal year ending December 31, 2024, we raised \$199,220 in Brand Fund Fees and spent 47% on production, 42% on media placement, and 12% on administrative expenses.

In the year ending December 31, 2024, we spent 100% of the Start-Up Digital Marketing Fees on Digital Marketing.

In the year ending December 31, 2024, we spent 100% of the Local Advertising/Search Engine Optimization Fees we collected on local advertising and search engine optimization.

If all Brand Fund monies are not spent in the fiscal year in which they accrue, we will carry over those funds and apply them to the next fiscal year.

Brand Fund monies may be used to solicit new franchise sales. (Franchise Agreement, Section 12.6).

Website

You are not permitted to have your own website but will be allowed to have a page pursuant to our guidelines and subject to our approval.

You are permitted to have a digital presence such as Facebook pages and groups, Instagram, Google Business Profile, Ad Accounts and other digital platform accounts of which the franchisor creates and maintains ownership. You will be designated as a manager or editor of such accounts.

Advertising Council & Advertising Cooperative

We formed a Franchisee Advisory Council (“FAC”) that will advise on operating and marketing matters. Members of the FAC will be selected by a combination of our own selection as well as from an election based on criteria that are established in the FAC’s By-Laws. The FAC serves in an advisory capacity only and does not have operational or decision-making power. We have the power to form, change, or dissolve the FAC. (Franchise Agreement, Section 6.14)

You are not required to participate in any local or regional advertising cooperatives.

Computer Requirements

You must comply with our computer hardware and software specifications as provided in our Manual. (Franchise Agreement, Section 6.6). At present, we require you to have either a desktop or laptop computer, plus a smartphone and/or an iPad/Tablet and a credit card reader. The initial cost of purchasing these computers and related equipment will range from \$200 to \$2,500. The cost will be at the lower end of the range if you already own suitable equipment.

You will need those software programs that are typically included in a standard suite of office software (including email, word processing, a web browser and other programs) and approved accounting software, currently QuickBooks Online. You are also required to subscribe to and use key performance indicator (KPI) software, which must be regularly updated to ensure accurate, real-time data. We have also established a technology package, including a Customer Relationship

Management (CRM) system that you will be required to use to generate and provide real-time metrics that are essential for monitoring performance and compliance.

Neither we nor our affiliates or any third party have any obligation to provide ongoing maintenance, repairs, upgrades or updates to that software or hardware. You must maintain your computer systems in good working order and must replace, update or upgrade your hardware systems as we require. There are no contractual limitations regarding the frequency or costs of required upgrades or updates relating to the computer system. The estimated annual cost of optional or required maintenance, updating, upgrading, or support contracts to your computer systems is approximately \$1,000.

Independent Access to Information. We have, and you are required to provide independent access to, the information that will be generated or stored in your computer systems and software, which includes, but is not limited to, customer, transaction, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information. There are no contractual limitations on our right to access the information. We have the right to review your business operations, in person, by mail, or electronically, and to inspect your operations and obtain your paper and electronic business records related to the Franchised Business and any other operations taking place through your Franchised Business. If, as part of a review of your business, we request a copy of any business records, you must send us the records at your expense within five business days of receiving our request. (Franchise Agreement, Sections 10.5 and 11).

We will have real-time access to KPI Information, CRM-generated metrics, and your monthly profit and loss statements via the software on a view-only basis, with the purpose of identifying trends, issues, and opportunities that should help you better manage your business. You shall comply with this accessibility or shall be in default of the Franchise Agreement.

Customer Database

You will maintain a customer database in the proprietary operating system, or scheduling software that we require, from the leads generated by both the efforts of you and us. You will use this database for as long as you are a franchisee with The Dog Wizard, but this database and all the contact information therein remains the property of The Dog Wizard. If you cease to be a Dog Wizard franchisee for whatever reason, effective as of the termination date, you will cease to have access to the database and all contacts in the database. Further, you may not make duplicate copies of this database for use in the event you cease being a Dog Wizard franchisee. We will vigorously uphold this position to the extent that the law permits.

Operations Manual

The Operations Manual (“**Manual**”) consists of an online portal with guides, instructions, newsletters, videos, and documents, in various formats. Our “The Wizard Way” manual currently consists of 112 pages. The Table of Contents to the Manual is as follows:

Table of Contents for Operations Manual	
Subject	Page Count
Intro/Who to Contact	3

Brand Standards	17
The Dog Wizard Learning System	17
Program Outlines	75

We will provide you with a copy of or on-line access to our Confidential Manual. (Franchise Agreement, Section 3.5 and 8).

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Initial Training Program

We offer the following training programs available through us, or our affiliate, The Dog Wizard Academy, LLC.

TRAINING PROGRAM

SUBJECT	HOURS OF ONLINE TRAINING	HOURS OF HANDS-ON TRAINING	LOCATION
Business Training: <ul style="list-style-type: none">• The Importance of Great Customer Service• Brand Guidelines• Optimizing Your Social Media Presence: Tips & Guidelines• Grass Roots Marketing & Sales Initiatives• Your TDW Vehicle: Your Mobile ‘Billboard’ and Getting it Wrapped• Introduction to AdWords and SEO dashboards, and managing Google My Business (GMB)• Software Training for Trainers- Scheduling Appointments and Being Organized• Software Training to Manage the Business• QuickBooks and Accounting to Plan and Track Your Business Success• Conducting the Dog Evaluation & Making the Sale to the Owner• Follow-up and Securing Referrals to Continue Building the Business	20	NA	Online via Zoom
Initial Dog Training (Online): <ul style="list-style-type: none">• Intro to The Dog Wizard• Hiring Processes• Health, Safety, and Nutrition• Foundation Dog Training• Balanced Training Approaches• Training Tools	20 Hours	0 Hours	Initial modules are administered online and virtually via live Zoom sessions.

<ul style="list-style-type: none"> • Canine Body Language, Communication, and Personality Types • Programs Offered by the Franchise • Puppy Handling Skills • Grassroots Marketing and How to 'Sell' On-site (oriented for TDW Dog Trainers) • Customer Service • Customer Scheduling and Database Management 			
Initial Dog Training (Virtual/Lesson Training): <ul style="list-style-type: none"> • Handling • Pressure and Release • Yielding and Behavioral Down • Walking/Heel • Come and Place • Sit, Down, Leave/Drop It • E-Collar Conditioning • E-Collar Place • E-Collar Come • E-Collar Sit • E-Collar Down • E-Collar Heel • E-Collar Off Command and Behavior 	16 Hours	24 Hours	Initial modules are administered online and virtually via live Zoom sessions with hands on work to be done outside of the sessions at your location.
Initial Dog Training (In-Person/Hands-On Training) <ul style="list-style-type: none"> • Evaluations • Group Lessons: • Day Trains: • Board and Trains: • Private Lessons: • Support Class: 	0 Hours	160 Hours	The location of a Top Dog Certified Trainer

Business Training and the Online Training and Virtual/Live Lesson Training modules of dog training are conducted over the Internet.

The In-Person/Hands-On Training module is conducted at a location that we designate, which is currently slated to be at the location of a franchisee who is a Top Dog Certified Trainer. We require any Top Dog Certified Trainer to have a minimum of two years of experience in the field or with us. The instructional materials used in the training program include the Manual and online learning

modules.

The initial training programs are conducted on a regularly scheduled basis with dates provided allowing ample lead-time for your planning and attendance. Unless otherwise agreed to in writing by us, your attendance will begin within 2 months after signing your Franchise Agreement and be completed no later than 6 months after signing your Franchise Agreement.

Business Training - We require that you, or the on-site business manager, attend business training to learn the basic aspects of how to operate the Franchised Business. There is no fee for this training. To successfully complete Initial Business Training, all lessons must be completed with 80% passing and attend all lessons with 100% attendance requirements.

Initial Dog Training - Before operating the Franchised Business, we require that you, or a designated trainer complete Online Training, Virtual/Live Lesson Training, and In-Person/Hands-On Training.

If you have a designated trainer, you are still required to attend and successfully pass Online Training and observe Virtual/Live Lesson Training. You also have the option to observe the In-Person/Hands-On Training module to ensure that you are familiar with the services that you will be selling/providing to your clients. You are not required to pay a fee and will not be graded or evaluated by the instructors to observe Virtual Live Lesson Training and Virtual/Live Lessons.

To successfully complete Online Training, all lessons must be completed with 80% passing and all homework assignments completed with 100% attendance requirement. To successfully complete Virtual/Live Lesson Training, all live lessons require 100% attendance with 100% of assignments completed. To successfully complete In-Person/Hands-On Training, all days of hands-on training must be completed with 100% attendance and all skills must be completed with 100% competency.

For each trainer attending our three dog training modules, we charge an Online Training Fee of \$2,500, a Virtual/Live Lesson Training Fee of \$4,400 and an In-Person/Hands-On Training Fee of \$3,100. Anyone who will be training dogs must attend and successfully complete Online Training, Virtual/Live Lesson Training, and In-Person/Hands-On Training. You may enroll as many dog trainers as you would like. You are responsible for all training fees, any travel, living expenses, and your employees' wages to attend initial training. We expect each Trainer to complete their entire training regimen within four months.

At the end of training, if we feel that you, or your designated trainer, are not at a satisfactory level to train dogs and operate your Franchised Business, we may require you to continue training at your expense by paying an Additional Dog Training Fee at the rate of \$1000 per week (plus all travel and living expenses) to get you to a satisfactory level of dog training and operating your business.

We reserve the right to customize your training program based on your prior dog training experience, which may include a shorter training program.

Additional Training or Seminars:

Our Top Dog Training Certification is available to trainers who meet the following eligibility requirements: 1) a recommendation from their franchisee; 2) have received at minimum five 5-star Google reviews; 3) have a minimum two year of experience training at a The Dog Wizard location; and 4) has successfully passed the exam our affiliate administers to earn the Top Dog Training Certification. If you or one of your trainers becomes a Top Dog Certified Trainer, then you may conduct In-Person/Hands-On Training at your franchise location for your trainers for a reduced tuition fee which minimizes any or all associated travel related expenses. The fee for this training is currently \$1,000. We reserve the right to discontinue this training.

ITEM 12 **TERRITORY**

The Franchise Agreement grants you the right to own and operate a THE DOG WIZARD Franchised Business within a defined geographic area (the “**Territory**”). The Territory will be defined by a map and a list of contiguous ZIP Codes as described in Schedule 2 of the Franchise Agreement. Any requested exceptions to this contiguousness will be decided by us and at our sole discretion. The border of the territory on the approved map is the final determination of your Territory. If the ZIP Codes are moved or altered by the U.S. Postal Service, we have the right to re-define the boundaries of the Territory to correspond as closely as possible to the territorial border defined in your approved map. Our decision on this matter will be final.

You will receive an exclusive territory, meaning a geographic area within which we will not establish either a company-owned or franchised outlet selling dog training services under similar Marks.

The ZIP Codes that comprise the Territory are intended to serve a minimum population of 200,000-225,000 people. The population will be determined using extrapolated U.S. Census figures and business mapping software designated by us. The population size of your Territory will be determined prior to the execution of your Franchise Agreement.

Your Franchise Agreement does not give you any option, right of first refusal, or similar right to acquire additional franchises or territories. Our approval of your location within the Territory is not generally required. The Franchised Business and any additional territories are intended to be operated from your home or a designated trainer’s home. The location where you train any dogs must be within the territory, be able to house dogs and have a safe fenced in area. You may relocate the Franchised Business within your Territory without our approval so long as the location meets the above requirements. You will need our written permission if you want to move your location outside of your Territory, though such permission may require you to purchase additional zip code(s) contiguous to the original Territory that you initially purchased, if available.

All dog training services must be conducted within your Territory. However, if you live outside your Territory we may grant you permission to temporarily train dogs there if you live in a territory not owned by another franchisee. However, if the territory where you live is bought by another Dog Wizard franchisee, you will no longer be allowed to train dogs there effective on the signing

date of the new franchisee's Franchise Agreement, and you will have no further right to contact or access any customers that you may have secured prior to the new franchisee purchasing the Territory.

You may solicit customers only from inside your territory, and may not do so within the territory of another Dog Wizard franchisee. However, you may solicit customers outside your territory only if the geography in which you solicit does not conflict with a territory owned by another Dog Wizard franchisee or part of another franchisee's Mult-Territory Developer Agreement. Solicitation may include other channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing.

If you derive revenue from any zip code(s) outside any territory that you own, and those zip code(s) generate more than \$10,000 annually based on any trailing twelve-month period, you must immediately purchase those zip code(s). You will pay \$.275 per person that resides in (each of) those zip codes that you must purchase per this requirement or 20% of the Gross Revenue collected from such zip code(s) until the zip code(s) are purchased and added to your Territory.

Within the Territory, if you wish to establish a retail or commercial location for your Franchised Business, or co-locate your Franchise Business with any other pet or non-pet-related business in the same or adjacent building, you must first request and obtain our written permission.

Any new facility or co-location you open or use to operate the Franchised Business must utilize The Dog Wizard logo, color scheme, and graphics in a manner preapproved by us to ensure consistency with our branding requirements. The logo and Marks must be prominently utilized both inside and outside the facility via signage and/or graphics that we review and approve. You must submit a branding proposal, including designs, layouts, and specifications, to us for review and written approval prior to implementation. Additionally, we may require modifications to existing branding elements to ensure ongoing compliance with evolving brand standards. Franchisees must implement any required changes promptly and at their own expense.

We may grant an exception to you if you have a daycare and boarding facility that you have previously owned and operated under another brand name. We may also require other criteria relevant to the operation of your Franchised Business in a fixed retail or commercial location.

We or an affiliate reserve the right to (a) use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using the Marks; (b) use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory of products or services under trademarks other than the Marks you will use to operate your Franchised Business; (c) establish or operate, or license to others the right to establish and operate businesses that offer other products and services, such as dog daycare and boarding business using the Marks within your territory; (d) acquire or operate dog training businesses operating under trademarks other than the Marks in the Territory, which may compete directly with the Franchised Business; (e) establish or operate, or license to others the right to establish and operate, dog training businesses under the System and the Marks at any location outside of the Territory, regardless of proximity to the Territory; and (f) conduct marketing and promotional activities in the Territory.

We are not required to compensate you for soliciting or accepting orders or business revenue that we might gain from inside your Territory.

All of your advertising and marketing is subject to our approval of both form and content (see Item 11) and any marketing and promotion occurring outside the Territory must be submitted to us for approval, and we may withhold permission at our sole discretion.

Continued ownership of your Franchised Business depends on your ability to achieve a certain minimum sales volume. Specifically, if after operating 24 months you generate Gross Revenue that is less than \$8,333 per month for 6 or more consecutive months, or your trailing 12-month average is less than \$100,000 in Gross Revenue, we reserve the right to terminate your Franchise Agreement.


We do not currently operate, franchise or have plans to operate or franchise a business under a different trademark to sell goods or services similar to those that you will offer.

We reserve all rights not specifically granted to you.

ITEM 13

TRADEMARKS

We grant you the right to operate a Franchised Business under the name “The Dog Wizard.” The franchise agreement licenses to you the right to use the following principal trademarks (“Marks”) registered or applied for with the U.S. Patent and Trademark Office (“USPTO”):

Description of Mark	Principal or Supplemental Register of the USPTO	Registration Number	Registration Date
The Dog Wizard	Principal	6033749	April 14, 2020
	Principal	6032788	April 14, 2020

You must follow our requirements when you use the Marks. You must use only the Marks that we designate, and you may use them only in the manner we authorize. You may not use the Marks as part of your corporate or other legal name.

During the term of the Franchise Agreement and any renewal or extension, you must conspicuously identify yourself as the owner of the Franchised Business in conjunction with your use of the Marks whenever you use the Marks, including on invoices, order forms, receipts, business stationery, contracts with all third parties or entities, and on certain displays as we designate. You must not use the Marks to incur any obligation on our behalf. You must comply with our instructions in filing any required trade name or fictitious name registration (sometimes called “d/b/a” filings). You must sign all documents which we deem necessary to protect the Marks or to maintain their continued validity and enforceability. You must not attempt to register or otherwise obtain any Internet domain name or URL containing any of the Marks or any other word, name, symbol or device likely to cause confusion with any of the Marks.

We have filed all required affidavits and renewals.

There are currently no effective determinations of the USPTO, the Trademark Trial and Appeal Board, or any state trademark administrator or any court; or any pending infringement, opposition, or cancellation proceeding in which we unsuccessfully sought to prevent registration of a trademark in order to protect a trademark licensed by the franchisor. There are no pending material federal or state court litigation regarding our use or ownership rights in a trademark

ITK9 Company, LLC, an Ohio Limited Liability Company, owns the trademarks listed in the chart above and licenses them to us pursuant to a written License Agreement dated January 1, 2020. The License Agreement is perpetual in duration and may be terminated upon a material breach not remedied after 30 days’ written notice. If the License Agreement was terminated, you could lose the right to use the trademarks licensed to us under the License Agreement. There are no other currently effective agreements that significantly limit our rights to use or license the use of our trademarks listed in this section.

If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us. We are not required to take affirmative action when notified of these uses or claims.

We have the sole right to control any administrative proceedings or litigation involving a trademark licensed by us to you. The Franchise Agreement does not require us to participate in your defense or indemnify you for expenses or damages if you are a party to an administrative or judicial proceeding involving a trademark licensed by us to you or if the proceeding is resolved unfavorably to you.

If we discontinue or modify our Marks, you must adopt and use any new marks as required by us. Any expenses you incur because of adopting and using these marks are your responsibility.

Other than as disclosed above, we do not know of any superior prior rights or infringing uses that could materially affect your use of our Marks anywhere.

ITEM 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

No patents are material to the Franchised Business. No pending patent applications are material to the Franchised Business.

We claim copyrights in the Manual and in our marketing and advertising materials. We have not registered these copyrights with the United States Registrar of Copyrights. You may use these items only with our permission. You must stop using any of these materials if we tell you to stop using them or if your Franchise Agreement is no longer in effect.

There are currently no effective determinations of the Copyright Office (Library of Congress) or any court regarding the copyrighted materials. No agreement significantly limits our right to use or allow others to use the copyrighted materials. We do not know of any infringing uses which could materially affect your use of the copyrighted materials in any state. We can control any action involving the copyrights. You must promptly notify us of any suspected unauthorized use of the copyrighted materials, any challenge to the validity of the copyrights or any challenge to our right to use or license others to use the copyrights. We may take action against these potentially infringing uses by others, but we are not required to do so. We will defend you against any third-party claim arising out of your use of the copyrights. If we determine that you have used the copyrights properly, we will pay for the defense. If we determine that you have used the copyrights in a manner not allowed by the Franchise Agreement, you must pay for the defense.

The Manual and other materials contain our confidential, proprietary, and trade secret information. This information includes business methods, pricing techniques, specifications, standards, procedures, and other techniques used in developing and operating the Franchised Business.

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

You must participate directly in the operation of the Franchised Business, or if you plan to be a semi-absentee owner, then you must designate an on-site business manager to operate the day-to-day operation of the business. Any on-site business manager and any owner of the franchise who handles or trains dogs must successfully complete initial dog training program, including Online Training, Virtual/Live Lesson Training and In-Person/Hands-On Training.

We may require that you or others sign other agreements with us, like a Confidentiality Agreement, In-Term Covenant Not to Compete, a Post-Term Covenant Not to Compete, and a Guarantee, Indemnification, and Acknowledgment (See Schedule 3 to the Franchise Agreement)

Confidentiality Agreement. We require that certain people involved in your Franchised Business execute the Confidentiality Agreement, under which they will agree to maintain the confidentiality of any confidential information they receive in connection with their involvement in your Franchised Business.

In-Term Covenant Not to Compete. We require that certain people involved in your Franchised Business execute the In-Term Covenant Not to Compete, under which they will agree that during the term of their involvement with your Franchised Business, they will not compete with us or any of our franchisees in the United States.

Post-Term Covenant Not to Compete. We require that certain people involved in your Franchised Business execute the Post-Term Covenant Not to Compete, under which they will agree that for two years following the term of their involvement with your Franchised Business, they will not compete with us or any of our franchisees in the city or county in which your Franchised Business operates.

Guarantee, Indemnification, and Acknowledgment. We require that individual franchisees and any owners of a franchisee that is an entity execute the Guarantee, Indemnification, and Acknowledgment under which they will agree to pay or perform each obligation under the Franchise Agreement. We do not require spouses to sign the Guarantee, Indemnification, and Acknowledgment.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

In the operation of your Franchised Business, you may only purchase, use and sell certain products and services that we require or approve. We may be an approved supplier for some portion of these products and services, as we may determine from time to time. You may not use and/or offer for sale any products or services that we have not approved.

If you wish to purchase, use or sell any products or services which are not approved, you must first obtain our approval. There is no limit to our right to modify the list of Required Products, or to approve or disapprove products or services.

You are required to sell all goods and services we authorize, unless prohibited by your applicable local law, or approved by us. We may change the types of authorized goods and services sold by franchisees. There are no limits on our right to make changes to the authorized goods and services sold by franchisees, however, we may not fundamentally alter the nature of the franchise offered. We may, at our sole discretion, revoke approval of previously approved goods or services, at which case you must immediately stop selling the revoked services or products.

For the duration of your franchise agreement, you may not offer competitive services in the states and territories of the United States unless you receive our prior written consent.

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 or other agreement	Summary
a. Length of the franchise term	Section 2.1	10 years.
b. Renewal or extension of the term	Section 2.2	You may renew for additional consecutive ten-year renewal terms, if you meet our conditions.
c. Requirement for franchisee to renew or extend	Section 2.2	You may renew if you give us notice of your intent to renew, modernize the equipment, signs and other materials used in the Franchised Business to reflect the System standards in effect at the time, are not in default, have paid all your monetary obligations, sign our then-current Franchise Agreement, sign a release of claims against us, meet our qualification and training requirements in effect at the time and pay a renewal fee. When renewing, you may be asked to sign a contract with materially different terms and conditions than your original contract.
d. Termination by franchisee	Sections 4.4 and 14	You may terminate the Franchise Agreement by not renewing, by selling it pursuant to its terms, by paying the Early Termination Fee, or upon any grounds permitted by applicable state law.
e. Termination by franchisor without cause	Not applicable	No provision.
f. Termination by franchisor with cause	Section 15; Schedule 8	We can terminate your Franchise Agreement if you are in default.
g. "Cause" defined – curable defaults	Section 15.3	<p>You will have 30 days to cure defaults, except defaults which are "non-curable."</p> <p>We may terminate your Franchise Agreement if after 24 months of operating the Franchised Business you generate Gross Revenue that is less than \$8,333 per month for 6 or more consecutive months and your trailing 12-</p>

Provision	Section in franchise or other agreement	Summary
		month average is less than \$100,000 in Gross Revenue.
h. “Cause” defined – non-curable defaults	Sections 15.1 and 15.2	Non-curable defaults include: failure to complete training or commence operations, abandonment or unapproved relocation of the Franchised Business, conviction of a felony or certain misdemeanors and other crimes, threat or danger to public health or safety or to the health or safety of any animal under your supervision, any unapproved transfer, failure to effect a transfer within 6 months following death or incapacity, failure to comply with or obtain covenants, disclosure of confidential information, misuse of the Marks, refusal to allow inspection of books and records, insolvency, and recurring defaults.
i. Franchisee’s obligations on termination/non-renewal	Section 16	You must: stop representing yourself as a franchisee, stop using our Marks, cancel any assumed name registration of “d/b/a”, not use any reproduction or colorable imitation of our Marks, pay all money due to us and our affiliates, and return the Manual.
j. Assignment of contract by franchisor	Section 14.1	We may transfer the Franchise Agreement to any person or legal entity.
k. “Transfer” by franchisee – defined	Section 14.2	“Transfer” includes any sale, assignment, transfer, conveyance, pledge, encumbrance, merger, or gift by you or any of your successors (including any individual, partnership, corporation, or other legal entity that owns you) of more than 5% of your interest in the Franchise Agreement, the Franchised Business or you.
l. Franchisor approval of transfer by franchisee	Sections 14.2 and 14.3	Before you may transfer, you must request and receive from us our written consent and approval of the transfer and person or entity to whom you wish to transfer the business.

Provision	Section in franchise or other agreement	Summary
m. Conditions for franchisor approval of transfer	Section 14.3	You may transfer if: you have paid all your monetary obligations, you are not in default, you sign a release of claims against us, the purchaser enters into an assignment acceptable to us or signs our then-current Franchise Agreement, the purchaser meets our qualification and training requirements in effect at the time, the purchaser modernizes the equipment, signs and other materials used in the Franchised Business to reflect the System standards in effect at the time, you remain liable for obligations arising up to the date of transfer, the transferee successfully completes training, and you pay us a transfer fee.
n. Franchisor's right of first refusal to acquire franchisee's business	Not applicable	No provision.
o. Franchisor's option to purchase franchisee's business	Not applicable	No provision.
p. Death or disability of franchisee	Section 14.5	The franchise must be transferred within 6 months of your death or incapacity.
q. Non-competition covenants during the term of the franchise	Section 17.2	During the term, you may not divert business to any competing business. Subject to applicable state law.
r. Non-competition covenants after the franchise is terminated or expires	Section 17.2	You may not compete for 2 years within your territory or a 30-mile radius of the boundaries of your territory, or within another existing territory, or within a 30-mile radius of its boundaries. Subject to applicable state law.
s. Modification of the agreement	Section 22	No modifications except to Manual.
t. Integration/merger clause	Section 22	Only the terms of the Franchise Agreement are binding (subject to state law). Any representations or promises outside of the Franchise Disclosure Document and Franchise Agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Section 24.9	You must first attempt to resolve Claims against us through mediation. You must arbitrate claims against us.
v. Choice of forum	Section 24.2	Where our corporate headquarters are located, presently in Medina, Ohio (subject to applicable state law).

Provision	Section in franchise or other agreement	Summary
w. Choice of law	Section 24.1	Ohio law applies (subject to applicable state law).

ITEM 18
PUBLIC FIGURES

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

ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a Franchisor to provide information about the actual or potential financial performance of its Franchise 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 data below represents 74 franchised territories that operated for the full calendar year 2024, including transferred and company-owned outlets that were sold to franchisees. 22 franchised territories were not included in the data set because they did not operate for the full calendar year, and 13 territories were not included because they closed partway through 2024.

53 of the franchised territories operate mobile businesses from their homes or trainers' homes, of which 16 are owned by single territory operators and 37 territories are operated by multi-territory operators.

21 of the franchised territories operate from a facility, of which 5 are owned by single territory operators and 16 territories are operated by multi-territory operators.

Revenue is based on the territory or territories in which they operate the business, as recorded by franchisees.

Here we set forth a financial performance representation based on historical data, which we describe as follows:

Mobile Outlets Single Territory Gross Revenue (Note 1)	Total Outlets	Average (Median)	# and % of outlets that achieved or surpassed Average	High/Low	Territory Population Average (Median) (Note 2)
<i>Top Half of Single Territory Mobile Outlets</i>	8	\$98,436 (\$91,281)	3 or 38%	\$188,311/ \$62,485	290,067 (282,807)

Mobile Outlets Single Territory Gross Revenue (Note 1)	Total Outlets	Average (Median)	# and % of outlets that achieved or surpassed Average	High/Low	Territory Population Average (Median) (Note 2)
<i>Bottom Half of Single Territory Mobile Outlets</i>	8	\$34,045 (\$34,125)	4 or 50%	\$48,073/ \$15,825	285,213 (247,413)
<i>All Single Territory Mobile Outlets</i>	16	\$66,254 (\$55,279)	6 or 38%	\$188,311 /\$15,825	287,640 (251,798)

Mobile Outlets Multi-Territory Gross Revenue (Note 1 & 3)	Total Outlets	Average (Median)	# and % of outlets that achieved or surpassed Average	High/Low	Territory Population Average (Median) (Note 2)
<i>Multi-Territory- Mobile Outlets</i>	12	\$280,178 (\$194,214)	5 or 42%	\$729,019/ \$52,675	1,037,255 (845,115)

Facility Outlets Single-Territory Gross Revenue (Note 1 & 4)	Total Outlets	Average (Median)	# and % of outlets that achieved or surpassed Average	High/Low	Territory Population Average (Median) (Note 2)
<i>Single Territory- Facility Outlet</i>	5	\$195,897 (175,918)	2 or 40%	\$399,746/ \$24,571	315,842 (353,567)

Facility Outlets Multi-Territory Gross Revenue (Note 1, 4, & 5)	Total Outlets	Average (Median)	# and % of outlets that achieved or surpassed Average	High/Low	Territory Population Average (Median) (Note 2)
<i>All Mobile Outlets- Multi- Territory</i>	10	\$664,102 (\$670,013)		\$1,439,856/ \$107,000	1,121,073 (609,462)

Notes:

Note 1 – Average Total Gross Revenue is defined as all monies invoiced in connection with the operation of the Franchised Business from the sale of any authorized products or services under, using, or in connection with our Marks. The figure does not include any refunds, discounts made to clients, or sales, excise, or other taxes that are separately stated and that you are required by law to collect from clients and pay to any governmental tax authority. Tips and gratuities are not included in calculating Average Total Gross Revenue. Some of the outlets' reported gross revenue includes revenue from dog boarding or daycare; however, this only applies to revenue obtained

from dogs that are boarded as a part of the training process. Therefore, revenues for boarding or daycare services only are not included in the figure.

Note 2 – Some outlets are operating per the terms and conditions of a prior version of our Franchise Agreement, which may increase the average. The populations for multi-territory operators reflect the total population of all territories where the franchisee operates.

Note 3- There are 12 multi-territory mobile operators that consist of 37 territories, including territories that were on a prior version of the Franchise Agreement and contain territories larger than what is currently sold under this Franchise Disclosure Document. Multi-territory mobile operators have a minimum of 2 territories and a maximum of 10 territories, and operate on average 4 territories with a median of 3 territories.

Note 4- A facility territory refers to a franchisee who operates the business from a physical building location. The facility may be in an urban, suburban, or rural setting, and may be a retail, light industrial, or farm location, any of which would be zoned for the services we offer.

Note 5- Multi-territory facility operators serve other continuous territories from their one facility operating in a “hub and spoke” structure. There are 10 multi-territory facility operators that consist of 16 territories, including territories that were on a prior version of the franchise agreement and contain territories larger than what is currently sold under this Franchise Disclosure Document. Multi-territory facility operators have a minimum of 2 territories and a maximum of 10 territories and operate on average 4 territories with a median of 3 territories.

Written substantiation for the financial performance representations will be made available to prospective franchisees upon request. The data presented here was provided to us by our franchisees. We have not audited these figures.

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

Other than the foregoing, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management by contacting Grant Reeves, ITK9 Franchise, LLC, 5690 Wolff Road, Medina, OH 44256, (877) 585-9727, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
OUTLETS AND FRANCHISEE INFORMATION

Table No. 1
Systemwide Outlet Summary
For Years 2022 to 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	34	35	+1
	2023	35	66	+31
	2024	66	96	+30
Company Owned	2022	1	3	+2
	2023	3	3	0
	2024	3	1	-2
Total Outlets	2022	35	38	+3
	2023	38	69	+31
	2024	69	97	+28

Table No. 2
Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
Colorado	2022	0
	2023	0
	2024	1
Georgia	2022	0
	2023	1
	2024	0
Florida	2022	1
	2023	0

State	Year	Number of Transfers
	2024	0
North Carolina	2022	0
	2023	0
	2024	1
Nevada	2022	0
	2023	1
	2024	0
Oklahoma	2022	1
	2023	0
	2024	0
Tennessee	2022	0
	2023	1
	2024	0
Texas	2022	0
	2023	1
	2024	0
Virginia	2022	0
	2023	1
	2024	0
Totals	2022	2
	2023	5
	2024	2

Table No. 3
Status of Franchised Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Terminat ions	Non- Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Arizona	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
California	2022	0	1	0	0	0	0	1
	2023	1	4	0	0	0	0	5
	2024	5	1	0	0	0	2	4
Colorado	2022	1	0	0	0	0	0	1
	2023	1	3	0	0	0	0	4
	2024	4	1	0	0	0	1	4
District of Columbia	2022	1	0	0	0	0	0	1
	2023	1	0	0	1	0	0	0
	2024	0	1	0	0	0	0	1
Florida	2022	3	2	0	0	0	0	5
	2023	5	4	0	0	0	0	9
	2024	9	3	0	0	0	0	12
Georgia	2022	1	0	0	0	0	0	1
	2023	1	11	0	0	0	0	12
	2024	12	1	0	0	0	2	11
Illinois	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	3	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminat ions	Non- Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Indiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Kentucky	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Massachusetts	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Michigan	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	2	0	0	0	0	4
Minnesota	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Mississippi	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Missouri	2022	0	1	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Montana	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	1	0

State	Year	Outlets at Start of Year	Outlets Opened	Terminat ions	Non- Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Nevada	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
New Jersey	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	3	0	0	0	0	4
North Carolina	2022	6	0	0	0	0	0	6
	2023	6	0	1	0	0	1	4
	2024	4	2	0	1	0	1	4
Ohio	2022	3	0	1	0	0	0	2
	2023	2	1	0	0	0	0	3
	2024	3	4	0	0	0	1	6
Oklahoma	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Pennsylvania	2022	1	0	1	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	1	0	0	0	1	1
South Carolina	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Tennessee	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
	2024	4	8	0	0	0	0	12

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations for Other Reasons	Outlets at End of Year
Texas	2022	1	0	0	0	1	0	0
	2023	0	1	0	0	0	0	1
	2024	1	7	0	0	0	1	7
Virginia	2022	2	0	0	0	0	0	2
	2023	2	3	0	0	0	0	5
	2024	5	3	0	0	0	2	6
Totals	2022	34	4	2	0	1	0	35
	2023	35	34	1	1	0	1	66
	2024	66	43	0	1	0	12	96

Table No. 4
Status of Company-Owned Outlets
For Years 2022 to 2024

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
North Carolina	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Ohio	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	1	0
Texas	2022	0	0	1	0	0	1
	2023	1	0	0	0	0	1

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of Year
	2024	1	0	0	0	1	0
Totals	2022	1	1	1	0	0	3
	2023	3	0	0	0	0	3
	2024	3	0	0	0	2	1

Table No. 5
Projected Openings as of December 31, 2024

State	Franchise Agreements Signed But Outlet Not Open	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlets in the Next Fiscal Year
California	1	1	0
Illinois	1	1	0
Maryland	1	1	0
Pennsylvania	1	1	0
Texas	1	1	0
Utah	1	1	0
Virginia	1	1	0
TOTALS	7	7	0

Exhibit E-1 contains a list of The Dog Wizard franchisees as of December 31, 2024.

Exhibit E-2 contains a list of The Dog Wizard franchisees who have been terminated, cancelled or otherwise ceased to do business under the Franchise Agreement during our last fiscal year or who have not communicated with us within 10 weeks of the date of this Franchise Disclosure Document. If you buy a The Dog Wizard franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

We have not sponsored, endorsed or created any trademark-specific franchisee associations. No independent franchisee organizations have asked to be included in this Franchise Disclosure Document.

ITEM 21

FINANCIAL STATEMENTS

Exhibit F contains our audited financial statements for our fiscal year ending December 31, 2024, 2023, and 2022.

ITEM 22

CONTRACTS

The following contracts are attached to this Franchise Disclosure Document:

- | | |
|-----------|---|
| Exhibit A | Franchise Agreement |
| | Schedule 1- Ownership of Franchise |
| | Schedule 2- Territory |
| | Schedule 3- Guarantee, Indemnification, and Acknowledgement |
| | Schedule 4- Authorization Agreement for Prearranged Payment (Direct Debits) |
| | Schedule 5- Code of Conduct (Rules, Standards, Procedures, and Code of Conduct) |
| | Schedule 6- State Addenda to the Franchise Agreement |
| Exhibit B | Release |
| Exhibit H | Franchisee Disclosure Acknowledgment |
| Exhibit I | Deposit Agreement |

ITEM 23

RECEIPTS

Exhibit K contains two copies of an acknowledgment of Receipt of this disclosure document. Please date and sign both copies, keeping one copy for your records and returning the other copy to us.

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EXHIBIT A
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT

FRANCHISE AGREEMENT



**ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
“DECLARATIONS PAGE”**

This Declarations Page, which incorporates by reference the terms of the ITK9 Franchise, LLC Franchise Agreement (collectively, “**Agreement**”) between ITK9 Franchise, LLC d/b/a The Dog Wizard (“Dog Wizard,” “TDW,” “we,” “us,” “our,” or “Franchisor”) and the Franchisee named below and all Signators, in their individual capacity, identified on this Declarations Page (collectively “you,” “your,” or “Franchisee”)

The Initial Franchise Fee for this Franchise Agreement will be: \$_____, which is due on the Execution Date. If you are signing this Franchise Agreement pursuant to a Multi Territory Developer Addendum in a prior Franchise Agreement, no further Initial Franchise Fee is due.

IN WITNESS WHEREOF, as of the Execution Date, we and you agree to be bound by the terms of this Declarations Page and ITK9 Franchise, LLC Franchise Agreement:

FRANCHISEE: _____

SIGNATORS:

By: _____ By: _____
(Signature) (Signature)

(Printed Name) (Printed Name)

Title: _____ Title: _____

Address: _____ Address: _____

ITK9 FRANCHISE, LLC

By: _____ Execution Date: _____

**ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT**

TABLE OF CONTENTS

SECTION #	PAGE
1. GRANT.....	1
2. TERM AND RENEWAL	3
3. OUR DUTIES.....	4
4. FEES	6
5. TRAINING	9
6. YOUR DUTIES	10
7. TRADEMARKS	15
8. MANUAL.....	17
9. CONFIDENTIAL INFORMATION	17
10. ACCOUNTING AND RECORDS	18
11. INSPECTION OF RECORDS.....	18
12. ADVERTISING AND PROMOTION	19
13. INSURANCE.....	22
14. TRANSFER OF INTEREST	24
15. TERMINATION.....	26
16. OBLIGATIONS UPON TERMINATION OR EXPIRATION	28
17. COVENANTS	29
18. TAXES, PERMITS, AND INDEBTEDNESS	30
19. INDEPENDENT CONTRACTOR AND INDEMNIFICATION	30
20. APPROVALS AND WAIVERS	32
21. NOTICES.....	32
22. ENTIRE AGREEMENT.....	33
23. SEVERABILITY AND CONSTRUCTION	33
24. APPLICABLE LAW; DISPUTE RESOLUTION.....	34
25. ACKNOWLEDGEMENTS.....	35
SCHEDULE 1 OWNERSHIP OF FRANCHISEE	
SCHEDULE 2 FRANCHISE TERRITORY	
SCHEDULE 3 GUARANTY, INDEMNIFICATION AND ACKNOWLEDGMENT	
SCHEDULE 4 AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS (DIRECT DEBITS)	
SCHEDULE 5 CODE OF CONDUCT	
SCHEDULE 6 STATE ADDENDA	

ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT

A. We have developed distinctive and proprietary systems for establishing and operating dog training businesses, as the result of the expenditure of time, skill, effort, and money, (collectively, the “**System**”).

B. The distinguishing characteristics of the System include business processes, trade secrets, customer lists, knowledge, know-how, trade names, service marks, trademarks, logos, emblems, trade dress, dog training techniques and programs and other intellectual property; distinctive signage; standards and specifications for services, products, supplies, appearance, operations and management control; safety standards; training and assistance; purchasing programs; and advertising, marketing, promotional and sales programs; all of which may be changed, discontinued, improved, modified and further developed by us from time to time.

C. The System is identified by certain trade names, service marks, trademarks, logos, emblems, trade dress and indicia of origin, including the mark “THE DOG WIZARD,” as we specify from time to time (the “**Marks**”).

D. We offer franchises for the operation of dog training businesses under the System and using the Marks (the “**Franchised Business**”); and you desire to operate one of these businesses and to receive the training and other assistance provided by us.

E. The value of the System and the Marks is based on (1) the maintenance of high quality with regard to the products and services offered through the Franchised Business, (2) the high quality standards of the individual Franchised Businesses, (3) the use of distinctive trademarks, service marks, and advertising representing high quality products and services, (4) strict adherence to our high standards in order to maintain and enhance the public acceptance of the System and the Marks (5) the processes and procedures designed to obtain and maintain a strong customer base, and (6) the training and management of personnel.

F. You understand and acknowledge the importance of our high standards of quality, consistency, appearance, and service and the necessity of operating the Franchised Business in conformity with our standards and specifications.

Understanding these assumptions, the parties agree as follows:

1. GRANT

1.1. **License.** We grant to you the right, and you undertake the obligation, upon the terms and conditions of this Agreement: (a) to establish and operate a Franchised Business; (b) to use the Marks and the System solely in connection therewith; and (c) to use, solely in connection with the operation of the Franchised Business, certain business processes, trade secrets, customer lists, knowledge, know-how, and other intellectual property identified by us from time to time. You must not perform dog training services at any location outside of the Territory (as defined in Section 1.2, below) without our written permission, which may be withheld for any or no reason.

1.2. **Territory.** The Territory will be defined by a map and a list of contiguous ZIP Codes as described in Schedule 2 to the Franchise Agreement (“Territory”). Any requested exceptions to this congruency will be decided by us and at our sole discretion. The border of the Territory on the approved map is the final determination of your territory. If the ZIP Codes are moved or altered by the U.S. Postal Service, we have the right to re-define the boundaries of the Territory to correspond as closely as possible to the territorial border defined in your approved map. Our decision on this matter will be final.

Your Territory is exclusive, meaning a geographic area within which we will not establish either a company-owned or franchised outlet selling dog training services under the same Marks.

We do not give you any option, right of first refusal, or similar right to acquire additional franchises or territories,

The location where you train any dogs must be within the territory, be able to house dogs and have a safe fenced in area. You may relocate the Franchised Business within your Territory without our approval so long as the location meets the above requirements. You will need our written permission if you want to move your location outside of your Territory, though such permission may require you to purchase additional zip code(s) contiguous to the original Territory that you initially purchased, if available.

All dog training services must be conducted within your Territory. However, if you live outside your Territory we may grant you permission to temporarily train dogs there if you live in a territory not owned by another franchisee. However, if the territory where you live is bought by another Dog Wizard franchisee, you will no longer be allowed to train dogs there effective on the signing date of the new franchisee’s Franchise Agreement, and you will have no further right to contact or access any customers that you may have secured prior to the new franchisee purchasing the Territory.

You may solicit customers only from inside your territory, and may not do so within the territory of another Dog Wizard franchisee. However, you may solicit customers outside your territory only if the geography in which you solicit does not conflict with a territory owned by another Dog Wizard franchisee or part of another franchisee’s Mult-Territory Developer Agreement. Solicitation may include other channels of distribution such as the Internet, catalog sales, telemarketing, or other direct marketing.

If you derive revenue from any zip code(s) outside any territory that you own, and those zip code(s) generate more than \$10,000 annually based on any trailing twelve-month period, you must immediately purchase those zip code(s). You will pay \$.275 per person that resides in (each of) those zip codes that you must purchase per this requirement or 20% of the Gross Revenue collected from such zip code(s) until the zip code(s) are purchased and added to your Territory.

Within the Territory, if you wish to establish a retail or commercial location for your Franchised Business, or co-locate your Franchise Business with any other pet or non-pet-related business in the same or adjacent building, you must first request and obtain our written permission.

Any new facility or co-location you open or use to operate the Franchised Business must utilize The Dog Wizard logo, color scheme, and graphics in a manner preapproved by us to ensure consistency with our branding requirements. The logo and Marks must be prominently utilized both inside and outside the facility via signage and/or graphics that we review and approve. You must submit a branding proposal, including designs, layouts, and specifications, to us for review and written approval prior to implementation. Additionally, we may require modifications to existing branding elements to ensure ongoing compliance with evolving brand standards. Franchisees must implement any required changes promptly and at their own expense.

We may grant an exception to you if you have a daycare and boarding facility that you have previously owned and operated under another brand name. We may also require other criteria relevant to the operation of your Franchised Business in a fixed retail or commercial location. to the operation of your Franchised Business in a fixed retail or commercial location.

We or an affiliate reserve the right to (a) use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory using the Marks; (b) use other channels of distribution, such as the Internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory of products or services under trademarks other than the Marks you will use to operate your Franchised Business; (c) establish or operate, or license to others the right to establish and operate businesses that offer other products and services, such as dog daycare and boarding business using the Marks within your territory; (d) acquire or operate dog training businesses operating under trademarks other than the Marks in the Territory, which may compete directly with the Franchised Business; (e) establish or operate, or license to others the right to establish and operate, dog training businesses under the System and the Marks at any location outside of the Territory, regardless of proximity to the Territory; and (f) conduct marketing and promotional activities in the Territory.

We are not required to compensate you for soliciting or accepting orders or business revenue that we might gain from inside your Territory.

Continuation of territory exclusivity depends on your ability to achieve a certain sales volume as stated in Paragraph 6.17 below.

We reserve all rights not specifically granted to you.

1.3. **Modification of the System.** You acknowledge that the System may be changed, supplemented, improved, and otherwise modified from time to time by us, and you agree to comply with all of our requirements in that regard, including purchasing, offering, promoting and selling new or different products or services as we specify.

2. TERM AND RENEWAL

2.1. **Term.** This Agreement will be effective when signed by us and you. The term of this Agreement will be ten (10) years, which will begin on the “**Execution Date,**” as indicated on the Declarations Page. If you have not begun operation of the Franchised Business within six (6)

months of the Execution Date and within 30 days of completion of the initial training program described in Section 5.1, whichever is earlier, we can terminate the Franchise Agreement without any refund to you and we are not required to allow you more time.

2.2. **Renewal.** You may renew this Agreement for additional consecutive terms of ten (10) years each. We may require satisfaction of any or all of the following conditions prior to renewal:

2.2.1. You must give us written notice of your election to renew at least six (6) months, but not more than nine (9) months, before to the end of the term;

2.2.2. You must update the equipment, signs, and any materials used in the Franchise Business to reflect the then-current standards and image of the System;

2.2.3. You must not be in default of any provision of this Agreement, any amendment of or successor to this Agreement, or any other agreement between you and us or our affiliates; and you must have substantially and consistently complied with all the terms and conditions of this Agreement and such agreements during their terms;

2.2.4. You must have satisfied all monetary obligations owed by you to us, our affiliates and your suppliers, and must have timely met those obligations throughout the term of this Agreement;

2.2.5. You must, at our option, sign our then-current form of franchise agreement which will supersede this Agreement in all respects. The terms of the then-current form of franchise agreement may differ in many or all material respects from the terms of this Agreement, including differences in the provisions regarding royalty fees, term, Territory, and advertising contributions or obligations; but, you will not be required to pay another Initial Franchise Fee;

2.2.6. You must sign a general release, in a form prescribed by us, of any and all claims against us and our affiliates, and their respective officers, directors, securities holders, agents, and employees; and

2.2.7. You must comply with our then-current qualification and training requirements, at your expense.

2.2.8. You agree to pay to us a Renewal Fee of \$10,000 to enter a new franchise agreement and continue your rights as a franchisee for an additional term.

2.3. **Expiration.** In the event that you fail to give notice of renewal in the manner described in Section 2.2.1 or fail to comply with the other conditions contained in Section 2.2, this Agreement will automatically expire without further notice.

3. OUR DUTIES

3.1. **Required Products.** We will make available, at no charge to you, before you open the Franchised Business and periodically throughout the term of this Agreement, a list of products, services and supplies required for use in the operation of or to be offered by the Franchised

Business (“**Required Products**”). You may be required to purchase the Required Products from us, an affiliate, or from suppliers designated by us.

3.2. **Optional Products.** We will make available, at no charge to you, before you open the Franchised Business and periodically throughout the term of this Agreement, a list of products, services and supplies which you may elect to use or to be offered for sale from the Franchised Business (“**Optional Products**”). You may be required to purchase the Optional Products from us or from suppliers designated by us.

3.3. **Your Training.** We will provide to you training as described in Section 5 of this Agreement.

3.4. **Site Visits.** We and you acknowledge that we will conduct on-site reviews, inspections, consultations and in-person observations (“**site visits**”) of your operation of the Franchised Business as we see fit.

3.5. **Confidential Operations Manual.** We will provide you with a copy of or on-line access to our Manuals (the “**Manual**”), as more fully described in Section 8 of this Agreement.

3.6. **Periodic Advice.** From time to time, we will provide to you advice and written materials concerning both required and suggested techniques for managing and operating the Franchised Business covering such subject matters as: dog training techniques, sales and customer service, marketing and business developments, human resource development, compliance requirements and recommendations, and management information systems and enhancements. This advice will be provided as we deem appropriate and may be communicated through the Manual, site visits or in any other manner that we decide is appropriate.

3.7. **Cooperatives.** We may establish purchasing or distribution cooperatives for any of the products or services promoted, offered or sold by you.

3.8. **Proprietary Programs.** We have established and maintain one or more computer software programs and databases for the operation of the Franchised Businesses or the System. These programs include software programs to assist in accounting, customer service, marketing, operations or management functions of the Franchised Business, in the form and configuration determined by us (“**Proprietary Programs**”).

3.9. **TDW Customer Success.** We offer a Customer Success Team that supports the management of customer leads and operating support during your first ninety (90) days after the launch of your start-up digital marketing has started and you have generated your first lead (“90 Day Support Period”). This support includes the timely management of all customer leads from initial contact, to scheduling the evaluation and all other general inquiries that are usual in the day-to-day business operation from the franchisee. You will manage all prospective client communication after the evaluation, client scheduling, and payment processing of which the customer support team will provide quality assurance support to you. You may generate your own leads and schedule your own appointments, however, they must be entered in the operating system within company policies.

4. FEES

4.1. **Initial Fees.** You must pay us an “**Initial Franchise Fee**” as follows:

The Initial Franchise Fee for a single THE DOG WIZARD Franchised Business is \$60,000. If the population of your Territory exceeds 225,000, you must pay an additional \$0.275 (27.5 cents) for every person added to Territory. We will not reduce the Fee if your Territory is less than 200,000 persons.

If you decide to purchase additional territories in the future, you will pay the then-current Initial Franchise Fee, and will not receive a multi-unit discount.

If you decide to purchase additional zip codes to expand your territory in the future, you will pay the then current Per Person Fee and will be limited to purchasing zip codes that include less than 50,000 people. If you decide to purchase zip codes that contain more than 50,000 people, you will be required to purchase an entire Territory at the then current Territory price.

The Initial Franchise Fee is due upon signing the Franchise Agreement and is non-refundable. The Initial Franchise Fee is not required if you are renewing a Franchise Agreement.

If you purchase Multiple Franchises from us, pursuant to a separate Franchise Agreement, you will realize a unit discount as shown below:

<i>Initial/upfront Purchase</i>	<i>Cost per Unit</i>	<i>Total Initial Franchise Fee</i>
1 unit	\$60,000	\$60,000
2 units	\$55,000	\$110,000
3 units	\$48,333.33	\$145,000
4 units	\$41,250	\$165,000
5 units	\$36,000	\$185,000

We offer a \$5,000 discount from the Initial Franchise Fee to veterans who provide required documentation of military service. This discount is deducted from the Total Initial Franchise, not per unit.

Start-up Kit. Before you open your Franchised Business, you must purchase from us or an affiliate approximately \$6,000 of marketing items, sample products, and training equipment. You are not required to purchase a Start-up Kit if you are opening a contiguous territory. For any additional persons in your Franchised Business that require Start-up Kit supplies, we will charge you \$1,300. Actual dollar figures may vary depending on supplier pricing to us. We reserve the right to change the mix of this offering at any time and without notice. This fee is due upon invoice and is non-refundable once we place the order on your behalf.

4.2. **Advertising Fees.** You must undertake and participate in advertising and promotional programs as specified in Section 12 of this Agreement.

4.3. **Royalty Fee.** Beginning when you sign up your first client and accept payment, you agree to pay to us a weekly Royalty Fee of 8% of your Gross Revenues for the previous calendar week

“**Gross Revenues**” means all money and other consideration that you receive in connection with the operation of the Franchised Business or any other business that you operate in conjunction with the Franchised Business that provides a product or service for dogs. This includes revenue emanating from the sale of any authorized products or services (as that term may be modified from time to time by us) or from the sale of any goods or services under, using, or in connection with our Marks. This includes revenue from dog boarding or daycare obtained from dogs that are boarded as a part of the training process. It does not include tips or gratuities; refunds or discounts made to clients; or sales, excise, or other taxes that are separately stated and that you are required by law to collect from clients and pay to the appropriate government taxing authority.

Royalties are due to us by you based on the real-time collection of payments that you receive in any payment method that you receive from a client (cash, credit, Venmo, for example).

In processing all revenue that you collect from your customers, you must use the merchant payment processor that we authorize. There are no exceptions to this requirement.

4.4 **Early Termination Fee.** If this Agreement is terminated before the end of the 10-year Term, you will pay to us \$10,000 or the sum of the royalties paid to us for the twenty-four (24) months prior to the termination of the Franchise Agreement or the total number of months if the franchise has been in operation fewer than 24 months, which ever is greater. This will be in a lump sum payment from you to us, due to us at termination.

4.5 **TDW Customer Success and Administrative Training.**

You are required to use the Customer Success Team during the 90 Day Support Period. There will be no charge for the Customer Success Team during the 90 Day Support Period. During the 90 Day Support Period, you, your business manager, or a dedicated customer service person, must complete our Administrative Training to perform the functions that the Customer Support Team handles. You are not required to use the Customer Success Team if you are opening a contiguous territory, however, you will not receive an additional 90 Day Support Period.

Should you not successfully complete the Administrative Training within the 90 Day Support Period, the Customer Support Team will continue to manage your leads per the fee schedule below.

90 Day Support Period: Managing all prospect leads, related communication, and scheduling the initial evaluation	• Rate: no cost for the first 90 days. If, for any reason, we continue to manage your leads after the 90 days, you will pay us \$10.00 per lead.
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After 90 Day Support Period- Manage your own prospect leads, related communication, and scheduling of initial evaluations.	<ul style="list-style-type: none"> • Before transitioning to managing your own customer service function, you must complete our Administrative Training. You will pay us \$500 for every administrator we train for you.
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A lead is defined as any individual seeking services and can be in the form of phone call, web inquiry, email, etc. Further details are contained in our Manual or other bulletin. We reserve the right to vary the options available and may increase the costs associated with these options by up to 15% per year.

4.6 **Designated Number and Ring Central Fees.** You agree to pay us our then current Designated Number and Ring Central Fees. Currently, you are required to pay \$5.49 per month for your “Designated Number.” You must also pay us \$40 per month for lines associated with your Franchised Business.

4.6 **Technology Fee.** You agree to pay us a monthly Technology Fee of approximately \$600 to \$800 for access to various software or technology services. The range is based on the software we deem necessary for you to operate your business. The configuration of these tech services may change from time to time, and vendors/partners may change at our sole discretion.

4.7 **Renewal Fee.** To renew for another term, you must comply with all terms and conditions in Section 2 of this Agreement, including the payment of a renewal fee as described in Section 2.2.8 of this Agreement.

4.8 **Transfer Fee.** Before your transfer of this Agreement, you must comply with all terms and conditions in Section 14 of this Agreement, including the payment of a transfer fee as described in Section 14.3.9 of this Agreement.

4.9 **Transfer Assistance Fee.** If you request our assistance in a proposed transfer, you must pay us a Transfer Assistance Fee of \$12,500, plus any sales broker or business broker costs involved in consummating the business sale and transfer.

4.10 **Interest and Late Fee.** If any payment is received by us more than fifteen (15) days past due, you must pay us immediately upon demand, in addition to the overdue amount, interest on the overdue amount from the date it was due until paid, at the rate of 1.5% per month or the maximum rate permitted by law, if less. Entitlement to such interest is in addition to any other remedies we may have. You must pay us a \$50 administrative fee each time any report or record required by this Agreement is not received by us by its due date and time.

4.11 **ACH Authorization.** Upon signing the Franchise Agreement, you must sign and deliver to us all bank documents needed to permit us and our affiliates to debit your bank account via ACH Electronic Transfer for all fees and payments due to us or our affiliates. If you change your bank account or transfer your account to a different bank, you must notify us within one day, and sign and deliver to us and the bank new documents to permit us to debit your bank account

within three days. We require you to execute an Automatic Bank Draft Authorization and pay most fees to us via ACH electronic funds transfer. See Schedule 4 to the Franchise Agreement-Authorization Agreement for Prearranged Payment (Direct Debits).

4.12 **Payment.** All payments described in this Franchise Agreement are non-refundable. All payments required by us must be paid on a weekly or monthly basis, as we may specify in further detail in our Manual or otherwise. You will not be entitled to set-off any required payments against any monetary claim you may have against us. We reserve the right to apply any monies received from you to any of your obligations as we determine.

4.13 **Sales or Excise Tax.** If required by the federal government, state or locality in which your Franchised Business is located, the Initial Franchise Fee, royalty, training, development fee, national branding contribution, products and possibly other services, products or fees may be subject to sales or excise or similar type tax, which you must pay to us at the same time and in the same manner as you pay these fees to us.

4.14 **Third Party Charges and Reimbursement.** If we pay any expense on your behalf, including our good faith refund of fees paid by a client of yours, you agree to reimburse us the monies we have paid.

5. TRAINING

5.1. Initial Business and Dog Training.

5.1.1. Prior to the opening of the Franchised Business, we require that you or the on-site manager attend the initial business training to learn the basic aspects of how to operate the Franchised Business. In addition, you, or a lead trainer that you may designate who will be training dogs, must attend our dog training programs. If you have a designated trainer, you must still successfully complete Online Training and observe Virtual/Live Lesson Training. You also have the option to observe the In-Person/Hands-On Training module to ensure that you are familiar with the services that you will be selling/providing to your clients. You are not required to pay a fee and will not be graded or evaluated by the instructors to observe Virtual Live Lesson Training and Virtual/Live Lessons.

5.1.2. Training must be completed to our satisfaction. Unless otherwise agreed to in writing by us, your attendance will begin within 2 months after and be completed no later than 6 months after signing your Franchise Agreement.

5.2. Initial Dog Training Fees and Expenses During Training.

5.2.1. You will be required to pay us, or an affiliate, Dog Training Fees as follows: Online Training Fee of \$2,500, a Virtual/Live Lesson Training Fee of \$4,400, and an In-Person/Hands-On Training Fee of \$3,100.

5.2.2. All of your staff who provide dog training services must successfully complete our then-current dog training program and pay the then-current training fee. Currently,

dog trainers must successfully complete Online Training, Virtual/Live Lesson Training, and In-Person/Hands-On Training to our satisfaction.

5.2.3. You will be responsible for all travel, lodging, and living expenses, including meals, for you or your employees incurred in connection with all initial and additional training. Dog training programs. Neither you nor any other of your employees will be compensated by us or our affiliate for the dog training services they provide or participate in during any training program. You are responsible for compensating (if necessary) any individual receiving training from us.

5.3. **Additional Training/Kennel Tech Training Fee.** If, at the end of training, we feel that you, your on-site business manager, designated trainer, or other trainer(s) are not at a satisfactory level to operate your Franchised Business, we may allow you or your trainer to continue training at your expense at the rate of \$1000 per week to get you or them to a satisfactory level of dog training and operating your business. This Fee is also required for our Kennel Tech Training Program.

5.4. **Top Dog Training Certification.** Our Top Dog Training Certification is available to trainers who meet the following eligibility requirements: 1) a recommendation from their franchisee; 2) at minimum five 5-star Google reviews; 3) have a minimum one year of experience training at a The Dog Wizard location; and 4) has successfully passed the exam our affiliate administers to earn the Top Dog Training Certification. If you or one of your trainers becomes a Top Dog Certified Trainer, then you may conduct In-Person/Hands-On Training at your franchise location for your trainers for a reduced tuition fee which minimizes any or all associated travel-related expenses. The fee for this training is currently \$1,000. We reserve the right to discontinue this training.

5.5. **Delegation of Training.** You acknowledge that we may conduct any training described in this Section 5 directly or we may delegate these obligations to an affiliate or a third party (who may be another franchisee), as we determine advisable.

6. YOUR DUTIES

6.1. **Compliance with Standards.** You understand and acknowledge that every detail of the Franchised Business is important to you, us, and other franchisees in order to develop and maintain high operating standards, to increase the demand for the services and products offered, promoted and sold by all businesses operating under the Marks and the System, and to protect our reputation and goodwill. You must maintain our standards with respect to facilities (if applicable), services, products, operations, safety, customer relations, consistency and appearance, at your own expense. You specifically acknowledge that the humane, safe and caring treatment of dogs is essential to maintaining the value and customer acceptance of the Marks and the System.

6.2. **No Deviation without Consent.** You must operate the Franchised Business in strict conformity with such methods, standards and specifications as we may from time to time prescribe in the Manual or otherwise in writing. You must not deviate from these methods, standards and specifications without our written consent.

6.3. **Additional Products.** You must purchase, utilize and sell such Required Products as we may specify from time to time. If you wish to utilize or sell a product or service which is not a Required Product or an Optional Product (“**Additional Products**”), you must notify us in advance in writing. You must provide to us the information with regard to such Additional Product that we require to evaluate the Additional Product. We will make a reasonable effort to evaluate and approve or disapprove such Additional Product within two (2) weeks of our receipt of your notification; but, because we may need additional time to review such Additional Product, we will have up to thirty (30) days to approve or disapprove such Additional Product. You must use or sell only products or services which are either Required Products, Optional Products, or Additional Products which have been approved in writing by us (“**Approved Additional Products**”). We reserve the right to charge you a fee to evaluate any Additional Products as provided in the Manual. You must stop using or selling any product or service which has been disapproved by us.

6.4. **Appearance.** You must ensure that all advertising and promotional materials, signs, decorations, and other items specified by us bear our Marks in the form, color, location, and manner prescribed by us.

6.5. **Staffing.**

6.5.1. You must participate directly in the operation of the Franchised Business, or if you plan to be a semi-absentee owner, you must designate an on-site business manager to manage the day-to-day operations of the business.

6.5.2. You must maintain a competent, conscientious, certified staff. You must take steps necessary to ensure that its staff preserve good customer relations; render competent, prompt, courteous, and knowledgeable service; and meet such minimum standards as we may establish from time to time in the Manual. You and your staff must conduct yourselves in a manner that will not detract from our name and goodwill. You will be solely responsible for all employment decisions and functions of the Franchised Business, including those related to hiring, firing, wage and hour requirements, insurance and worker’s compensation, record keeping, supervision, and discipline of employees; but, in order to protect the integrity and reputation of the Marks and the System, each of your employees must agree in writing to abide by the System’s code of conduct (“**Code of Conduct**”), as it may be modified by us from time to time in the Manual. The current Code of Conduct is attached as Schedule 5.

6.5.3. All employees engaged by you will be regarded as your employees only and there will be no joint employer or other relationship between us and your employees. You must advise each of your employees, in writing and before the commencement of their employment, that they will be employed by you only and not us. We and you each acknowledge and agree that we have no authority to and will not exercise any control over the essential terms and conditions of employment of any personnel working for or hired by you. With respect to such personnel, and without limiting the generality of the preceding sentences, only you have the power, and you hereby accept the responsibility, to hire, pay, promote, discipline, fire, train, establish employment policies, provide an employee handbook, supervise and control their schedule and work conditions, determine pay rates and methods of payment, and maintain employment records. With respect to your employees, we:

- (i) will not participate in your hiring, firing, promotion, demotion, disciplinary, or scheduling decisions;
- (ii) will not supervise the work to be performed;
- (iii) will not be responsible for the determination or payment of wages;
- (iv) will not provide employment benefits (including workers' compensation, group health insurance, or retirement plans);
- (v) will not supply tools or equipment; and
- (vi) will not determine the applicability of minimum wage or overtime laws or exemptions;

and have no authority to do any of the foregoing.

6.5.4. You will pay all salaries for your personnel. You are responsible for all costs and overhead associated with the conduct of the Franchised Business except as otherwise specifically provided in this Agreement. You are responsible for the payment of all wages, commissions, bonuses, fringe benefits, insurance premiums, payroll taxes and other items required by applicable laws, if any, to all personnel working for or hired by you, whether classified as employees or independent contractors. Without prejudice to the foregoing, you will make all statutory deductions and contributions and are solely responsible for complying—and shall comply—with all applicable laws relating to the employment of your employees, including all wage and hour laws, the classification of workers as employees or independent contractors, and the classification of employees as exempt or non-exempt under applicable minimum wage and overtime laws. Employment of your employees will be at your own risk and expense and your employees will have no claims against us for wages, commissions, bonuses, fringe benefits, insurance premiums, Social Security and Medicare contributions, or any other form of compensation (including severance compensation).

6.5.5. In clarification of your indemnification obligations under Section 19.4 and without limiting the comprehensiveness thereof, you must indemnify and defend us against and hold us harmless from any sanction, surcharge, penalty, liability, cost, expense or, in general terms, from any amount or burden that we may incur or have to bear in connection with your employees.

6.6. **Computer Hardware and Software.** You must purchase, install and use such computer hardware and software as we may require from time to time. You must obtain a license for (if necessary), install, implement, maintain and upgrade such computer hardware and software at your expense and use each Proprietary Program designated by us. You agree to sign our standard software license agreement for each Proprietary Program, if any, within 90 days of notification which may require you to pay a fee and permit our affiliates to have independent access to information shared by, in or through the Propriety Program. You will maintain a customer database in the proprietary operating system, or scheduling software that we require, from the leads generated by both the efforts of you and us. You may use this database for as long as you are a franchisee with The Dog Wizard, but this database and all the contact information therein remains the property of The Dog Wizard. If you cease to be a Dog Wizard franchisee for whatever reason, effective as of the termination date, you will cease to have access to the database and all contacts in the database. Further, you may not make duplicate copies of this database for use in the event

you cease being a Dog Wizard franchisee. We may also require that you provide us independent access to any information relating to the Franchised Business stored on any computer hardware by any software program, whether or not it is a Proprietary Program. You agree that any data stored in or compiled by a Proprietary Program will be our property, including the customer database. You agree to obtain and maintain, at your own expense, such computer hardware as may be necessary to efficiently utilize each Proprietary Program, as may be determined by us or otherwise designated by the license for such Proprietary Program.

6.7. **Franchisee Intranet.** We have the right, but not the obligation, to establish a “**Franchisee Intranet,**” a website or other electronic system providing private and secure communications (*e.g.*, an intranet) between us, you, other Dog Wizard franchisees, and other persons and entities as determined by us in our sole discretion. If we establish a Franchisee Intranet, you must establish and maintain access to it in the manner specified by us, and must from time-to-time execute such agreements and/or acknowledge and agree to comply with such policies concerning the use of the Franchisee Intranet as we may prepare or require.

6.8. **Telephone Service.** Prior to the opening of the Franchised Business, you must establish and maintain throughout the term of this Agreement prompt and adequate telephone service (as we may prescribe in writing). You will not be required to establish and maintain additional telephone services for additional contiguous territories provided you have and continue to operate the Territory with a Designated Number. We will on your behalf establish and maintain at least one dedicated telephone line for use exclusively by the Franchised Business, at your expense, which will be the “**Designated Number**” and which must be answered by TDW Customer Success Team, an employee of yours, or by an answering service approved by us during regular business hours designated by us from time-to-time. Each telephone line must have all service features prescribed by us from time-to-time. We may require you to increase the number of telephone lines to accommodate your call volume or to use a designated call center. All required lines must be operational and functional before the Franchised Business opens and at all times during the term of this Agreement. You must use only the Designated Number in or on all advertising (including Internet advertising), stationery, business cards, marketing and promotional materials, directory listings (including online directories) and other public materials relating to the Franchised Business. The Designated Number must be listed in all telephone directories (including paper and online directories) only under the name “THE DOG WIZARD” and a location within the Territory. All outgoing calls relating to the Franchised Business must display only the Designated Number and/or the name “THE DOG WIZARD” on the receiving party’s caller identification, and you may not block your outgoing caller identification information.

You are also required to establish a line for each on-site business manager, administrator, trainer, and any employee that communicates with clients on your behalf and pay our then current, Ring Central Fee.

6.9. **Forms.** You must use such contracts, invoices and other standard forms as we may periodically prescribe; but you will be responsible for ensuring that all provisions of such contracts are valid and enforceable under, and comply with, applicable law.

6.10. **Franchisee Modifications/Grant-back.** You must not implement any change, modification, amendment, or improvement to the System without our written permission. You

must notify us in writing of any change, modification, amendment, or improvement in the System which you propose to make, and must provide to us such information as we request regarding the proposed change, modification, amendment, or improvement. No such change, modification, amendment or improvement may be implemented or made without our written permission. You agree that we will have the right to incorporate the proposed change, modification, amendment, or improvement into the System and will obtain all right, title, and interest therein, including any rights to any patents, patent improvements, trade secrets and copyrights for a reasonable fee determined by us in our sole discretion. You further agree to sign any such documentation, from time to time, as we may require to give effect to this section.

6.11. **Location.** You acknowledge that the Franchised Business is to be operated from your home or your trainers home and that dog training services will be provided by you or your trainer from your home, their home, at clients' homes or in suitable public locations. You may not establish a retail or commercial location for the Franchised Business without our written permission, which may be withheld for any or no reason. If we elect to permit the Franchised Business to be operated at a retail or commercial location, we may establish site selection and other criteria for such location. You must comply with all terms of its lease or sublease (if any) and all other agreements affecting the locations and operation of the Franchised Business; must undertake your best efforts to maintain a good and positive working relationship with your landlord and/or lessor and their other tenants and/or lessees, and must refrain from any activity which could jeopardize your right to remain in possession of, or to renew the lease or sublease. If you want to obtain a retail or commercial location from which to operate the Franchised Business, we reserve the right to establish additional branding and appearance requirements, modified royalty rates and other modifications to the System relevant to the your operation of the Franchised Business from a fixed location and you must comply with such modifications.

6.12. **Meetings.** You must attend at your own expense such regional or national meetings and gatherings as we deem necessary at dates and locations selected by us. You will not be required to attend more than one in-person meeting in any calendar year, but will be required to attend virtual meetings.

6.13. **Ownership.** You must maintain and provide to us, without request, a current list of all owners, members, shareholders, or partners of record and all beneficial owners of any class of voting securities of you (if you are a legal entity and not an individual) and promptly notify us of any changes to such list. You represent, warrant and covenant that the owners, members, shareholders, or partners of record, and all beneficial owners of any class of voting security of you as of the Execution Date are described on Schedule 1.

6.14. **Franchisee Advisory Council.** We have established an organization to facilitate communication between us and franchisees operating under the Marks and the System (the "**Franchisee Advisory Council**"). The Franchisee Advisory Council may be terminated or dissolved by us at any time.

6.15. **Self-Help.** If, as a result of a site visit, on-site review or consultation, any deficiencies related to the Franchised Business are identified, you agree to correct such deficiency within a reasonable time as we may designate in writing. If you fail to correct such deficiencies in a manner satisfactory to us, we will have the right, but not the obligation, to enter the premises

of the Franchised Business, without being guilty of trespass, and take such action as is necessary to correct such deficiency and you must reimburse us our reasonable costs and expenses in doing so upon demand. These rights are in addition to all other rights and remedies available to us under this Agreement.

6.16. **Wrapped Vehicle.** You must operate your business from a wrapped vehicle pursuant to our specifications. If you do not have a vehicle capable of carrying two large dog crates, you will need to purchase one. The vehicle must display the Marks in the manner specified in the Manual. Your wrapped vehicle must be used for appointments with current and potential clients.

6.17. **Minimum Requirements.** Continued ownership of your Franchised Business depends on your ability to achieve a certain minimum sales volume. Specifically, if after operating 24 months you generate Gross Revenue that is less than \$8,333 per month for 6 or more consecutive months, or your trailing 12-month average is less than \$100,000 in Gross Revenue, we reserve the right to terminate your Franchise Agreement.

7. TRADEMARKS

7.1. **Control of Marks.** We represent that we will take all steps reasonably necessary to preserve and protect the validity of the Marks and our right to use and to license others to use the Marks.

7.2. **Use of Marks.** With respect to your use of the Marks pursuant to this Agreement, you agree that:

7.2.1. You must use only the Marks designated by us, and must use them only in the manner authorized and permitted by us;

7.2.2. You must use the Marks only for the operation of the Franchised Business and only in the Territory, or in advertising for the Franchised Business;

7.2.3. Unless otherwise authorized or required by us, you must operate and advertise the Franchised Business only under the name “THE DOG WIZARD”, without prefix or suffix. You must not use the Marks as part of your corporate or other legal name;

7.2.4. You must identify yourself (and not us) as the owner of the Franchised Business in conjunction with any use of the Marks, including the use thereof on leases, invoices, order forms, receipts, and business stationery, as well as at such other locations as we may designate in writing;

7.2.5. Your right to use the Marks is limited to the uses authorized under this Agreement, and any unauthorized use thereof will constitute an infringement of our rights;

7.2.6. You must not use the Marks to incur any obligation or indebtedness on behalf of us;

7.2.7. You must not register, attempt to register, obtain any ownership in, or otherwise utilize any website, domain name, URL, Internet presence or other electronic communications portal which contains, incorporates, or consists of the Marks or any of them, without our written consent, which may be withheld for any or no reason. If you register, attempt to register, obtain any ownership in, or otherwise utilize any website, domain name, URL, Internet presence or other electronic communications portal in violation of this Section 7.2.7, in addition to any rights we may have under Section 15 hereof, you agree that any such website, domain name, URL, Internet presence or other electronic communications portal, including any copyrights therein, will be deemed to be our property. If a court determines that any ownership rights to any website, domain name, URL, Internet presence or other electronic communications portal are not automatically transferred to us pursuant to this Section 7.2.7, you agree to sign any documents we deem necessary to give effect to this Section 7.2.7.

7.2.8. You must sign any documents deemed necessary or useful by us to obtain protection for the Marks or to maintain their validity and enforceability; and

7.2.9. You must promptly notify us of any suspected unauthorized use of the Marks, any challenge to the validity of the Marks, or any challenge to our ownership of the Marks, or any challenge to our right to use and to license others to use such Marks, or your right to use the Marks. We have the right to direct and control any administrative proceeding or litigation involving the Marks, including any settlement. We have the right to take action against uses by others that may constitute infringement of the Marks.

7.3. **Acknowledgements.** You expressly understand and acknowledge that:

7.3.1. The Marks are valid and serve to identify the System and those who are authorized to operate under the System;

7.3.2. During the term of this Agreement and after its expiration or termination, you must not directly or indirectly contest the validity of our ownership of, or our right to use and to license others to use, the Marks;

7.3.3. Your use of the Marks pursuant to this Agreement does not give you any ownership interest or other interest in or to the Marks;

7.3.4. Any and all goodwill arising from your use of the Marks will inure solely and exclusively to our benefit, and upon expiration or termination of this Agreement, no monetary amount will be attributable to any goodwill associated with your use of the System or the Marks; and

7.3.5. We reserve the right to substitute or add different trademarks for use in identifying the System and the businesses operating thereunder if we, in our sole discretion, determine that substitution or addition of different marks as Marks will be beneficial to the System. You must implement promptly any such substitution or addition of new Marks and immediately cease to use any mark indicated by us. You must bear the costs of conforming to our new or substituted Marks.

8. MANUAL

8.1. **Manual Defined.** To protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate the Franchised Business in strict accordance with the standards, methods, policies, dog training techniques and procedures we provide to you and as specified in the Manual (which may consist of guides, instructions, newsletters, videos, and documents, in various formats which taken together will constitute the “Manual”). You will be provided with online access to (as we deem appropriate) the Manual for the duration of this Agreement and any renewals, additions, supplements, or extensions thereof, upon completion by you of our initial training program to our satisfaction.

8.2. **Confidentiality.** You must treat the Manual, any other manuals created for or approved for use in the operation of the Franchised Business, and the information contained therein, as confidential, and must use all reasonable efforts to maintain such information as secret and confidential. You represent and warrant that you and your officers, directors, managers, employees, agents, contractors and any other personnel having access to any of our confidential information, including the Manual, must each sign a Non-Disclosure and Non-Competition Agreement in the form attached as Schedule D to this Agreement. You must not (a) copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, except as expressly approved by us in writing or (b) otherwise make them available to any unauthorized person.

8.3. **Ownership of and Access to Manual.** The Manual will remain our sole property and must be kept in a secure place. We may permit you to obtain electronic copies of, and updates or revisions to, the Manual through the Internet, extranets, email or otherwise. You agree to permanently delete or destroy any extraneous or superseded copies (including electronic copies), as we may periodically prescribe.

8.4. **Revisions.** We may from time to time revise the contents of the Manual, and you agree to comply with each new or changed standard, after receiving notice of such revision.

8.5. **Controlling Copy.** You must ensure that the Manual is kept current. In the event of any dispute as to the contents of the Manual, the terms of the master copy maintained by us online will be controlling.

9. CONFIDENTIAL INFORMATION

You must not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of any other person, partnership, association, or corporation any confidential information, business processes, trade secrets, customer lists, knowledge, know-how, patents applied for concerning the methods of operation of the Franchised Business, or any other information designated by us as confidential (collectively, “**Confidential Information**”) which may be communicated to you or of which you may be apprised of by virtue of your operation under the terms of this Agreement. You must divulge such Confidential Information only to those of your employees as must have access to it in order to operate the Franchised Business. Any and all other information, knowledge, know-how, techniques, and other data which we designate as confidential will be deemed Confidential Information for purposes of this Agreement.

10. ACCOUNTING AND RECORDS

10.1. **General.** You must prepare, and must preserve for at least three (3) years from the dates of their preparation, complete and accurate books, records, and accounts in accordance with generally accepted accounting principles, using only the chart of bookkeeping accounts and in the form and manner prescribed by us from time to time in the Manual or otherwise in writing.

10.2. **Recordation.** You must record all revenues, sales tax, and charges collected on behalf of third parties in accordance with applicable laws and the procedures prescribed in the Manual, on the computer system, or as we may specify. You are required to use our standard accounting and budgeting software and the required chart of accounts that we will provide to operate the Franchised Business.

10.3. **Tax Returns.** You must submit to us copies of your complete federal income tax return for the previous tax year, as filed with the Internal Revenue Service, by April 30 of each year, or, if you have received an extension of time to file and submit to us, by April 30, a file-stamped copy of IRS Form 4868 or 2688, as applicable, then within fifteen days after the final due date for the return, but in no event later than October 30 of each year.

10.4. **Reports.** You must, at your expense, submit to us in the form and manner prescribed by us, such other forms, reports, records, information, and data as we may reasonably designate. You must also provide to us by February 15 of each year your profit and loss statement, and balance sheet statements, for the prior year. You must update and maintain your budget and financial data on a monthly basis. We may ask you to share your monthly profit and loss statements, which will be shared within ten (10) business days of our request.

10.5. **Independent Access to Information.** You agree that we have and that you will provide independent access to the information that will be generated or stored in your computer systems, which includes, but is not limited to, customer, transaction, financial, and operational information. You must at all times give us unrestricted and independent electronic access to your computer systems and information. You will provide us with access to your Quickbooks accounts and KPI statistics.

11. INSPECTION OF RECORDS

At all times during the term of this Agreement and for a period of three (3) years after a transfer (defined in Section 14.2) or the termination or expiration of this Agreement, you must permit us or our designated agents at all reasonable times to examine, at our expense and at such location as we reasonably select, your books and records of account, bank statements, canceled checks, client files, federal, state and local income, sales, excise and payroll tax returns, and any other information or records pertaining to the Franchised Business (hereafter collectively referred to as “**Business Records**”). You and your principals and employees will fully cooperate with our agents in their conduct of an inspection. If, as a result of any inspection, we determine that you have understated your Gross Revenues in any report submitted to us, then you must immediately pay us, upon demand, the Royalty Fees payable on the amount of the understatement plus the interest imposed by Section 4.10. If, as a result of any inspection, we determine that you understated your Gross Revenues by three percent (3%) or more for any monthly period, or if an

inspection is prompted by your failure to maintain any record required to be maintained under this Agreement, failure to timely submit any report or other information required by this Agreement, or failure to cure a default within the applicable period specified in Section 15 then you also must: (i) reimburse us for all costs and expenses of the inspection (including per diem charges for our employees, travel expenses and reasonable accounting and attorney fees) , and (ii) within three (3) months after our request, provide us with your income statements for the immediately preceding two-year period, audited or reviewed (at our option) by an independent certified public accountant. If we reasonably suspect that you have understated your Gross Revenues in any report, we may request and you must promptly provide a copy of the complete federal income tax return for the previous tax year, as filed with the Internal Revenue Service, of each principal of Franchisee. The foregoing remedies are in addition to any other remedies we may have under this agreement or at law or in equity. We have the right, at all times during the term of this Agreement and for a period of three (3) years after a transfer (defined in Section 14.2) or the termination or expiration of this Agreement, to have an independent audit made of your Business Records. The terms of this paragraph will survive any transfer or the expiration or termination of this Agreement.

12. ADVERTISING AND PROMOTION

12.1. **Start-Up Digital Marketing.** Before opening the Franchised Business, you will need to purchase from us a digital marketing package in the amount of \$5,400. You are not required to purchase Start-up Marketing if you are opening a contiguous territory. This fee includes your first month of Local Advertising Fees to support the launch of your business. The Start-Up Digital Marketing will include initial market analysis, website implementation, initial creation and optimization of Google Business Profiles, social media accounts, online AdWords, press releases, and Google Optimization to support the launch of your business

12.2. **Local Advertising Programs.** You must actively advertise the Marks and the System in the Territory. We require you to spend, monthly, at least \$1,500 on local advertising and marketing pursuant to our guidelines in your Territory. We may require that you pay this entire amount to us for the Digital Marketing Program. We reserve the right to increase the monthly requirement by 25%. We may audit these expenditures to ensure compliance and may charge you the difference in the event you do not spend the monthly minimum. Management Fees paid to marketing services, even designated vendors, do not count toward your monthly minimum.

12.3. **Approval Required.** All advertising and promotion by you must be in such media and of such type, format and other particulars as we may approve, must be conducted in a dignified manner, and must conform to such standards and requirements as we may specify. You must not use any advertising or promotional plans or materials unless and until you have received written approval from us, pursuant to the procedures and terms set forth in Section 12.5 hereof. Advertising and promotional materials requiring our approval includes advertising placed in any media, including the Internet, and advertising displays or other printed or electronic materials that you or your employees may use which contain any of the Marks, including business forms, stationery, cards, and Internet websites that is not produced by us or a designated vendor.

Any new facility or co-location you open or use to operate the Franchised Business must utilize The Dog Wizard logo, color scheme, and graphics in a manner preapproved by us to ensure consistency with our branding requirements. The logo and Marks must be prominently utilized

both inside and outside the facility via signage and/or graphics that we review and approve. You must submit a branding proposal, including designs, layouts, and specifications, to us for review and written approval prior to implementation. Additionally, we may require modifications to existing branding elements to ensure ongoing compliance with evolving brand standards. Franchisees must implement any required changes promptly and at their own expense.

12.4. **Website.** You specifically acknowledge and agree that a website is considered “advertising” under this agreement and is subject to (among other things) our approval in accordance with Section 12.3. In connection with any website, you agree to the following:

12.4.1. We have the right, but not the obligation, to establish and maintain a website, which may promote the Marks, the System, any or all of the products and services offered by a Franchised Business, franchised locations, and/or the offer and sale of Dog Wizard franchises. You must use all websites relating to the Franchised Business required by us. We have the sole right to control all aspects of the website, including its design, content, functionality, links to the websites of third parties, legal notices, and policies and terms of usage, and all the expenses thereof are payable out of the Fund under Section 12.3. We also have the right to discontinue the operation of the website at any time in our sole discretion.

12.4.2. You may not directly or indirectly establish, maintain, or operate a separate Dog Wizard website without our prior written consent. Any Dog Wizard website established, maintained, or operated by you must contain a link to and from our website and we have the right to require modifications of the content, appearance, and format of your Dog Wizard website. The term “Dog Wizard website” means a website that displays any of the Marks or a significant amount of the content of which relates to the Franchised Business, us, the System, or any business that offers or sells products or services that compete with any products or services offered by Dog Wizard franchises.

12.4.3. You may not, without our prior written consent, establish or permit or aid any other person to establish any link to any website or any other electronic or computer-generated advertising or communication arrangement that we may establish.

12.4.4. We have the right, but not the obligation, to designate one or more landing page(s) to describe you, the Franchised Business, and/or your location, with such landing page(s) to be located within our website, or to provide you with a separate Dog Wizard website for such purposes. You must comply with our policies with respect to the creation, maintenance, and content of any such web pages, and we have the right to limit and/or discontinue the content and/or operation of such website and landing pages.

12.4.5. In order to maintain the goodwill in the System and in the business of other Franchised Businesses, we have the right to impose conditions and standards requirements on your use of Electronic Distribution Channels, including any Dog Wizard website maintained by you, including the following:

- (i) All rights to all domain names containing any of the Marks or relating to the Franchised Business, any products and services offered by Franchised Businesses,

or any business that offers or sells products or services that compete with any products or services offered by Franchised Businesses, may be owned only by us. You may not register in your own name any domain name containing any of the Marks or relating to the Franchised Business or any products and services offered by Franchised Businesses.

- (ii) In order to maintain the common identity of the System and the high-quality standards associated therewith, you must obtain our prior written approval for any domain name and for the form and content of any Dog Wizard website before you use it on the Internet. Unless our prior written approval has been obtained, no element of the Marks or similar words may be used as part of the domain name or URL.
- (iii) Any Dog Wizard website that you establish or maintain must contain a hyperlink to our website and all other hyperlinks to third-party websites must be previously approved in writing by us.
- (iv) Any modifications to a Dog Wizard website established or maintained by you must first be approved in writing by us.
- (v) Before establishing a Dog Wizard website, you must obtain appropriate legal advice regarding the content and to ensure that the website complies with all relevant legislation and regulations.
- (vi) You must fully indemnify us against all claims arising out of any website established or maintained by you.
- (vii) You must comply fully with your terms and conditions of business over the Internet and ensure that such terms and conditions of business receive our prior written approval.

12.4.6. **“Electronic Distribution Channels”** include the Internet, World Wide Web, websites (including any website established or maintained by us or you), URLs, domain names, e-mail addresses, mobile applications, Internet listings, banners, advertisements, pop-up ads, pay-per-click programs and accounts, and other services, pages, or links on or with the Internet, World Wide Web, Internet service providers, electronic mail services, communication providers, search engines, social media, web logs (or “blogs”), and similar services.

12.4.7. You may not participate in or register with any Internet group, website or similar medium which has as its aim (whether stated or not) or its effect the denigration of us or the System.

12.4.8. You may not open an account or profile on a social media site relating to the Franchised Business or using any of the Marks without our prior written consent, which may be given subject to conditions, which include the grant to us of administrator rights and you editor or manager access only, and subject to your compliance with the provisions of the Manual relating to social media sites.

12.4.9. You may not, without our prior written consent, redirect Internet traffic from another domain name or URL to any Dog Wizard website established by you or any other

website containing any of the Marks or any content provided by us or relating to the Franchised Business.

12.4.10. We have the right to modify the provisions of this section 12.4 as we solely determine is necessary or appropriate for the best interests of the System.

12.5. **Review of Materials.** You must submit samples of all advertising and promotional plans and materials to us for our approval (except with respect to prices to be charged) if such plans and materials have not been prepared or previously approved by us. You must not use the plans or materials until they have been approved by us. If written notice of disapproval is not received by you within thirty (30) days of the date of our receipt of such samples or materials, you will be permitted to use them. You must stop using any advertising disapproved by us immediately upon notice.

12.6. **Brand Fund.** You are required to contribute 2% of Gross Revenues weekly to the Brand Fund beginning when you sign up your first client and accept payment. We reserve the right to adjust this amount up to 3% of Gross Revenues. We use monies in the Brand Fund to conduct advertising using online, radio, television, direct mail, billboards, print or other advertising and on marketing administrative expenses. We may use local, regional, or national advertising. We may produce advertising material in-house or through outside agencies. We are not required to spend any amount on advertising in the area or territory where you will be located.

Franchisor owned outlets do not have to contribute to the Brand Fund, but may do so. We administer the Brand Fund. The Fund is not audited. Unaudited financial statements of the Brand Fund will be made available to you upon written request. If not all Brand Fund Fees are spent in the fiscal year in which they accrue, we will carry over those fees and apply them to the next fiscal year. We may use Brand Fund Fees to solicit new franchise sales.

12.7 **Name and Likeness.** You give us permission to use your name and likeness in all forms and media for advertising, trade, and any other lawful purposes.

13. **INSURANCE**

13.1. **General.** You must procure, before the commencement of any operations under this Agreement, and must maintain in full force and effect at all times during the term of this Agreement at your expense, an insurance policy or policies protecting you and us (including their respective officers, directors, shareholders, agents, and employees) against any demand or claim in connection with the Franchised Business, as described below. Such policy or policies must be written by a carrier with a minimum Best Rating of A unless specific approval is granted by us. If you operate multiple contiguous territories, you are not required to have separate insurance coverage for each territory, so long as meets our requirements for coverage and you establish a Commercial Umbrella Liability Insurance policy.

Coverage Amounts. Subject to changes in the Manual or other notice, before you begin operation of your Franchised Business, you must obtain the required types of insurance at required coverage amounts that we designate. We further require that you purchase the required insurance from our designated vendor, currently Business Insurers of the Carolinas or an equivalent policy from a

different vendor, which must first be approved by us, that matches the normal minimum coverage of the animal training/boarding industry.

We require that you purchase automobile, employer's liability and worker's compensation insurance from a responsible carrier or carriers acceptable to us, with a rating of at least "A" by Standard and Poor, Moody's and A.M. Best, and must include, at a minimum, the policy types and coverages that we designate, unless a greater amount is required in your state.

From time to time we may expand the insurance requirements and your coverage amounts. You must purchase a Commercial Umbrella Liability Insurance with a minimum coverage of \$1,000,000 per occurrence when you open more than one territory.

Each policy, except workers' compensation, must name us as an additional insured. All policies must be endorsed to include a waiver of subrogation in our favor and our subsidiaries, affiliates, successors and assigns and their respective directors, officers, shareholders, members, managers, partners, employees, servants, representatives, independent contractors and associates.

You may, with our written consent, elect to have reasonable deductibles for the coverages described in above.

Certificates of insurance must be sent in upon annual expiration date.

13.2. **Independent Obligation.** Your obligation to obtain and maintain the policy or policies in the amounts specified in the Manual will not be limited in any way by reason of any insurance which we may maintain, nor will your performance of that obligation relieve you of liability under the indemnity provisions set forth in Section 19.4 of this Agreement. The Commercial General Liability and Business Automobile policies will contain a contractual coverage endorsement insuring your performance under such indemnity.

13.3. **Additional Insureds.** All policies except Workers Compensation must contain a provision that your insurance coverage is primary to any coverage maintained by us. Your Commercial General Liability and Business Automobile policies must include a separation of insured's clause or endorsement, in a form acceptable to us and, unless otherwise permitted by us in writing, all policies must name us, our servants, agents, and employees as additional insureds and must expressly provide that these persons may recover under such policies on any loss occasioned by us, our affiliates, or its servants, agents, or employees by reason of your negligence or that of your servants, agents, or employees. Such policies must also provide that any interest of ours, our servants, agents, and employees will not be affected by your breach of any policy provisions.

13.4. **Delivery of Certificates.** Prior to the commencement of any operations under this Agreement, and thereafter at least thirty (30) days prior to the expiration of any policy, you must deliver to us Certificates of Insurance evidencing the proper types and minimum amounts of coverage. All Certificates must provide that no less than thirty (30) days' prior written notice must be given to us in the event of material alteration to or cancellation of the coverages evidenced by the Certificates.

13.5. **Our Right to Procure.** If you fail to procure or maintain the insurance required by this Agreement, we will have the right and authority (but not the obligation) to procure or maintain the insurance and to charge same to you. The charges, together with a reasonable fee for our expenses in so acting, will be payable by you immediately upon notice. The foregoing remedies will be in addition to any other remedies we may have.

14. TRANSFER OF INTEREST

14.1. **Transfer by Us.** We have the absolute right to sell, transfer, or assign our business, in whole or in part, and whether by sale of assets or securities, or otherwise, this Agreement, the System or the Marks to any person or legal entity, and such sale, transfer or assignment will constitute a novation of this Agreement and any designated assignee of ours will become solely responsible for all of our obligations under this Agreement from the date of transfer.

14.2. **Transfer by You.** You understand and acknowledge that the rights and duties set forth in this Agreement are personal to you, and that we have entered into this Agreement in reliance on your (or, if you are a corporation or partnership, your principals') business skill, financial capacity, and personal character. Accordingly, neither you nor any immediate or remote successor to any part of your interest in this Agreement, nor any individual, partnership, corporation, or other legal entity which directly or indirectly owns any interest in you may sell, assign, transfer, convey, pledge, encumber, merge, or give away (collectively, "**transfer**"), directly, through any judicially mandated division or distribution of assets or otherwise, any direct or indirect interest which individually or in the aggregate, when combined with any other transfer, has the effect of transferring five percent (5%) or more of the outstanding interest in this Agreement, in you, in the Franchised Business, or in all or substantially all of the assets of the Franchised Business or you without our prior written consent. Our prior written consent to a proposed transfer will not be unreasonably withheld for any transfer. Any purported assignment or transfer not having our written consent will be null and void and will constitute a material breach of this Agreement, for which we may immediately terminate without opportunity to cure pursuant to Section 15.2.5 of this Agreement.

14.3. **Notification and Approval.** You must notify us in writing of any proposed transfer of any direct or indirect interest which individually or in the aggregate, when combined with any other transfer, has the effect of transferring five percent (5%) or more of the outstanding interest in this Agreement, in you, in the Franchised Business, or in all or substantially all of the assets of the Franchised Business at least thirty (30) days before such transfer is proposed to take place. If any transfer which requires our consent, alone or together with other previous, simultaneous, or proposed transfers, would have the effect of changing control of you (if you are not an individual), this Agreement, or all or substantially all of the assets of the Franchised Business, we may, in our sole discretion, require any or all of the following as conditions of its approval:

14.3.1. That all of your accrued monetary obligations and all other outstanding obligations to us and our affiliates have been satisfied;

14.3.2. That you are not in default of any provision of this Agreement, any amendment of or successor to this Agreement, or any other material agreement between you and

us or our affiliates or with, among others, your landlord, mortgagee, bank, other lenders, or suppliers, etc.;

14.3.3. That the transferor sign a general release, in a form satisfactory to us, of any and all claims against us and our affiliates, and their respective officers, directors, shareholders, member, agents, and employees;

14.3.4. That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) enter into a written assignment, in a form satisfactory to us, assuming and agreeing to discharge all of your obligations under this Agreement; and, if the obligations of Franchisee were guaranteed by the transferor, that the transferee guarantee the performance of all such obligations in writing in a form satisfactory to us; or we may at our option require transferee to sign the then-current form of franchise agreement;

14.3.5. That the transferee (and, if the transferee is other than an individual, such owners of a beneficial interest in the transferee as we may request) demonstrate to our satisfaction that it meets our educational, managerial, and business standards; possesses good moral character, business reputation, and credit rating; has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related business experience or otherwise), and has adequate financial resources and capital inclusive of its obligations to you to operate the Franchised Business in a fiscally responsible manner;

14.3.6. That the transferee, at its expense, update the equipment, signs, and any materials used in the Franchise Business to reflect the then-current standards and image of the System;

14.3.7. That you remain liable for all of the obligations to us in connection with the Franchised Business which arose prior to the effective date of the transfer and sign any and all instruments reasonably requested by us to evidence such liability;

14.3.8. That the transferee, at the transferee's expense, successfully complete any training programs then in effect upon such terms and conditions as we may reasonably require at transferee's expense; and

14.3.9. That you pay a transfer fee of \$12,500. However, in the case of a transfer to an entity controlled by you, to a member of your immediate family, to an individual employed by you in connection with the Franchised Business for at least 12 consecutive months prior to such transfer, or to another franchisee that has operated a Franchised Business for at least two (2) years, the transfer fee paid to us shall only be \$2,500.

14.4. **No Security Interest.** You must not grant a security interest in the Franchised Business or in any of the assets of the Franchised Business unless the secured party agrees that in the event of any default by you under any documents related to the security interest, we will have the right and option (but not the obligation) to be substituted as obligor to the secured party and to cure any of your defaults, and if we exercise such option, any acceleration of indebtedness due to your default will be void. You agree to fully indemnify us from any and all costs or damages including attorneys' fees and costs incurred by us in curing any of your defaults. You and any such secured party must comply with applicable terms of this Section 14.

14.4.1. You must not agree to grant any security interest or other lien or encumbrance in the System, the Marks or any other confidential or proprietary property or information of ours and any attempt to grant such an interest will constitute a breach of this Agreement and will be deemed to be void and of no force and effect. You agree to fully indemnify us for any costs or damages including attorneys' fees, other professional or expert fees, and costs, incurred by us in bringing any action to invalidate or attempt to invalidate any security interest or other lien or encumbrance purported to have been granted by you relating to any confidential or proprietary information or property of ours.

14.5. **Death or Incapacity.** Upon the death or mental incapacity of any person with an interest in this Agreement, in you (if you are not an individual), in the Franchised Business, or in all or substantially all of the assets of the Franchised Business:

14.5.1. The executor, administrator, or personal representative of such person must transfer such interest to a third party approved by us within six (6) months after such death or mental incapacity. Such transfers, including transfers by devise or inheritance, will be subject to the conditions in Section 14.3. In the case of transfer by devise or inheritance, if the heirs or beneficiaries of any such person are unable to meet the conditions in this Section 14.3, the executor, administrator, or personal representative of the decedent must transfer the decedent's interest to another party approved by us within a reasonable time, which disposition will be subject to all the terms and conditions for transfers contained in this Agreement. If the interest is not disposed of within a reasonable time, we may terminate this Agreement, pursuant to Section 15.2.6 hereof. Any transfer subject to this section which is made in accordance with a succession plan approved in advance by us will be deemed approved for the purposes of this Section 14.5.1. We will not unreasonably withhold any approvals required by this Section 14.5;

14.5.2. We will have the right to take such steps as are necessary to manage the Franchised Business for your account until such time as a transfer can be completed pursuant to Section 14.5.1. You further grant us the right to receive a fee of \$500 per day for such services and reimbursement for its expenses in connection with such services.

15. TERMINATION

15.1. **Termination without Notice.** You will be deemed to be in default under this Agreement, and all rights granted to you will automatically terminate without notice to you, if you become insolvent (either by virtue of having an excess of liabilities over assets or the inability to meet your obligations as they become due in the ordinary course of business).

15.2. **Termination with Notice and No Opportunity to Cure.** Upon the occurrence of any of the following events of default, we may, at our option, terminate this Agreement and all rights granted hereunder, without affording you any opportunity to cure the default, effective immediately upon your receipt of notice:

15.2.1. If you fail to successfully complete the required initial training program(s) to our satisfaction or begin operation of the Franchised Business within 6 months of the Execution Date;

15.2.2. If you cease to operate or otherwise abandon the Franchised Business, relocate without our approval, or otherwise forfeit the right to do or transact business in the jurisdiction where the Franchised Business is located;

15.2.3. If you are convicted of a felony or a misdemeanor carrying a jail term (but not an infraction), a crime involving moral turpitude, or any other crime or offense that we believe is reasonably likely to have an adverse effect on the System, the Marks, the goodwill associated therewith, or our interest therein;

15.2.4. If a threat or danger to public health or safety or to the health or safety of any animal under your supervision or care results from your operation of the Franchised Business;

15.2.5. If any purported assignment or transfer of any direct or indirect interest in this Agreement, in you (if you are not an individual), or in all or substantially all of the assets of the Franchised Business is made to any third party without our prior written consent, contrary to the terms of Section 14;

15.2.6. If an approved transfer is not effected within the time provided following death or mental incapacity;

15.2.7. If you fail to comply with the covenants in Section 17.2 or fail to obtain execution of the covenants required under Sections 8.2, 9.2 or 17.6;

15.2.8. If, contrary to the terms of Sections 8 or 9, you disclose or divulge the contents of the Manual or other Confidential Information provided to you;

15.2.9. If you misuse or make any unauthorized use of the Marks or any other identifying characteristics of the System, fail to adhere to our guidelines regarding use and display of your name and the Marks, or otherwise materially impair the goodwill associated therewith or our rights therein;

15.2.10. If you refuse to permit us to inspect the Franchised Business or your books, records, or accounts upon demand;

15.2.11. If you become insolvent, meaning unable to pay your bills in the ordinary course as they become due;

15.2.12. If you, upon receiving a notice of default fail to initiate immediately a remedy to cure such default; or

15.2.13. If you commit three or more breaches of this Agreement in any twelve (12) month period, whether or not any such default is cured after notice.

15.3. **Termination with Notice and Opportunity to Cure.** Except as otherwise provided in Sections 15.1 and 15.2 of this Agreement, you will have thirty (30) days after your receipt from us of a written notice of default within which to remedy any default under this Agreement and to provide evidence thereof to us, or there is a 90-day cure period for failure to meet Minimum Requirements. You may avoid termination by immediately initiating a remedy to

cure such default and curing it to our satisfaction within the thirty-day period, and by promptly providing proof thereof to us. If any such default is not cured within the specified time, or such longer period as applicable law may require, this Agreement will terminate without further notice to you, effective immediately upon the expiration of the thirty-day period or such longer period as applicable law may require. You will be in default pursuant to this Section 15.3 for failure substantially to comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be supplemented by the Manual, or failure to carry out the terms of this Agreement in good faith.

16. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted hereunder to you will terminate immediately, and:

16.1. You must immediately cease to, and must not thereafter, directly or indirectly, represent to the public or hold yourself out as a present or former franchisee of ours.

16.2. You must immediately and permanently stop using, in any manner whatsoever, any confidential methods, procedures, and techniques associated with the System; the Proprietary Programs; the Mark “THE DOG WIZARD” and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, you must stop using all telephone numbers, signs, advertising materials, websites or web pages, displays, stationery, forms, products, and any other articles which display the Marks.

16.3. You must take such action as may be necessary to cancel any assumed name registration or equivalent registration obtained by you which contains the mark “THE DOG WIZARD” or any other Marks, and you must furnish us with evidence satisfactory to us of compliance with this obligation within five (5) days after termination or expiration of this Agreement.

16.4. You agree, if you continue to operate or subsequently begin to operate any other business, not to use any reproduction, counterfeit, copy, or colorable imitation of the Marks, either in connection with such other business or the promotion thereof, which, in our sole discretion, is likely to cause confusion, mistake, or deception, or which, in our sole opinion, is likely to dilute our rights in and to the Marks. You further agree not to utilize any designation of origin or description or representation which, in our sole opinion, falsely suggests or represents an association or connection with us.

16.5. You must promptly pay all sums owing to us and our affiliates, including any Early Termination Fee required by Section 4.4. In the event of termination for any default by you, such sums will include all damages, costs, and expenses, including reasonable attorneys’ fees, incurred by us as a result of the default.

16.6. You must immediately deliver to us the Manual, customer database and all other records, correspondence, and instructions containing confidential information relating to the operation of the Franchised Business, all of which are acknowledged to be our property, and may retain no copy or record of any of the foregoing, with the exception of your copy of this Agreement,

any correspondence between the parties, and any of the documents which you reasonably need for compliance with any provision of law.

17. COVENANTS

17.1. **Best Efforts.** You covenant that, during the term of this Agreement, except as otherwise approved in writing by us, you must devote your full time and best efforts to the management and operation of the Franchised Business.

17.2. **Non-Compete And No Solicitation.**

17.2.1. **Non-Compete In-Term.** You will not, during the Term of this Agreement, in the United States or its territories, directly or indirectly, offer or engage in dog training services except in the provision of such services through the Franchised Business.

17.2.2. **Non-Compete Post-Term.** You will not, for a period of two years after the termination (for any reason), assignment by you, or expiration of this Agreement, in the Territory or within thirty (30) miles of the boundaries of the Territory or any another territory franchised by us and in operation at that time, directly or indirectly, for a fee or charge, offer or engage in dog training services.

17.2.3. **No Solicitation of Customers.** You will not, for a period of two years after the termination (for any reason), assignment by you, or expiration of this Agreement, in the Territory or within thirty (30) miles of the boundaries of the Territory, directly or indirectly solicit the patronage of any client served by your prior Franchised Business during the last 24 months that you were a franchisee, or such shorter time as you were a franchisee, for the purpose of offering such person or entity, for a fee or charge, dog training services.

17.3. **Waiver of Bond.** You agree that if we bring suit to enforce Sections 17.2 above, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

17.4. **Severability.** If any covenant or provision of Section 17 is determined to be void or unenforceable, in whole or in part, it shall be deemed severed and removed from this Agreement and shall not affect or impair the validity of any other covenant or provision. Further, these obligations are considered independent of any other provision in this Agreement and the existence of any claim or cause of action by either party to this Agreement against the other, whether based upon this agreement or otherwise, shall not constitute a defense to the enforcement of these obligations.

17.5. **Your Claims No Defense.** You agree that the existence of any claims you may have against us, whether or not arising from this Agreement, will not constitute a defense to our enforcement of the covenants in this Section 17.

17.6. **Execution of Individual Covenants.** You must obtain and furnish to us signed covenants similar in substance to those set forth in Section 17.2 of this Agreement from the following persons: (a) all of your officers, directors, and holders of a beneficial interest of five percent (5%) or more of the securities of you, and of any corporation directly or indirectly

controlling, controlled by, or under common control with you, if you are a corporation; (b) the general partners and any limited partners (including any corporation, and the officers, directors, and holders of a beneficial interest of one percent (1%) or more of the securities of any corporation which controls, directly or indirectly, any general or limited partner), if you are a partnership; and (c) all members and managers of you if you are a limited liability company.

17.7. **Equitable Relief.** You acknowledge that any failure to comply with the requirements of this Section will cause us irreparable injury, for which no adequate remedy at law may be available. You also acknowledge that our ability to obtain equitable relief on a System-wide basis for breaches by franchisees of non-disclosure and non-competition covenants benefits you by enabling us to defend and protect the distinctiveness of the System. Accordingly, you consent to the issuance of an order of specific performance, temporary restraining order, or preliminary or permanent injunction against violation by you of the covenants.

17.8. **Freedom to Contract.** You represent and warrant that neither you nor any of your principals are, at the time of signing this Agreement, subject to any non-compete, non-disclosure, non-circumvent, non-solicitation, confidentiality or other agreement which would restrict or limit your or such principal's ability to participate in the ownership or operation of the Franchised Business. You further represent and warrant that neither you nor any of your principals will be in breach of any such non-compete, non-disclosure, non-circumvent, non-solicitation, confidentiality or other agreement as a result of entering into this Agreement or participating in the ownership or operation of the Franchised Business.

18. TAXES, PERMITS, AND INDEBTEDNESS

18.1. **Payment of Taxes.** You must promptly pay when due all taxes levied or assessed, including unemployment and sales taxes, and all accounts and other indebtedness of every kind incurred by you in the operation of the Franchised Business.

18.2. **Compliance with Laws.** You are solely responsible for complying with all federal, state, and local laws, rules, and regulations, and must timely obtain any and all permits, certificates, or licenses necessary for the full and proper conduct of the Franchised Business, including licenses to do business, fictitious name registrations, sales tax permits and all requisite trade, business, occupational or professional licenses.

18.3. **Notification of Suits.** You must immediately notify us in writing 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.

19. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

19.1. **Independent Contractor.** It is understood and agreed by the parties that this Agreement does not create a fiduciary relationship between them, that you must be an independent contractor, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employer, employee, or servant of the other for any purpose whatsoever.

19.2. **Communication of Status to Consumers.** During the term of this Agreement, you must hold yourself out to the public as an independent contractor operating the Franchised Business pursuant to a franchise agreement from us. You agree to take such action as may be necessary to do so, including exhibiting a notice of that fact, the content and location of which we reserves the right to specify. Such notice must specify that we are not the owner of the Franchised Business.

19.3. **Losses and Expenses.** As used in this Section 19, the phrase “losses and expenses” will include, without limitation, all losses, compensatory, exemplary or punitive damages, fines, charges, costs, lost profits, attorneys’ fees, accountants’ fees, expert witness fees, expenses, settlement amounts, judgments, compensation for damages to our reputation and goodwill, costs of or resulting from delays, financing, costs of advertising material and media time/space, and costs of changing, substituting or replacing the same, and any and all expenses of refunds, compensation and other such amounts incurred in connection with the matters described in this section.

19.4. **Indemnification.** You must, at all times, indemnify and hold harmless to the fullest extent permitted by law us, our corporate affiliates, successors and assigns and the respective directors, officers, employees, agents and representatives of each (collectively, the “Indemnitees”) from all losses and expenses incurred in connection with any action, suit, proceeding, claim, demand, investigation or inquiry (formal or informal), or any settlement thereof (whether or not a formal proceeding or action has been instituted) which arises out of or is based upon any of the following:

19.4.1. Your (or your principals’) violation, breach, liability or asserted violation of breach of or liability under any contract, federal, state or local law, regulation, rule, order, standard or directive;

19.4.2. Libel, slander or any other form of defamation by you;

19.4.3. Your violation or breach of any warranty, representation, or other term or provision of this Agreement; and

19.4.4. Acts, errors or omissions of yours or any of your agents, servants, employees, contractors, partners, affiliates or representatives.

19.5. **Notification of Claims.** You must promptly notify us of any action, suit, proceeding, claim, demand, inquiry or investigation as described in Section 19.4. If any Indemnitees are or may be named as a party in any such action, we may elect to undertake the defense and/or settlement thereof. No such undertaking by us will diminish your obligation to indemnify the Indemnitees and to hold each of them harmless.

19.6. **Resolution of Claims.** With respect to any action, suit, proceeding, claim, demand, inquiry or investigation, we may, at any time and without notice, in order to protect persons or property or our reputation or goodwill or others, order, consent or agree to any settlement or take any remedial or corrective action as we deem expedient, if, in our sole judgment, there are reasonable grounds to believe that:

19.6.1. Any of the acts or circumstances enumerated in Section 19.4 have occurred;
or

19.6.2. Any act, error, or omission of yours may result directly or indirectly in damage, injury or harm to any person or any property.

19.7. **Payment.** All losses and expenses incurred under this Section 19 will be chargeable to and paid by you pursuant to your obligations of indemnity hereunder, regardless of any actions, activity or defense undertaken by us or the subsequent success or failure of such actions, activity or defense.

20. APPROVALS AND WAIVERS

20.1. **Approvals.** Whenever this Agreement requires our prior approval or consent, you must make a timely written request to us therefor. Such approval or consent must be obtained in a writing signed by an authorized officer of ours.

20.2. **No Warranties.** We make no warranties or guarantees upon which you may rely, and assume no liability or obligation to you, by providing any waiver, approval, consent, or suggestion to you in connection with this Agreement, or by reason of any neglect, delay, or denial of any request therefor. Nothing in this Section 20.2 will be deemed to disclaim, or to waive your reliance on, any statements made in the disclosure document required or authorized by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising."

20.3. **No Waiver.** No failure of ours to exercise any power reserved to us by this Agreement, or to insist upon strict compliance by you with respect to any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, will constitute a waiver of our right to demand exact compliance with any of the terms hereof.

21. NOTICES

Any and all notices required or permitted under this Agreement must be in writing and must be personally delivered, sent by registered or certified mail, or sent by overnight courier (such as UPS, FedEx or other similar service) which affords the sender evidence of delivery or attempted delivery, to the respective parties at the following addresses, unless and until a different address has been designated by written notice to the other party:

Notices to us:

ITK9 Franchise, LLC
5690 Wolff Road
Medina, OH 44256
Attn: Grant Reeves

Notices to you: at the address indicated below your signature on the Declarations Page or such other more current address as we may have for you, or by e-mail.

Any notice by a means which affords the sender evidence of delivery or attempted delivery will be deemed to have been given and received at the date and time of receipt or attempted delivery.

22. ENTIRE AGREEMENT

This Agreement, the Declarations Page, the attachments, and the documents referred to herein constitute the entire Agreement between us and you concerning the subject matter hereof, and supersedes any prior agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. Except for those permitted to be made unilaterally by us hereunder, no amendment, change, or variance from this Agreement will be binding on either party unless mutually agreed to by the parties and signed by their authorized officers or agents in writing.

23. SEVERABILITY AND CONSTRUCTION

23.1. **Severability.** If any section, part, term, provision, and/or covenant herein is determined to be invalid and contrary to, or in conflict with, any existing or future law or regulation, by a court, that determination will not impair the operation of, or have any other effect upon, any other portions, sections, parts, terms, provisions, and/or covenants of this Agreement as may remain otherwise intelligible; and the latter will continue to be given full force and effect and bind the parties hereto; and the invalid portions, sections, parts, terms, provisions, and/or covenants will be deemed not to be a part of this Agreement.

23.2. **Survival.** Any provision or covenant of this Agreement which expressly or by its nature imposes obligations beyond the expiration or termination of this Agreement (whether termination is by us or you, and regardless of cause) will survive expiration or termination, including, but not limited to, Sections 8, 9, 17, and 24.

23.3. **No Third Party Beneficiary.** Except as provided to the contrary herein, nothing in this Agreement is intended, nor will be deemed, to confer upon any person or legal entity other than you, us, our officers, directors, shareholders, agents and employees, and such of our successors and assigns as may be contemplated by Section 14 hereof, any rights or remedies under or by reason of this Agreement.

23.4. **Reduction of Covenants.** You agree 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 a court may hold to be unreasonable and unenforceable in an unappealed final decision to which we are a party, or from reducing the scope of any promise or covenant to the extent required to comply with such a court order.

23.5. **Counterparts.** This Agreement may be signed in any number of counterparts, each of which when so signed and delivered will be deemed an original, but such counterparts together will constitute one and the same instrument.

24. APPLICABLE LAW; DISPUTE RESOLUTION

24.1. **Applicable Law.** This Agreement is effective upon its acceptance in Ohio by our authorized officer. Except as to claims governed by federal law, Ohio law governs all claims that in any way relate to or arise out of this Agreement or any of the dealings of the parties (“Claims”). However, no laws regulating the sale of franchises, business opportunities, or governing the relationship between franchisor and franchisee shall apply unless the jurisdictional requirements of such laws are met independently of this paragraph.

24.2. **Jurisdiction and Venue.** You and we agree that venue and jurisdiction for any Claims, except those required to be submitted to arbitration, shall be proper solely in the state and federal court nearest to our corporate headquarters, presently located in Medina, Ohio.

24.3. **Jury Waiver.** In any trial between any of the parties as to any Claims, you and we agree to waive our rights to a jury trial and instead have such action tried by a judge.

24.4. **Class Action Waiver.** You agree to bring any Claims, if at all, individually and you shall not join such claim with claims of any other persons or entity or bring, join or participate in a class action against us.

24.5. **Punitive Damages Waiver.** As to any Claims, you and we agree to waive our rights, if any, to seek or recover punitive damages.

24.6. **Limitation of Actions.** You agree to bring any Claims against us, if at all, within one (1) year of the occurrence of the facts giving rise to such Claims, and that any action not brought within this period shall be barred as a claim, counterclaim, defense, or set-off.

24.7. **Prior Notice of Claims.** As a condition precedent to commencing an action for a Claim, you must notify us within thirty (30) days after the occurrence of the violation or breach, and failure to timely give such notice shall preclude any claim for damages.

24.8. **Internal Dispute Resolution.** You must first bring any Claim to our CEO, after providing notice as set forth in Section 24.7 above. You must exhaust this internal dispute resolution procedure before you may bring your Claim before a third party.

24.9. **Mediation and Arbitration.** Before you may bring any Claim against us in court, you agree to try for a period of 60 days to mediate such claim before a mutually agreed to mediator in the city or county where our headquarters are located. If we cannot mutually agree on a mediator, you and we agree to use the mediation services of the American Arbitration Association (“AAA”) and split any AAA and mediator fees equally.

If mediation is unsuccessful and you decide to pursue a legal claim against us, you agree to bring such claim solely in binding arbitration conducted in the city or county where our headquarters is located, in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect. A single arbitrator will hold the proceedings. The decision of the arbitrator will be final and

binding upon the parties. Judgment upon the award rendered by the arbitrator may be entered in any court having personal and subject matter jurisdiction.

24.10 **Arbitration Exclusions.** If we choose, we may bring any claims in the state and federal courts located nearest to our headquarters or in such other location where jurisdiction and venue may be proper.

24.11 **Waiver of bond.** You agree that if we are forced to sue to enforce any provision of this Agreement, you agree to waive any requirement that we post bond to obtain a temporary, preliminary, or permanent injunction to enforce these duties.

24.12 **Third Party Beneficiaries.** Our officers, directors, members, shareholders, agents, and employees are express third party beneficiaries of the terms of the Applicable Law; Dispute Resolution provisions contained herein.

24.13 **Costs and Attorney Fees.** If we are the substantially prevailing party as to any Claims, you agree to reimburse us for all costs and expenses, including reasonable attorney fees incurred in prosecuting or defending such litigation.

25. ACKNOWLEDGEMENTS

25.1. You acknowledge that you have conducted an independent investigation of the business franchised hereunder, and recognize that the business venture contemplated by this Agreement involves business risks and that its success will be largely dependent upon your ability (or, if you are a corporation, partnership or limited liability company, the ability of your principals) as an independent businessperson. We expressly disclaim the making of, and you acknowledge that you have not received from us, any indication, promise, warranty or guarantee, express or implied, as to the potential volume, profits, or success of the business venture contemplated by this Agreement.

25.2. You acknowledge that you received a complete copy of this Agreement, the attachments hereto, and agreements relating thereto, at least seven (7) days prior to the date on which this Agreement was signed. You further acknowledge that you received a disclosure document required or authorized by the Trade Regulation Rule of the Federal Trade Commission entitled "Disclosure Requirements and Prohibitions Concerning Franchising" at least fourteen (14) days prior to the date on which this Agreement was signed or as otherwise required by applicable state law.

25.3. You acknowledge that you have read and understood this Agreement, the attachments hereto, and agreements relating thereto, as well as the aforesaid disclosure document and that we have afforded you ample time and opportunity to consult with advisors of your own choosing about the potential benefits and risks of entering into this Agreement and that, in fact, you have so consulted with professional advisors about such subject matter.

25.4. You acknowledge and agree that we may delegate any right or obligation of ours under this Agreement to such third party as we may designate. You further acknowledge that: (i) the terms "**Franchisor**," "**we**" or "**us**" as used in this Agreement will refer only to ITK9 Franchise,

LLC and not our parent or affiliates, if any; (ii) we are not authorized to contract for or on behalf of its parent or any of its affiliates, if any; and (iii) this Agreement will not be deemed to bind or otherwise restrict our parent or any of its affiliates, if any.

26. RELEASE OF PRIOR CLAIMS

By executing this Agreement, the undersigned entity, if any, and individuals, on behalf of yourselves and your heirs, legal representatives, successors and assigns, and each assignee of this Agreement, forever releases and discharges us, our past and present employees, agents, members, officers, and directors, including any of our parent, subsidiary and affiliated entities, their respective past and present employees, agents, members, officers, and directors, from any and all claims relating to or arising out of any franchise agreement between the parties executed prior to the date of this Agreement, and all other claims relating to any dealings between any of the parties. However, this release does not apply to any claim you may have arising from representations in our Franchise Disclosure Document, or its exhibits or amendments.

SCHEDULE 1
TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT

OWNERSHIP OF FRANCHISEE

Name and Address	Type of Interest (i.e., limited partner, general partner, member, or shareholder)	Percentage of Total Ownership Interest

**SCHEDULE 2
TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT**

TERRITORY

The Territory consists of the following Postal ZIP Codes located in the State of _____:

SCHEDULE 3
TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT

GUARANTEE, INDEMNIFICATION, AND ACKNOWLEDGMENT

As an inducement to ITK9 Franchise, LLC (“**Franchisor**”) to sign the Franchise Agreement between Franchisor and _____, a _____ (“**Franchisee**”) dated _____, 20__ (the “**Agreement**”), the undersigned, jointly and severally, hereby unconditionally guarantee to Franchisor and its successors and assigns that all of Franchisee’s obligations under the Agreement and any extensions, renewals, amendments, and modifications thereof, will be punctually paid and performed.

Upon demand by Franchisor, the undersigned will immediately make each payment and perform each obligation required of Franchisee under the Agreement, including but not limited to Sections 4 (Fees), 6 (Your Duties), 9 (Confidential Information), 16 (Obligations Upon Termination or Expiration), 17 (Covenants), 18 (Taxes, Permits, and Indebtedness), 19 (Indemnification), and 24 (Applicable Law and Dispute Resolution). The undersigned hereby waive any right to require Franchisor to: (a) proceed against Franchisee for any payment required under the Agreement; (b) proceed against or exhaust any security from Franchisee; or (c) pursue or exhaust any remedy, including any legal or equitable relief, against Franchisee. All choices relating to the enforcement of the Agreement will be made in the Franchisor’s unfettered discretion. Without affecting the obligations of the undersigned under this Guarantee, Franchisor may, without notice to the undersigned, extend, modify, or release any indebtedness or obligation of Franchisee, or settle, adjust, or compromise any claims against Franchisee. The undersigned waive notice of amendment of the Agreement and notice of demand for payment by Franchisee, and agree to be bound by any such amendments and changes to the Agreement.

The undersigned hereby agree to defend, indemnify, and hold Franchisor harmless against any and all losses, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys’ fees, accountants’ fees, fees for other required professional, expert or specialized services, reasonable costs of investigation, court costs, and arbitration fees and expenses) resulting from, consisting of, or arising out of or in connection with any failure by Franchisee to pay or perform any obligation of Franchisee under the Agreement, any amendment thereto, or any other agreement signed by Franchisee referred to therein, as well as enforcement of this Guarantee. The undersigned agrees to provide Franchisor with such financial statements and other information as Franchisor may request, all of which the undersigned represent and warrant will be true, correct, and complete.

This Guarantee, Indemnification, and Acknowledgment will terminate upon the termination or expiration of the Agreement, or any extensions, renewals, amendments, and modifications thereof, except that all obligations and liabilities of the undersigned which arose from events which occurred on or before the effective date of such termination will remain in full force and effect until satisfied or discharged by the undersigned, and all covenants which by their terms continue in force after the expiration or termination of the Agreement will remain in force according to their terms. Upon the death of an individual guarantor, the estate of such guarantor

will be bound by this Guarantee, but only for defaults and obligations hereunder existing at the time of death; and the obligations of the other guarantors will continue in full force and effect.

This Guarantee, Indemnification, and Acknowledgment will be interpreted and construed under the laws of the State of Ohio, notwithstanding any Ohio choice of law rule to the contrary. If, however, any provision of this Agreement would not be enforceable under the laws of the State of Ohio, and if the Franchised Business is located outside of the State of Ohio and such provision would be enforceable under the laws of the state in which the Franchised Business is located, then such provision will be interpreted and construed under the laws of that state. Nothing in this Guarantee, Indemnification, and Acknowledgment is intended by the parties to subject this Agreement to any franchise, business opportunity, or similar statute, rule, or regulation of the State of Ohio to which it would not otherwise be subject.

All notices required or permitted under this Guarantee must be in writing and must be personally delivered, sent by certified mail, or sent by any other means (including, without limitation, overnight courier service such as UPS, FedEx or a similar service), which affords the sender evidence of delivery or attempted delivery to the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor: ITK9 Franchise, LLC
 5690 Wolff Road
 Medina, OH 44256
 Attn: Grant Reeves

Notices to Guarantor(s): _____

Any notice by a method which affords the sender evidence of delivery or attempted delivery will be deemed to have been given at the date and time of receipt or attempted delivery.

IN WITNESS WHEREOF, each of the undersigned has signed this Guarantee as of the date of the Agreement.

GUARANTORS

**SCHEDULE 4
TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT**

ACH Authorization Form

DEBIT/CREDIT AUTHORIZATION FORM

I (we) hereby authorize ITK9 Franchise, LLC, The Dog Wizard Academy, LLC, Dog Wizard Resource Center LLC and The Financial Institution to initiate debit(s)/credit(s) to my (our) checking/savings accounts at the financial institution listed below (THE FINANCIAL INSTITUTION), in accordance with the terms of my franchise agreement, and, if necessary, initiate adjustments for any transactions credited/debited in error.

This authority will remain in effect until I notify either ITK9 Franchise, LLC The Dog Wizard Academy, LLC, Dog Wizard Resource Center LLC or The Financial Institution in writing to cancel it in such time as to afford a reasonable opportunity to act on such instructions. I can stop payment of any entry by notifying The Financial Institution at least 3 days before my account is scheduled to be charged. I can have the amount of an erroneous charge immediately credited to my account for up to 15 days following issuance of my statement by the above-referenced financial institution or up to 60 days after deposit, whichever occurs first.

(Name of Financial Institution)

(Address of Financial Institution – Branch, City, State, & Zip)

(Signature)

(Date)

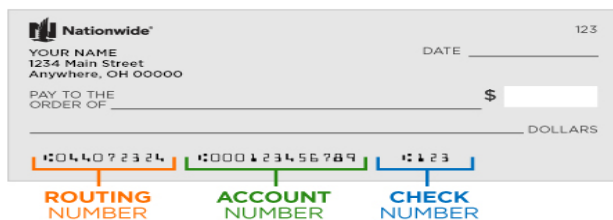
(Name – PLEASE PRINT)

(Address – PLEASE PRINT)

Financial Institution Routing Number: _____

Checking/Savings Account Number: _____

On your check:



ITK9 Franchise, LLC – 5690 Wolff Road, OH 44256
T. (877) 585-9727 F. (877) 585-9727

SCHEDULE 5
TO ITK9 FRANCHISE, LLC FRANCHISE AGREEMENT

CODE OF CONDUCT
(Rules, Standards, Procedures, and Code of Conduct)

Code of Conduct

All personnel representing the franchised business are subject to dismissal for any violation of the Code of Conduct outlined below. The Dog Wizard shall utilize a fair and equitable process in reviewing an alleged violation and shall discipline in a manner appropriate given the alleged violation. The determination and ruling that is the result of any of the below violations will be at the sole discretion of The Dog Wizard.

The Dog Wizard Code of Conduct policy includes but is not limited to the following:

1. I will not leave a dog in a car unattended without monitoring devices designated to keep the doors locked, with the temperature controlled and safe.
2. I will not leave a dog in a car unless it is climate-controlled, and a remote monitoring system is active.
3. I will have water available to every dog in a crate at all times.
4. When transporting a dog, I will keep them in a kennel
5. I will not withhold food from a dog
6. I will keep dogs in appropriately sized crates
7. I will only use brands of crates that have been approved by The Dog Wizard
8. I will only accept dogs in a healthy body condition for boarding and training
9. I will not take any inappropriate risk with any client's dog before the dog is deemed to be ready for off-leash.
10. I will not leave any client's dog unattended outside of a crate (including your house, fenced in yard, and car).
11. I will wear the designated Dog Wizard branded apparel during anytime I am conducting business on behalf of the Company.
12. I will only utilize Dog Wizard approved training tools.
13. I will not abuse, misuse, destruct, negligently use The Dog Wizard equipment, facilities, supplies or records
14. I will not have an inappropriate relationship with any attendee, employee, or client.
15. I will not park my logoed vehicle outside of any establishment that we determine could cause harm to our brand reputation.
16. Failure to report injury, accident, or unsafe conditions immediately to a supervisor or The Dog Wizard
17. I will not use words or take actions that create, or have the potential to create, an unsafe or hostile environment for other attendees, staff, or clients.

18. I will not take any offensive and/or aggressive acts (including those that could also constitute criminal acts such as assault or theft), discrimination, boundary violations, or working while under the influence of any substance that would damage The Dog Wizard reputation and the public's trust during work hours.
19. I will be forthcoming with all client updates and strive to meet all client expectations.
20. I will be on time for all classes and appointments and will not cancel unless it is an emergency.

The Dog Wizard reserves the right to amend this Code of Conduct at any time in the future.

Initials: Franchisee/Employee _____ ITK9 Franchise, LLC _____
Franchisee/Employee _____

**SCHEDULE 6
TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT**

STATE ADDENDA TO THE FRANCHISE AGREEMENT

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF CALIFORNIA**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Sections 15.1, 15.2, and 15.3 are deleted and in their place are substituted the following:

15.2 Termination by Us Without Right to Cure. We may terminate this Agreement without notice and the opportunity to cure for any of the following reasons:

(a) The franchisee or the business to which the franchise relates has been judicially determined to be insolvent, all or a substantial part of the assets thereof are assigned to or for the benefit of any creditor, or the franchisee admits his or her inability to pay his or her debts as they come due;

(b) The franchisee abandons the franchise by failing to operate the business for five consecutive days during which the franchisee is required to operate the business under the terms of the franchise, or any shorter period after which it is not unreasonable under the facts and circumstances for the franchisor to conclude that the franchisee does not intend to continue to operate the franchise, unless such failure to operate is due to fire, flood, earthquake, or other similar causes beyond the franchisee's control;

(c) The franchisor and franchisee agree in writing to terminate the franchise;

(d) The franchisee makes any material misrepresentations relating to the acquisition of the franchise business or the franchisee engages in conduct which reflects materially and unfavorably upon the operation and reputation of the franchise business or system;

(e) The franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state, or local law or regulation, including, but not limited to, all health, safety, building, and labor laws or regulations applicable to the operation of the franchise;

(f) The franchisee, after curing any failure in accordance with Section 14.3 engages in the same noncompliance whether or not such noncompliance is corrected after notice;

(g) The franchisee breaches the franchise agreement three or more times in a 12-month period, whether or not corrected after notice;

(h) The franchised business or business premises of the franchise are seized, taken over, or foreclosed by a government official in the exercise of his or her duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, provided that a final judgment against the franchisee remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed); or a levy of execution has been made upon the license granted by the franchise agreement or upon any property used in the franchised business, and it is not discharged within five days of such levy;

(i) The franchisee is convicted of a felony or any other criminal misconduct which is relevant to the operation of the franchise;

(j) The franchisee fails to pay any franchise fees or other amounts due to the franchisor or its affiliate within five days after receiving written notice that such fees are overdue; or

(k) The franchisor makes a reasonable determination that continued operation of the franchise by the franchisee will result in an imminent danger to public health or safety.

15.3 Termination by Us with Opportunity to Cure. We may terminate this Agreement, after sending you notice and a 60-day opportunity to cure, or there is a 90-day cure period for failure to meet Minimum Requirements for any other breach of this Agreement.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship, shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on 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.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF ILLINOIS**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Illinois law governs the Franchise 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 the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
3. 815 ILCS 705/41 provides as follows: “Sec. 41. Waivers void. Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void.”
4. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MARYLAND**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
2. The Franchise Agreement is modified to also provide as follows: "This 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."
3. A 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.
4. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.
5. The Franchise Agreement is amended to also provide: "Based upon our financial condition the Maryland Securities Commissioner requires that we defer the payment of all initial fees due to the franchisor and/or its affiliates by the franchisee until all pre-opening obligations of the franchisor are completed and the franchise is open for business. Accordingly, you will not be required to pay the initial fees until we have completed all our pre-opening obligations to you and you begin operating your business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens."
6. The Franchise Agreement, Section 25, is deleted in its entirety
7. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF MINNESOTA**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Stat. § 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- Section 4.4 of the Franchise Agreement is amended to state that "These provisions are not enforceable under Minnesota law."
- The Franchise Agreement is amended to limit any Non-Sufficient Fund fee to \$30 per occurrence pursuant to Minnesota Statute 60A.113.
- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any

other term of any document executed with the franchise, including but not limited to Section 20.2, Section 22 and Section 25 of the Franchise Agreement.

Any Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF RHODE ISLAND**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the franchise agreement contains any provisions that conflict with the Rhode Island Franchise Investment Act, the provisions of this Addendum shall prevail to the extent of such conflict.

2. Any provision in the franchise agreement restricting jurisdiction or venue to a forum outside of Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

3. Any provision in the franchise agreement requiring the application of the laws of a state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

4. The Rhode Island Franchise Investment Act stipulates that you cannot release or waive any rights granted under this Act. Any provision of this franchise agreement, which constitutes a waiver of rights granted under the Act, is superseded.

5. You agree to bring any claim against us, including our present and former employees and agents, which in any way relates to or arises out of this Agreement, or any of the dealings of the parties hereto, solely in arbitration before the American Arbitration Association.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF VIRGINIA**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. The Franchise Agreement is amended by the addition of the following language:

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.”

“No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.”

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Date: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT AND RELATED AGREEMENTS
FOR THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any

grounds permitted under state law.

8. **Certain Buy-Back Provisions**. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing**. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages**. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement**. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification**. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees**. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants**. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements**. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee

of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Section 19 of the Franchise Agreement entitled “Indemnification” is amended to include the following text: “Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party’s negligence, willful misconduct, strict liability, or fraud.”

20. **Initial Fee Deferral:** The Franchise Agreement is amended to also provide:

“Based upon our financial condition the Washington Securities Division requires that we defer the payment of all initial fees due to the franchisor and/or its affiliates by the franchisee until all pre-opening obligations of the franchisor are completed and the franchise is open for business. Accordingly, you will not be required to pay the initial fees until we have completed our pre-opening obligations to you and you are open for business. The Development Fee will be collected proportionally with respect to each Franchised Business that opens.”

The undersigned does hereby acknowledge receipt of this addendum.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____
Name: _____
Title: _____

Date: _____

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE AGREEMENT
FOR THE STATE OF WISCONSIN**

If any of the terms of the Franchise Agreement are inconsistent with the terms below, the terms below control.

1. If the Franchise Agreement contains any provision that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.
2. The Franchise Agreement is amended to also include the following language:

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

EXHIBIT B
RELEASE

THIS RELEASE is made and given by _____,
("Releasor") with reference to the following facts:

1. Releasor and ITK9 Franchise, LLC, ("Releasee") are parties to one or more franchise agreements.
2. The following consideration is given:

_____ the execution by Releasor of a successor Franchise Agreement or other renewal documents renewing the franchise (the "Franchise"); or

_____ Releasor's consent to Releasee's transfer of its rights and duties under the Franchise Agreement; or

_____ Releasor's consent to Releasee's assumption of rights and duties under the Franchise Agreement; or

_____ [insert description]

3. Release- Franchisee and all of Franchisee's guarantors, members, employees, agents, successors, assigns and affiliates fully and finally release and forever discharge Releasee, its past and present agents, employees, officers, directors, members, Franchisees, successors, assigns and affiliates (collectively "Released Parties") from any and all claims, actions, causes of action, contractual rights, demands, damages, costs, loss of services, expenses and compensation which Franchisee could assert against Released Parties or any of them up through and including the date of this Release.
4. THIS IS A SPECIFIC RELEASE GIVING UP ALL RIGHTS WITH RESPECT TO THE TRANSACTIONS OR OCCURRENCES THAT ARE BEING RELEASED UNDER THIS AGREEMENT.
5. California Releasor- You represent and warrant that YOU EXPRESSLY WAIVE ANY AND ALL RIGHTS AND BENEFITS UNDER CALIFORNIA CIVIL CODE §1542, 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.

6. The above Release shall not apply to any liabilities arising under the California Franchise Investment Law, the California Franchise Relations Act, Indiana Code § 23-2-2.5.1 through 23-2-2.7-7, the Maryland Franchise Registration and Disclosure Law, Michigan

Franchise Investment Law, Minnesota Franchise Act, North Dakota franchise laws, the Rhode Island Investment Act, and the Washington Franchise Investment Protection Act.

7. Releasor agrees to comply with all its applicable post-termination or post-transfer obligations (as the case may be) in the Franchise Agreement described above.

FRANCHISEE:

ITK9 FRANCHISE, LLC

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT C

LIST OF STATE ADMINISTRATORS

STATE	STATE ADMINISTRATOR
CALIFORNIA	Department of Financial Protection and Innovation 651 Bannon Street, Suite 300 Sacramento, CA 95811 (866) 275-2677
HAWAII	State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division 335 Merchant Street Room 205 Honolulu, HI 96813 (808) 586-2744
ILLINOIS	Office of the Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465
INDIANA	Indiana Securities Division Securities Commissioner Room E-111 302 West Washington Street Indianapolis, IN 46204 (317) 232-6681
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, MD 21202 (410) 576-7044
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, MN 55101 (651) 539-1600

STATE	STATE ADMINISTRATOR
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty St. 21 st Floor New York, NY 10005 212-416-8222
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 14 ^h Floor Bismarck, ND 58505-0510 (701) 328-2910
RHODE ISLAND	Department of Business Registration Securities Division 1511 Pontiac Avenue John O. Pastore Center Building 69-1 Cranston, RI 02920 (401) 277-3048
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, SD 57501 (605) 773-3563
VIRGINIA	State Corporation Commission Department of Securities and Retail Franchising 1300 E. Main Street Ninth Floor Richmond, VA 23219 (804) 371-9051
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760
WISCONSIN	Commissioner of Securities 201 West Washington Avenue Madison, WI 53703 (608) 266-1365

EXHIBIT D

AGENTS FOR SERVICE OF PROCESS

STATE	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Commissioner of Financial Protection and Innovation 2102 Arena Blvd. Sacramento, CA 95834
CONNECTICUT	The Banking Commissioner The Department of Banking Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299
HAWAII	Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street Room 205 Honolulu, HI 96813
ILLINOIS	Illinois Attorney General 500 South Second Street Springfield, IL 62706
INDIANA	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, IN 46204
MARYLAND	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202
MICHIGAN	Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building Lansing, MI 48913
MINNESOTA	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 500 St. Paul, MN 55101
NEW YORK	New York Secretary of State 99 Washington Avenue Albany, NY 12231-0001 (518) 373-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard Avenue State Capitol – 14 th Floor Bismarck, ND 58505-0510

STATE	AGENT FOR SERVICE OF PROCESS
RHODE ISLAND	Director of Department of Business Registration 1511 Pontiac Avenue John O. Pastore Center Building 69-1 Cranston, RI 02920
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 S. Euclid Suite 104 Pierre, SD 57501
VIRGINIA	Clerk of the State Corporation Commission 1300 E. Main Street First Floor Richmond, VA 23219
WASHINGTON	Department of Financial Institutions 150 Israel Rd. Tumwater, WA 95801
WISCONSIN	Wisconsin Commissioner of Securities 201 West Washington Avenue Madison, WI 53703

**EXHIBIT E-1
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT**

LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2024

*We note franchisees who own outlets pursuant to a Multi-Territory Developer Addendum with an asterisk above.

Operational Outlets:

Arizona

James Sherrin
Sunrise Saguaro Pet Services, LLC
Scottsdale, AZ
602-609-3808
scottsdale@thedogwizard.com

California

Tiffani N Phillips*
NYX Pet Trainer, LLC
d/b/a The Dog Wizard Coronado
Coronado, CA
619-419-0160
coronado@thedogwizard.com

Octavio Landa*
Sunny Dog Training, LLC d/b/a
San Diego, CA
619-737-0101
sandiego@thedogwizard.com

Amit Gupta & Akanksha Chaand
K9 Enchantment, LLC
Milpitas, CA
408- 889-5917
milpitas@thedogwizard.com

Hamed Kazemi
Modern Home Services, Inc.
Walnut Creek, CA
925-430-6117
walnutcreek@thedogwizard.com

Colorado

Janet Tully
JT, Inc.
d/b/a/ The Dog Wizard Castle Rock
Castle Rock, CO
303-418-4846
castlerock@thedogwizard.com

Romario Romain
R2K9, LLC
d/b/a The Dog Wizard Denver
Denver, CO
720-780-2030
denver@thedogwizard.com

Romario Romain / Joash Romain/ Tiffany
Romain
R-Gen Limited
Fort Collins, CO
970-295-4666
fortcollins@thedogwizard.com

Parker Mullen
Harlowe, LLC
Highlands Ranch, CO
720-710-2828
highlandsranch@thedogwizard.com

District of Columbia

Bryan Krinzman & Amanda Becker*
Master Dog Training, LLC
Georgetown/DC
bryan.krinzman@thedogwizard.com

Florida

Johana Rodriguez & Carlos Anibal Ore
Dog Training Aventura, Inc.
Aventura, FL
754-799-3929
aventura@thedogwizard.com

Mary L. Clegg and Karen Lownsberry*
Sirius Dog Ft. Meyers, LLC
Cape Coral, FL & Fort Myers, FL
239-799-7254
fortmyers@thedogwizard.com

Brian J Clegg and Mary L. Clegg *
Florida Sirius Dogs, LLC
Clearwater, FL; North Tampa, FL; Sarasota,
FL; St. Petersburg, FL; Tampa, FL
813-464-2168
tampa@thedogwizard.com

Thiago and Luiz Bersou
Miami Mutts LLC.
Coral Gables, FL
(786) 228.9345
coralgables@thedogwizard.com

Paul Arthurs
Connection K9 Training, LLC
d/b/a Orlando Dog Wizard
Orlando, FL
407-217-1410
orlando@thedogwizard.com

Andrew Kohler
The Andrew Kohler Group, Inc.
Riverview, FL
813-579-5870
riverview@thedogwizard.com

Mike DeVito
Modest Methods, Inc.
St. Johns, FL
904-490-8799
stjohns@thedogwizard.com

Georgia

Brian Niehoff, John Hayes, & Lauren
Hayes*
Finn & Crew, LLC
d/b/a The Dog Wizard Atlanta
Atlanta, GA, Brookhaven, GA, Decatur,
GA, East Cobb, GA, Gwinnett, GA
Marietta, GA, Smyrna, GA, South Atlanta,
GA, Roswell, GA, Stone Mountain, GA &
404-234-2205
atlanta@thedogwizard.com

Phil Holloway and Amy Holloway
Holloway Dog Training, LLC
Powder Springs, GA
770-870-1794
cobbcounty@thedogwizard.com

Illinois

John Gregory Schraff
Austin Blue Dogs, LLC
Highland Park, IL
847-585-3343
northshore@thedogwizard.com

Rebecca K. Treptow
Good & Lucky Inc.
Montrose Beach, IL
(773) 355-4433
montrosebeach@thedogwizard.com

Selin Islamoglu & Thomas Wall
Hello Toby Co.
St. Charles, IL
(815) 846-3035
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Indiana

Romario Romain
R2K9, LLC
d/b/a The Dog Wizard Indianapolis

Indianapolis, IN
314-794-2300
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Kentucky

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Companion Animal Resources, LLC
Ashland, KY; Frankfort, KY
606-775-0550
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Renee Patricia Hayes
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louisville@thedogwizard.com

Massachusetts

Jennifer Rossi
781-730-2993
Pink Calvin Strategies, LLC
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Michigan

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Grand Rapids, MI

616- 888-6225
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Minnesota

Glenn and Karen Lownsbery*
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Mississippi

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d/b/a The Dog Wizard Madison
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Missouri

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Good Wolf, LLC
d/b/a The Dog Wizard Clayton
Clayton, MO
(314) 624-1290
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Scott B. Templeton, Gale Templeton and
Chris Hrivnak
Companion Animal Resources (CARE) and
Chris Hrivnak d/b/a St Louis Dog Wizard
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Nevada

Marissa Abram and Grant Reeves*
Sin to Zen, LLC
d/b/a The Dog Wizard
Henderson, NV; Las Vegas, NV
702-529-1991

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New Jersey

Jack and Hope Turner*
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Princeton Paws Academy, Inc.
Princeton, NJ
609-229-1022
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North Carolina

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Charlotte, NC
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Zacch Petersen
Letter 26 K9 Training LLC
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NC
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Ohio

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Wiggle Butt Beach Corporation
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d/b/a Cincinnati Dog wizard
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513-274-0204

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Oklahoma

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Companion Animal Training Services LLC
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Pennsylvania

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South Carolina

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Tennessee

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Dog Wizard Nashville, LLC
Antioch, TN, Brentwood, TN, Franklin, TN,
Fredonia, TN, Hendersonville, TN, Mt.
Juliet, TN & Murfreesboro, TN; Nashville,
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Chattanooga, TN

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d/b/a Dog Wizard Tri Cities
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Stephen Trent Steele*
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laketravis@thedogwizard.com

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Julienne Colon & Stephen Colon
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d/b/a The Dog Wizard Rockwall
Rockwall, TX
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Pawserenity Corp/Pawwise Training LLC
dba The Dog Wizard Roundrock
Round Rock, TX
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Collin McCaskill and Madeline McCaskill
McCaskill Canine Holdings
Southlake, TX
817-231-0795
southlake@thedogwizard.com

Virginia

Bryan Krinzman & Amanda Becker*
Master Dog Training, LLC
Arlington, VA; Reston, VA; Tysons, VA
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Stephen Bittner
Allfourpaws Corporation.

Brandermill, VA
804-420-8470
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Bryan Krinzman & Amanda Becker*
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All Boats Rising, Inc.
Glen Allen, VA
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FRANCHISE AGREEMENT SIGNED BUT OUTLET NOT YET OPEN

California

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Illinois

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Maryland

Joanne Correia & Jennifer Cormeny
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College Park
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Texas

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Utah

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Virginia

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Allfourpaws Corporation.
Richmond, VA
804-420-8470
richmond@thedogwizard.com

EXHIBIT E-2
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT

LIST OF FORMER FRANCHISEES

The following is a list of The Dog Wizard franchisees who have been terminated, cancelled or otherwise ceased to do business under the Franchise Agreement during our last fiscal year or who have not communicated with us within 10 weeks of the date of this Franchise Disclosure Document. If you buy a The Dog Wizard franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

California

Octavio Landa
Sunny Dog Training, LLC
La Jolla, CA & Carlsbad, CA;
Rancho Bernardo, CA
619-605-9883
sandiego@thedogwizard.com
(Ceased Operations & Never Opened)

Adam Kesselman*
North Aspect, LLC
d/b/a The Dog Wizard Marin
Marin County, CA
415-645-5549
marin@thedogwizard.com
(Ceased Operations)

Colorado

David Fox
Bella Ciao Capital, LLC
Wheat Ridge, CO
720-792-0661
wheatridge@thedogwizard.com
(Ceased Operations)

Jessica Young
Fort Collins Dog Wizard, LLC
d/b/a/ The Dog Wizard Fort Collins
Fort Collins, CO
970-295-4666
fortcollins@thedogwizard.com
(Transfer)

Georgia

Trent Steele
Savannah Dog Training, LLC
d/b/a The Dog Wizard Savannah
Savannah, GA
912-428-5868
savannah@thedogwizard.com
(Ceased Operations)

Nancy Fuzy
Professional Dog Trainers of North Georgia,
LLC
d/b/a The Dog Wizard of North Georgia
Suwanee, GA
678-748-3231
johnscreek@thedogwizard.com
(Ceased Operations)

Montana

Brian Tallarico
BTalla K9, LLC
d/b/a The Dog Wizard Flathead Valley
Flathead Valley, MT
(406) 601-8087
flatheadvalley@thedogwizard.com
(Ceased Operations)

North Carolina

Katelyn Elizabeth Andersen
d/b/a Jacksonville Dog Wizard
Jacksonville, NC

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jacksonville@thedogwizard.com
(Ceased Operations)

Melanie Perry
Mel Y Perry Training, LLC
d/b/a Lake Norman Dog Wizard
Lake Norman, NC
704-625-1061
lakenorman@thedogwizard.com
(Transferred/Sold)

Shelby Vadnais
Sny-Dw Wilmington, LLC
d/b/a Wilmington Dog Wizard
Wilmington, NC
910-566-0209
wilmington@thedogwizard.com
(Non-Renewal)

Ohio

Jodi Liscio
Unlimited Pawsibilities, Inc.
Columbus, OH
614-721-8577
columbus@thedogwizard.com
(Ceased Operations)

Texas

Kari Butler & Rhett Butler
LittleBluckTruck, LLC
Plano, TX
469-854-0040
plano@thedogwizard.com
(Ceased Operations)

Virginia

Phillipi Souza Sanz*
Virginia Mountain Dogs, LLC
d/b/a Virginia Beach Dog Wizard
Norfolk, VA & Virginia Beach, VA
757-500-2405
virginiabeach@thedogwizard.com

EXHIBIT F
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT
FINANCIAL STATEMENTS

ITK9 Franchise LLC

Unaudited Balance Sheet

As of March 31, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
ITK9 Franchise Huntington Checking 6954	21,488.20
ITK9 Franchise PayPal	196.34
Upbeat K9 Franchise Corp	546.86
Total Bank Accounts	\$22,231.40
Accounts Receivable	
Accounts Receivable (A/R)	161,493.55
Allowance for Doubtful Accounts	-3,787.07
Total Accounts Receivable	\$157,706.48
Other Current Assets	
N/R-IT K9 Finance	623,746.60
Resource Center N/R	-8,500.00
Undeposited Funds	279.50
Total Other Current Assets	\$615,526.10
Total Current Assets	\$795,463.98
Fixed Assets	
Accumulated Depreciation	-47,308.92
Furniture & Equipment	18,551.18
Software	96,400.00
Total Fixed Assets	\$67,642.26
Other Assets	
ITK9 Company, LLC	327,387.40
Total Other Assets	\$327,387.40
TOTAL ASSETS	\$1,190,493.64
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	219,678.76
Total Accounts Payable	\$219,678.76
Credit Cards	
Master Card	5,264.44
Total Credit Cards	\$5,264.44
Total Current Liabilities	\$224,943.20

ITK9 Franchise LLC

Balance Sheet

As of March 31, 2025

	TOTAL
Long-Term Liabilities	
ITK9 Company LLC NP	203,970.00
ITK9 Finance	19,000.00
ITK9 Franchise LLC LOC 5803	226,000.00
Total Long-Term Liabilities	\$448,970.00
Total Liabilities	\$673,913.20
Equity	
Opening Balance Equity	29,223.93
Owner's Investment	246,924.59
Retained Earnings	346,503.71
Net Income	-106,071.79
Total Equity	\$516,580.44
TOTAL LIABILITIES AND EQUITY	\$1,190,493.64

ITK9 Franchise LLC

Unaudited Profit and Loss

January - March, 2025

	TOTAL
Income	
Conference Income	
Ticket Income	4,625.00
Total Conference Income	4,625.00
Franchise Fees	
1% Royalty Fee	5,841.30
2% Brand Fund Fee	54,094.75
8% Royalty Fee	216,378.63
Branding Development Fee	3,150.00
Fixed Monthly Royalty Fees	19,200.00
Fixed Weekly Royalty Fees	15,868.26
Total Franchise Fees	314,532.94
Franchise Marketing Fees	
Local Marketing Program	83,876.00
Marketing Onboarding	-104.18
Paid Advertising	1,214.81
SEO Implementation	13,429.00
SEO Management	3,438.00
Social Media	-525.00
Total Franchise Marketing Fees	101,328.63
Franchise Sales	
Franchise Sales Purchase	92,820.50
Initial Training Fee Income	8,000.00
Startup Marketing Kit Income	8,500.00
Total Franchise Sales	109,320.50
Front Office Fees	
Ring Central	14,143.89
Technology Fee	-1,830.14
Growth Suite	2,810.00
Operations Suite	21.00
Revenue Suite	45.00
Total Technology Fee	1,045.86
Weekly Pod Fees	21,156.50
Total Front Office Fees	36,346.25
Management Fee Income	
Academy	14,884.62
DTDR 2 - Fayetteville	980.76
ITK9 Finance	980.76
Resource Center	16,615.38
Total Management Fee Income	33,461.52

ITK9 Franchise LLC

Profit and Loss

January - March, 2025

	TOTAL
Mutual Release	
Promissory Note	375.00
Total Mutual Release	375.00
Total Income	\$599,989.84
GROSS PROFIT	\$599,989.84
Expenses	
Academy Training Fee Expenses	
Academy Training Fee Expense	8,000.00
Total Academy Training Fee Expenses	8,000.00
Auto	
Fuel	294.09
Vehicle - Other	150.93
Total Auto	445.02
Bank Charges & Fees	
Authorize.Net	30.00
Huntington Bank	3,760.78
Interest Paid	149.75
ITK9 Franchise LLLC LOC Interest Paid Expense	4,218.75
Total Bank Charges & Fees	8,159.28
Conferences/Summit	
Banquet / Conference	5,000.00
Lodging	29,724.55
Merchandise	13,822.42
Speakers	7,052.69
Travel	79.54
Total Conferences/Summit	55,679.20
Corporate Compensation 1099	
Consulting Fees	38,100.00
Executive Members 1099	70,115.38
Office Wages 1099	16,500.00
Total Corporate Compensation 1099	124,715.38
Corporate Compensation W2	
Executive Wages W2	20,979.06
Office Wages W2	99,651.47
Payroll Expenses	
HR and Payroll Expense	5,328.95
Medical Expense	1,200.00
Taxes	18,789.74
Total Payroll Expenses	25,318.69
Total Corporate Compensation W2	145,949.22

ITK9 Franchise LLC

Profit and Loss

January - March, 2025

	TOTAL
Entertainment & Meals	983.06
Client	438.10
Employee	11,055.33
Total Entertainment & Meals	12,476.49
Franchise Sales (Exp)	
Brand One Fee	25,000.00
Broker Fee	50,000.00
Conference Fees	461.83
Membership Fees	10,000.00
Total Franchise Sales (Exp)	85,461.83
Gifts/Donations	-1,177.50
Insurance	79.00
Auto	1,097.61
Business Liability	158.00
Total Insurance	1,334.61
Legal/Professional	180.00
Accountant	8,983.00
Legal Fees	11,363.68
Total Legal/Professional	20,526.68
Marketing	55,365.50
Franchisee	
Grand Opening PPC Spend	10,495.85
Local Marketing Program Expense	15,182.75
Paid Advertising Expense	597.76
SEO Management Expense	1,950.00
Total Franchisee	28,226.36
National Brand Fund Expense	
National Brand Creative Services	4,807.00
National Social Media Expense	880.00
Total National Brand Fund Expense	5,687.00
Total Marketing	89,278.86
Operating Expense	
Office Rent	3,000.00
Office Supplies	2,979.26
Operating Shipping Costs	141.32
Postage	529.48

ITK9 Franchise LLC

Profit and Loss

January - March, 2025

	TOTAL
Shared Services	1,195.85
Corporate Labor	2,337.50
Electric	455.87
Internet	629.76
Office Cleaning	636.47
Water	160.87
Total Shared Services	5,416.32
Total Operating Expense	12,066.38
Other Business Expenses	97.84
Professional Development	2,573.94
Resource Center	37.50
Software & Technology Expenses	5,746.35
Callrail Expense	650.00
Dues & subscriptions	248.71
Google - G Suite	15,027.07
Hub Spot	14,690.82
Operating System	450.00
Ring Central	20,140.35
Software Development	11,855.00
Software/Platforms	16,619.74
Vonigo	28,050.11
Web Hosting	2,704.00
Total Software & Technology Expenses	116,182.15
Travel	335.78
Air	10,118.52
Ground	4,424.27
Lodging	7,622.47
Meal Per Diem	88.69
Total Travel	22,589.73
Total Expenses	\$704,396.61
NET OPERATING INCOME	\$ -104,406.77
Other Expenses	
Other Miscellaneous Expense	1,665.02
Total Other Expenses	\$1,665.02
NET OTHER INCOME	\$ -1,665.02
NET INCOME	\$ -106,071.79

ITK9 FRANCHISE, LLC dba THE DOG WIZARD

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS:	
Balance Sheets	3 - 4
Statements of Income	5
Statements of Member's Equity	6
Statements of Cash Flows	7 - 8
Notes to Financial Statements	9 - 15

R. Evans & Assoc., Inc.

Certified Public Accountants

5260 Brookhaven Drive, North Royalton, Ohio 44133

Telephone (440) 409-2406, email RMCPA@aol.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
ITK9 Franchise, LLC dba The Dog Wizard

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ITK9 Franchise, LLC dba The Dog Wizard, which comprise the balance sheets as of December 31, 2024 and 2023 and the related statements of income, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ITK9 Franchise, LLC dba The Dog Wizard as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ITK9 Franchise, LLC dba The Dog Wizard and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial 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 ITK9 Franchise, LLC dba The Dog Wizard'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- * Exercise professional judgment and maintain professional skepticism throughout the audit.
- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ITK9 Franchise, LLC dba The Dog Wizard'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 ITK9 Franchise, LLC dba The Dog Wizard'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.

R. Evans and Assoc., Inc.

R. EVANS & ASSOC., INC.
Certified Public Accountants

North Royalton, Ohio

May 16, 2025

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
BALANCE SHEETS
DECEMBER 31, 2024 and 2023

ASSETS

	<u>2024</u>	<u>2023</u>
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 81,794	\$ 44,500
Accounts Receivable - Franchisees, Net of Allowance for Doubtful Accounts of \$25,000 and \$3,787, respectively	124,136	127,351
Accounts Receivable - Related Companies	1,798	12,232
Note Receivable - Member	128,717	217,445
Note Receivable - Related Company	32,507	-0-
Notes Receivable - Related Finance Company, Current Portion	<u>141,754</u>	<u>257,490</u>
Total Current Assets	510,706	659,018
<u>Property and Equipment</u>		
Furniture and Equipment	16,295	16,295
Computer Software	96,400	96,400
Vehicles	<u>-0-</u>	<u>20,704</u>
	112,695	133,399
Accumulated Depreciation	<u>(47,309)</u>	<u>(17,867)</u>
Net Property and Equipment	65,386	115,532
<u>Other Assets</u>		
Notes Receivable - Related Finance Company, Net of Current Portion and Net of Allowance for Doubtful Accounts of \$41,000 and \$20,000, respectively	<u>115,805</u>	<u>284,257</u>
Total Other Assets	<u>115,805</u>	<u>284,257</u>
TOTAL ASSETS	<u>\$ 691,897</u>	<u>\$ 1,058,807</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
BALANCE SHEETS
DECEMBER 31, 2024 and 2023

LIABILITIES AND MEMBER'S EQUITY

	<u>2024</u>	<u>2023</u>
<u>Current Liabilities</u>		
Accounts Payable - Trade	\$ 221,457	\$ 170,704
Accrued Payroll	10,802	8,074
Accrued and Withheld Payroll Taxes	648	309
Line of Credit - Bank	199,000	286,000
Note Payable - Related Company	<u>8,500</u>	<u>-0-</u>
Total Current Liabilities	440,407	465,087
Member's Equity	<u>251,490</u>	<u>593,720</u>
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u>\$ 691,897</u>	 <u>\$ 1,058,807</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Revenues</u>		
Royalties and Franchise Fee Revenue	\$ 1,129,706	\$ 954,045
Initial Franchise Fees	661,382	873,043
Franchise Sales Revenue	332,262	1,743,999
Marketing Revenue	573,799	487,740
Franchise Office Fee Revenue	132,256	129,753
Management Fee Income	166,558	336,709
Training Fee Revenue	107,500	172,000
Other Revenue	35,450	121,745
Gain on Sale of Vehicle	7,866	16,075
	<hr/>	<hr/>
Total Revenues	3,146,779	4,835,109
<u>Operating Expenses</u>		
Advertising and Marketing	568,338	634,695
Auto	3,292	23,302
Bad Debts	317,724	35,350
Bank Charges	11,638	16,956
Computer Maintenance and Fees	297,199	129,742
Depreciation	35,308	15,696
Dues and Subscriptions	44,248	62,641
Franchise Support and Expense	1,106,715	2,414,305
Insurance	3,916	8,604
Interest	34,672	2,034
Meals and Entertainment	20,272	29,418
Miscellaneous	4,800	9,990
Office Expense and Supplies	62,726	160,006
Payroll Taxes	41,532	57,369
Professional Fees	18,863	77,191
Rent	18,000	18,000
Salaries and Wages	407,400	546,963
Subcontractor 1099 Professional Fees	657,080	486,263
Taxes - Other	4,280	35,190
Training and Seminars	46,739	62,822
Travel	31,192	67,539
	<hr/>	<hr/>
Total Operating Expenses	3,735,934	4,894,076
	<hr/>	<hr/>
NET (LOSS)	\$ (589,155)	\$ (58,967)

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF MEMBER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Member's Equity - Beginning of Year	\$ 593,720	\$ 652,687
Net (Loss)	(589,155)	(58,967)
Member Contributions	<u>246,925</u>	<u>-0-</u>
Member's Equity - End of Year	<u>\$ 251,490</u>	<u>\$ 593,720</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<u>Cash Flows from Operating Activities</u>		
Net (Loss)	\$ (589,155)	\$ (58,967)
Adjustments to Reconcile Net (Loss) to Net Cash		
(Used in) Operating Activities:		
Depreciation	35,308	15,696
Bad Debts	317,724	35,350
Gain on Sale of Vehicle	(7,866)	(16,075)
(Increase) Decrease in Operating Assets:		
Accounts Receivable - Franchisees	(17,998)	(85,309)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable - Trade	50,753	131,383
Accrued Payroll	2,728	(1,790)
Accrued and Withheld Payroll Taxes	339	(2,128)
Accrued Contractor Fees	-0-	(7,335)
Sales Tax Payable	-0-	(27,129)
Total Adjustments	<u>380,988</u>	<u>42,663</u>
Net Cash (Used in) Operating Activities	(208,167)	(16,304)
<u>Cash Flows from Investing Activities</u>		
Accounts Receivable - Related Companies	10,434	86,210
Note Receivable - Member	88,728	(217,445)
Note Receivable - Related Company	(32,507)	-0-
Notes Receivable - Related Finance Company, Net	(12,323)	(65,432)
(Acquisition) Disposal of Property and Equipment, Net	-0-	(100,689)
Proceeds from Sale of Vehicle	<u>22,704</u>	<u>34,000</u>
Net Cash Provided by (Used in) Investing Activities	77,036	(263,356)
<u>Cash Flows from Financing Activities</u>		
Proceeds from (Principal Payments of)		
Notes Payable - Related Company	8,500	-0-
Proceeds from Line of Credit - Bank	-0-	286,000
Principal Payments of Line of Credit - Bank	(87,000)	-0-
Principal Payments of Long-Term Debt	-0-	(47,274)
Member Contributions	<u>246,925</u>	<u>-0-</u>
Net Cash Provided by Financing Activities	<u>168,425</u>	<u>238,726</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	37,294	(40,934)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>44,500</u>	<u>85,434</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 81,794</u>	<u>\$ 44,500</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2024 and 2023

	<u>2024</u>		<u>2023</u>
<u>Supplemental Disclosures of Cash Flows</u>			
Interest Paid	\$ 34,672	\$	2,034
Income Taxes Paid	-0-		-0-

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 1 - NATURE OF BUSINESS

ITK9 Franchise, LLC dba The Dog Wizard (the Company) was incorporated in the State of Ohio on August 2, 2019 as a Domestic Limited Liability Company. The Company offers franchises for businesses that will establish and operate dog training businesses. The Company operates dog training businesses of the type being offered as company owned outlets. The Company offers a franchise program under the name "The Dog Wizard" for establishing and operating dog training businesses. These dog training businesses include teaching various obedience, behavior modification, and specialty training techniques. The techniques the franchisee uses to train dogs are taught to them by The Dog Wizard Academy, a dog training company owned 100% by ITK9 Company, LLC. The franchisee will normally work from home in terms of performing the administrative aspects of the franchise business, and will train their client's dogs at their home, parks, or in space provided at a local dog boarding or day care facility.

During 2024, there were forty-three (43) dog training franchise locations opened, twelve (12) dog training franchise locations were terminated, one (1) dog training franchise location did not renew, and as of December 31, 2024 there was a total of ninety-seven (97) dog training franchise locations open, with ninety-six (96) dog training franchise locations operating in the United States of America and one (1) dog training franchise location operating in Canada. During 2023, there were thirty-four (34) dog training franchise locations opened, two (2) dog training franchise locations were terminated, one (1) dog training franchise location did not renew, and as of December 31, 2023 there was a total of sixty-seven (67) dog training franchise locations open, with sixty-six (66) dog training franchise locations operating in the United States of America and one (1) dog training franchise location operating in Canada. The Company's administrative offices are located in Medina, Ohio.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting and Basis of Presentation

The accompanying financial statements are presented in accordance with generally accepted accounting principles accepted in the United States of America. The accompanying financial statements are prepared on the accrual method of accounting, recognizing income when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain reclassifications were made to the 2023 financial statement presentation to correspond to the 2024 format.

Cash and Cash Equivalents

The Company considers all liquid investments with a maturity of three months or less to cash equivalents. There were no cash equivalents at December 31, 2024 and 2023.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable - Franchisees

Accounts receivable from franchisees of \$124,136 and \$127,351 at December 31, 2024 and 2023, respectively, represents royalties, marketing revenues and other charges for various monthly fees due from the Company's franchisees. Management has provided an allowance for doubtful accounts of \$25,000 and \$3,787 at December 31, 2024 and 2023, respectively, for accounts receivable management estimates to be uncollectible. Management estimates the uncollectible receivables based on historical collection experience coupled with a review of the current status of existing receivables. When management considers an account to be uncollectible, it is written off as a bad debt in current year operations.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using straight-line methods over estimated useful lives for book purposes and accelerated methods over estimated useful lives for tax purposes. Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures for betterment and major renewals are capitalized. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal and the resulting gains or losses are included in operations.

Assets are depreciated based on the following useful lives:

Furniture and Equipment	5 years
Computer Software	3 years
Vehicles	5 years

Advertising

The Company's policy is to expense advertising costs as incurred.

Income Taxes

The Company is a single member Limited Liability Company under the provisions of the Internal Revenue Code and is treated as a Limited Liability Company for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company, as the Member is taxed individually on the Company's earnings.

The Company has adopted the provisions of *ASC Topic 740-10-25, Accounting for Uncertainty in Income Taxes*, which prescribes a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in a tax return. *ASC Topic 740-10-25* also provides guidance on de-recognition of income tax assets and liabilities and accounting for interest and penalties associated with tax positions. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company will not be subject to additional tax, penalties and interest as a result of such challenge. Generally, the Company's tax returns remain open for three years for federal income tax examination. For the years ended December 31, 2024 and 2023, the Company has no material uncertain tax positions to be accounted for in the financial statements under these rules.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 3 - REVENUE RECOGNITION

Revenue Recognition Guidance

The Financial Accounting Standards Board (FASB) issued and amended guidance for revenue recognition under *Accounting Standard Codification 606, Revenue Recognition (ASC Topic 606)*. The guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of the guidance is that an entity should recognize revenue for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. To achieve that core principle, an entity should apply the following steps: (1) identify the entity's contracts with customers, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation.

Nature of Goods and Services

The Company generates revenues from revenues produced at franchised dog training businesses, and fees charged to franchisees. The contractual franchise agreement provides the franchisee the right to own and operate a franchised dog training business at a site approved by the Company. The contractual franchise agreement generally provides for a ten (10) year term and a ten (10) year renewal term, subject to certain conditions.

Initial Franchise Fees

Upon signing a franchise agreement, the franchisee is required to pay a non-refundable initial franchise fee (the "Initial Franchise Fee") to the Company. The Initial Franchise Fee requires the Company to provide certain pre-opening services to the franchisee. These pre-opening services provided by the Company includes, a) assistance in the evaluation of the market to be serviced by the franchise location, b) training and education on products, services and operational platforms, c) training of the franchisee's personnel and the franchisee, d) preparation and distribution of manuals concerning operations, administration, and record keeping, e) bookkeeping, information technology, and advisory services, and f) inspection, testing and establishing a quality control program. The Company has determined that the value of the pre-opening services they provide to a franchisee exceeds the Initial Franchise Fees. Since the Company is nonpublic franchisor, the Company has elected to use the practical expedient available in the FASB *Accounting Standards Update No. 2021-02 dated January 2021*. The practical expedient permits franchisors that are not public business entities to account for pre-opening services provided to a franchisee as distinct from the license if the services are consistent with those included in a predefined list within the guidance.

In addition, the Company has made the accounting policy election to recognize pre-opening services as a single performance obligation, which allows the Company to recognize the revenue when the pre-opening services are provided, and not defer and recognize the revenue over the contractual term of the franchise agreement. Since the value of the Company's pre-opening services provided to franchisees exceeds the Initial Franchise Fee, there is no deferral of revenue for Initial Franchise Fees.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 3 - REVENUE RECOGNITION (continued)

Royalty Fee Revenue

The franchise agreement requires the franchisee to pay a royalty fee to the Company of a percentage of its weekly gross revenues, or a minimum weekly payment due per the franchise agreement. These fees are recognized as revenue by the Company when the franchisee has provided the dog training services and any applicable equipment to the customer.

Marketing Fee Revenue

Fees charged for contributions to the marketing fund are recognized as revenue by the Company in the month the fees are charged to the franchisee.

Development Agreements

A franchisee may be approved as a multi-unit franchisee, and will sign a Development Agreement to develop up to five (5) franchisee locations at varying costs for each location to be developed. When a franchisee signs a Development Agreement, the franchisee must pay a non-refundable Initial Franchise Fee equal to the number of locations a franchisee is authorized to develop.

NOTE 4 - RELATED PARTY TRANSACTIONS

Accounts Receivable - Related Companies

The Company has accounts receivable of \$1,798 and \$12,232 at December 31, 2024 and 2023, respectively, with related companies owned 100% by ITK9 Company, LLC, (100% member owner of the Company). Management considers these receivable balances fully collectible.

Note Receivable - Member

The Company has a note receivable of \$128,717 and \$217,445 at December 31, 2024 and 2023, respectively, from ITK9 Company, LLC (100% member owner of the Company). The note receivable is payable on demand, is non-interest bearing and is unsecured.

Notes Receivable - Related Finance Company

The Company has notes receivables from ITK9 Finance, LLC (100% owned affiliate of ITK9 Company, LLC) of \$257,559 (net of allowance for doubtful accounts of \$41,000) and \$541,747 (net of allowance for doubtful accounts of \$20,000) at December 31, 2024 and 2023, respectively. ITK9 Finance, LLC provides financing for the franchisees of the Company, especially regarding financing for initial franchise fees charged by the Company to its franchisees. ITK9 Finance, LLC is responsible for collecting these receivable balances from the Company's franchisees, and remits the proceeds to the Company when they are received by ITK9 Finance, LLC. ITK9 Finance, LLC has payment schedules with the various franchisees per the contracts signed by the Company's franchisees, and charges interest rates between 7.50% and 12.00% on the unpaid balances. The Company has provided an allowance for doubtful accounts of \$41,000 and \$20,000 at December 31, 2024 and 2023, respectively, for franchisee note receivable balances that the Company estimates to be uncollectible. The notes receivable balances that the Company has with ITK9 Finance, LLC are non-interest bearing and are unsecured.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 4 - RELATED PARTY TRANSACTIONS (continued)

Note Receivable - Related Company

The Company has a note receivable from the Dog Wizard of Canada, (100% owned affiliate of ITK9 Company, LLC) of \$32,507 and \$-0 at December 31, 2024 and 2023, respectively. The note receivable is payable on demand, is non-interest bearing and is unsecured.

Note Payable - Related Company

The Company has a note payable to Resource Center, LLC (100% owned affiliate of ITK9 Company, LLC) of \$8,500 and \$-0 at December 31, 2024 and 2023, respectively. The note payable is payable on demand, is non-interest bearing and is unsecured.

Management Fee Income

The Company charges management fees to various related companies as an allocation of time commitment from staff of the Company to those related companies, as support in the management and operations of the related companies. The percentage is reviewed semi-annually. Management fees charged were \$166,558 in 2024 and \$336,709 in 2023.

NOTE 5 - LINE OF CREDIT - BANK

The Company has an available line of credit of \$300,000 from Huntington National Bank. The outstanding balance on the line of credit is \$199,000 and \$286,000 at December 31, 2024 and 2023, respectively. Interest on this line of credit accrues at the bank's prime rate, which is 7.75 % and 8.75% at December 31, 2024 and 2023, respectively. The line of credit is secured by assets of the Company and a guaranty of ITK9 Company, LLC (100% member owner of the Company).

NOTE 6 - OPERATING LEASE

The Company leases business office premises on a month-to-month basis in Medina, Ohio in which the Company's administrative offices are located, from Maple Lane Holdings, LLC, a related company owned 100% by ITK9 Company, LLC (100% member owner of the Company). The monthly rental payments were \$1,500 in 2024 and 2023.

In February 2016, the Financial Accounting Standards Board (FASB) issued *ASC Topic 842, Leases*, which became effective for private companies for years beginning after December 15, 2021. *ASC Topic 842, Leases* requires lessees to recognize on the company's balance sheet the assets and liabilities that arise from leases. A lessee should recognize in the balance sheet a right-of-use asset representing its right to use the underlying asset, and a lease liability on which the lessee must make lease payments. *ASC Topic 842, Leases* does not apply to lease terms that are less than twelve months. Therefore, since the Company's lease is on a month-to-month basis, the Company is not required to adopt *ASC Topic 842, Leases* in the accompanying financial statements, and instead records rent expense on a monthly basis.

Rent expense was \$18,000 in 2024 and 2023.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 7 - THE DOG WIZARD RESOURCE CENTER REVENUE AND COST OF SALES

Beginning in 2022, the Company no longer provided direct training, equipment or supplies to its franchisees. These activities are being performed by The Dog Wizard Resource Center and the Dog Wizard Academy, related companies owned 100% by ITK9 Company, LLC (100% member owner of the Company), as a separate business entity. As a result, the revenue produced and cost of sales incurred from these activities are not recorded on the financial statements of the Company.

NOTE 8 - GOING CONCERN - SUBSTANTIAL DOUBT ALLEVIATED

As shown in the accompanying financial statements, the Company incurred a net loss of \$589,155 in 2024. This net loss creates an uncertainty about the Company's ability to continue as a going concern. Management has evaluated those conditions. As a result, management has developed a Management Plan and Fiscal Strategy (the "Plan") to significantly reduce and ultimately eliminate any future net operating losses in future years.

The Plan contains the following significant strategies the Company will implement:

- 1) Franchise growth - The Company is actively expanding the brand through internal lead generation and franchise conversion efforts, which is tied to new technology implementation with the assistance of AI that does not require additional capital. These systems are designed to support onboarding and launching of new franchisees with minimal upfront investment from the Company.
- 2) Revenue growth - The addition of future new franchises will increase future revenue through increased monthly royalty revenue and participation in shared services. The recurring revenue stream will increase cash flow and provide a stable financial base for ongoing operations.
- 3) Note receivable collection efforts - The Company has initiated efforts to improve collection of outstanding finance receivables. These efforts include increasing monthly monitoring of and collection of delinquent franchisee balances owed. Also, the Company will be requiring franchisees to make larger down payments of the Initial Franchise Fee for each location, thereby reducing future franchisee note receivable balances and significant bad debt write-offs of uncollectible note receivable balances.
- 4) Expense reduction - The Company will reduce and control future expenses by controlling brand development costs and implementing a strategic reduction in non-essential overhead costs. The Company is also in the process of reviewing computer and software maintenance fees and costs to eliminate non-essential expenses. The Company has also imposed a freeze on major discretionary spending that is not tied directly to revenue generating activities.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024 and 2023

NOTE 8 - GOING CONCERN - SUBSTANTIAL DOUBT ALLEVIATED (continued)

In 2024, the Company experienced an unusual significant increase in bad debt expense due to various franchisee note receivable balances becoming uncollectible, and therefore having to be written-off. Due to the policy implementation described above which will require larger down payments to be made by a franchisee that signs a note receivable for Initial Franchise Fees, the Company is not expected to incur significant bad debt expenses in future years.

Management has determined that these future plans that are being implemented and the factors mentioned above alleviate the going concern uncertainty.

NOTE 9 - SUBSEQUENT EVENTS REVIEW

Management has evaluated subsequent events through May 16, 2025, which was the date that the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT	1 - 2
FINANCIAL STATEMENTS:	
Balance Sheets	3 - 4
Statements of Income	5
Statements of Member's Equity	6
Statements of Cash Flows	7 - 8
Notes to Financial Statements	9 - 14

R. Evans & Assoc., Inc.

Certified Public Accountants

5260 Brookhaven Drive, North Royalton, Ohio 44133

Telephone (440) 409-2406, email RMCPA@aol.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
ITK9 Franchise, LLC dba The Dog Wizard

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ITK9 Franchise, LLC dba The Dog Wizard, which comprise the balance sheets as of December 31, 2023 and 2022 and the related statements of income, member's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ITK9 Franchise, LLC dba The Dog Wizard as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ITK9 Franchise, LLC dba The Dog Wizard and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial 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 ITK9 Franchise, LLC dba The Dog Wizard'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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- * Exercise professional judgment and maintain professional skepticism throughout the audit.
- * Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- * Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ITK9 Franchise, LLC dba The Dog Wizard'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 ITK9 Franchise, LLC dba The Dog Wizard'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.

R. Evans and Assoc., Inc.

R. EVANS & ASSOC., INC.
Certified Public Accountants

North Royalton, Ohio

April 9, 2024

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
BALANCE SHEETS
DECEMBER 31, 2023 and 2022

ASSETS

	<u>2023</u>	<u>2022</u>
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 44,500	\$ 85,434
Accounts Receivable - Franchisees, Net of Allowance for Doubtful Accounts of \$3,787 and \$20,898, respectively	127,351	42,042
Accounts Receivable - Related Companies	12,232	98,442
Note Receivable - Member	217,445	-0-
Notes Receivable - Related Company, Current Portion	<u>257,490</u>	<u>171,370</u>
Total Current Assets	659,018	397,288
<u>Property and Equipment</u>		
Furniture and Equipment	16,295	12,006
Computer Software	96,400	-0-
Vehicles	<u>20,704</u>	<u>51,432</u>
	133,399	63,438
Accumulated Depreciation	<u>(17,867)</u>	<u>(14,974)</u>
Net Property and Equipment	115,532	48,464
<u>Other Assets</u>		
Notes Receivable - Related Company, Net of Current Portion and Net of Allowance for Doubtful Accounts of \$20,000 and \$82,000, respectively	<u>284,257</u>	<u>340,295</u>
Total Other Assets	<u>284,257</u>	<u>340,295</u>
TOTAL ASSETS	<u>\$ 1,058,807</u>	<u>\$ 786,047</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
BALANCE SHEETS
DECEMBER 31, 2023 and 2022

LIABILITIES AND MEMBER'S EQUITY

	<u>2023</u>	<u>2022</u>
<u>Current Liabilities</u>		
Accounts Payable - Trade	\$ 170,704	\$ 39,321
Accrued Payroll	8,074	9,864
Accrued and Withheld Payroll Taxes	309	2,437
Accrued Contractor Fees	-0-	7,335
Sales Tax Payable	-0-	27,129
Long-Term Debt, Net of Current Portion	-0-	47,274
Line of Credit - Bank	<u>286,000</u>	<u>-0-</u>
Total Current Liabilities	465,087	133,360
Member's Equity	<u>593,720</u>	<u>652,687</u>
 TOTAL LIABILITIES AND MEMBER'S EQUITY	 <u><u>\$ 1,058,807</u></u>	 <u><u>\$ 786,047</u></u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>Revenues</u>		
Franchise Sales Revenue	\$ 1,743,999	\$ 410,000
Initial Franchise Fees	873,043	280,500
Royalties and Franchise Fee Revenue	954,045	962,140
Marketing Revenue	487,740	165,930
Franchise Office Fee Revenue	129,753	220,352
Management Fee Income	336,709	375,372
Training Fee Revenue	172,000	-0-
Other Revenue	137,820	187,400
	<hr/>	<hr/>
Total Revenues	4,835,109	2,601,694
<u>Operating Expenses</u>		
Advertising and Marketing	634,695	179,310
Auto	23,302	4,518
Bad Debts	35,350	103,875
Bank Charges	16,956	5,350
Computer Maintenance and Fees	129,742	-0-
Depreciation	15,696	9,842
Dues and Subscriptions	62,641	12,665
Franchise Support and Expense	2,414,305	322,204
Insurance	8,604	5,864
Interest	2,034	2,860
Meals and Entertainment	29,418	14,847
Miscellaneous	9,765	-0-
Office Expense and Supplies	160,006	35,284
Payroll Taxes	57,369	39,670
Professional Fees	77,191	64,359
Rent	18,000	6,000
Salaries and Wages	546,963	414,474
Subcontractor 1099 Professional Fees	486,263	555,115
Taxes - Other	35,190	1,468
Telephone	225	5,078
Training and Seminars	62,822	29,151
Travel	67,539	21,068
	<hr/>	<hr/>
Total Operating Expenses	4,894,076	1,833,002
	<hr/>	<hr/>
NET INCOME (LOSS)	\$ (58,967)	\$ 768,692

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF MEMBER'S EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Member's Equity - Beginning of Year	\$ 652,687	\$ 113,530
Net Income (Loss)	(58,967)	768,692
Member Distributions	<u>-0-</u>	<u>(229,535)</u>
Member's Equity - End of Year	<u>\$ 593,720</u>	<u>\$ 652,687</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>Cash Flows from Operating Activities</u>		
Net Income (Loss)	\$ (58,967)	\$ 768,692
Adjustments to Reconcile Net Income (Loss) to Net		
Cash Provided by (Used in) Operating Activities:		
Depreciation	15,696	9,842
Gain on Sale of Vehicle	(16,075)	-0-
(Increase) Decrease in Operating Assets:		
Accounts Receivable - Franchisees	(85,309)	(13,318)
Prepaid Rent	-0-	500
Increase (Decrease) in Operating Liabilities:		
Accounts Payable - Trade	131,383	(49,091)
Accrued Payroll	(1,790)	8,526
Accrued and Withheld Payroll Taxes	(2,128)	(8,693)
Accrued Contractor Fees	(7,335)	649
Sales Tax Payable	(27,129)	-0-
Total Adjustments	<u>7,313</u>	<u>(51,585)</u>
Net Cash Provided by (Used in) Operating Activities	(51,654)	717,107
<u>Cash Flows from Investing Activities</u>		
Accounts Receivable - Related Companies	86,210	(98,442)
Note Receivable - Member	(217,445)	-0-
Notes Receivable - Related Company	(30,082)	(194,045)
Acquisition of Property and Equipment, Net	(100,689)	(21,728)
Proceeds from Sale of Vehicle	<u>34,000</u>	<u>-0-</u>
Net Cash (Used in) Investing Activities	(228,006)	(314,215)
<u>Cash Flows from Financing Activities</u>		
Proceeds from (Principal Payments of)		
Notes Payable - Related Companies	-0-	(65,302)
Proceeds from Line of Credit - Bank	286,000	-0-
Principal Payments of Long-Term Debt	(47,274)	(90,038)
Member Distributions	<u>-0-</u>	<u>(229,535)</u>
Net Cash Provided by (Used in) Financing Activities	<u>238,726</u>	<u>(384,875)</u>
NET INCREASE (DECREASE) IN CASH AND		
CASH EQUIVALENTS	(40,934)	18,017
CASH AND CASH EQUIVALENTS, BEGINNING		
OF YEAR	<u>85,434</u>	<u>67,417</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 44,500</u>	<u>\$ 85,434</u>

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
STATEMENTS OF CASH FLOWS (continued)
FOR THE YEARS ENDED DECEMBER 31, 2023 and 2022

	<u>2023</u>		<u>2022</u>
<u>Supplemental Disclosures of Cash Flows</u>			
Interest Paid	\$ 2,034	\$	2,860
Income Taxes Paid	-0-		-0-

See accompanying notes to financial statements.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 1 - NATURE OF BUSINESS

ITK9 Franchise, LLC dba The Dog Wizard (the Company) was incorporated in the State of Ohio on August 2, 2019 as a Domestic Limited Liability Company. The Company offers franchises for businesses that will establish and operate dog training businesses. The Company operates dog training businesses of the type being offered as company owned outlets. The Company offers a franchise program under the name "The Dog Wizard" for establishing and operating dog training businesses. These dog training businesses include teaching various obedience, behavior modification, and specialty training techniques. The techniques the franchisee uses to train dogs are taught to them by The Dog Wizard Academy, a dog training company owned 100% by ITK9 Company, LLC. The franchisee will normally work from home in terms of performing the administrative aspects of the franchise business, and will train their client's dogs at their home, parks, or in space provided at a local dog boarding or day care facility.

During 2023, there were thirty-four (34) dog training franchise locations opened, two (2) dog training franchise locations were terminated, one (1) dog training franchise location did not renew, and as of December 31, 2023 there was a total of sixty-seven (67) dog training franchise locations opened, with sixty-six (66) dog training franchise locations operating in the United States of America and one (1) dog training franchise location operating in Canada. During 2022, there were four (4) dog training franchise locations opened, two (2) dog training franchise locations were terminated, one (1) dog training franchise location was reacquired, and as of December 31, 2022 there was a total of thirty-six (36) dog training franchise locations opened, with thirty-five (35) dog training franchise locations operating in the United States of America and one (1) dog training franchise location operating in Canada. The Company's administrative offices are located in Medina, Ohio.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting and Basis of Presentation

The accompanying financial statements are presented in accordance with generally accepted accounting principles accepted in the United States of America. The accompanying financial statements are prepared on the accrual method of accounting, recognizing income when earned and expenses when incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain reclassifications were made to the 2022 financial statement presentation to correspond to the 2023 format.

Cash and Cash Equivalents

The Company considers all liquid investments with a maturity of three months or less to cash equivalents. There were no cash equivalents at December 31, 2023 and 2022.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounts Receivable - Franchisees

Accounts receivable from franchisees of \$127,351 and \$42,042 at December 31, 2023 and 2022, respectively, represents royalties, marketing revenues and other charges for various monthly fees due from the Company's franchisees. Management has provided an allowance for doubtful accounts of \$3,787 and \$20,898 at December 31, 2023 and 2022, respectively, for accounts management estimates to be uncollectible. Management estimates the uncollectible receivables based on historical collection experience coupled with a review of the current status of existing receivables. When management considers an account to be uncollectible, it is written off as a bad debt in current year operations.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using straight-line methods over estimated useful lives for book purposes and accelerated methods over estimated useful lives for tax purposes. Expenditures for maintenance and repairs are charged to operations as incurred. Expenditures for betterment and major renewals are capitalized. The cost of assets sold or retired and the related amounts of accumulated depreciation are eliminated from the accounts in the year of disposal and the resulting gains or losses are included in operations.

Assets are depreciated based on the following useful lives:

Furniture and Equipment	5 years
Computer Software	3 years
Vehicles	5 years

Advertising

The Company's policy is to expense advertising costs as incurred.

Income Taxes

The Company is a single member Limited Liability Company under the provisions of the Internal Revenue Code and is treated as a Limited Liability Company for federal income tax purposes. Consequently, federal income taxes are not payable or provided for by the Company, as the Member is taxed individually on the Company's earnings.

The Company has adopted the provisions of *ASC Topic 740-10-25, Accounting for Uncertainty in Income Taxes*, which prescribes a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in a tax return. *ASC Topic 740-10-25* also provides guidance on de-recognition of income tax assets and liabilities and accounting for interest and penalties associated with tax positions. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company will not be subject to additional tax, penalties and interest as a result of such challenge. Generally, the Company's tax returns remain open for three years for federal income tax examination. For the years ended December 31, 2023 and 2022, the Company has no material uncertain tax positions to be accounted for in the financial statements under these rules.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 3 - REVENUE RECOGNITION

Revenue Recognition Guidance

The Financial Accounting Standards Board (FASB) issued and amended guidance for revenue recognition under *Accounting Standard Codification 606, Revenue Recognition (ASC Topic 606)*. The guidance outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. The core principle of the guidance is that an entity should recognize revenue for the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. To achieve that core principle, an entity should apply the following steps: (1) identify the entity's contracts with customers, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenue when (or as) the entity satisfies a performance obligation.

Nature of Goods and Services

The Company generates revenues from revenues produced at franchised dog training businesses, and fees charged to franchisees. The contractual franchise agreement provides the franchisee the right to own and operate a franchised dog training business at a site approved by the Company. The contractual franchise agreement generally provides for a ten (10) year term and a ten (10) year renewal term, subject to certain conditions.

Initial Franchise Fees

Upon signing a franchise agreement, the franchisee is required to pay a non-refundable initial franchise fee (the "Initial Franchise Fee") to the Company. The Initial Franchise Fee requires the Company to provide certain pre-opening services to the franchisee. These pre-opening services provided by the Company includes, a) assistance in the evaluation of the market to be serviced by the franchise location, b) training and education on products, services and operational platforms, c) training of the franchisee's personnel and the franchisee, d) preparation and distribution of manuals concerning operations, administration, and record keeping, e) bookkeeping, information technology, and advisory services, and f) inspection, testing and establishing a quality control program. The Company has determined that the value of the pre-opening services they provide to a franchisee exceeds the Initial Franchise Fees. Since the Company is nonpublic franchisor, the Company has elected to use the practical expedient available in the FASB *Accounting Standards Update No. 2021-02 dated January 2021*. The practical expedient permits franchisors that are not public business entities to account for pre-opening services provided to a franchisee as distinct from the license if the services are consistent with those included in a predefined list within the guidance.

In addition, the Company has made the accounting policy election to recognize pre-opening services as a single performance obligation, which allows the Company to recognize the revenue when the pre-opening services are provided, and not defer and recognize the revenue over the contractual term of the franchise agreement. Since the value of the Company's pre-opening services provided to franchisees exceeds the Initial Franchise Fee, there is no deferral of revenue for Initial Franchise Fees.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 3 - REVENUE RECOGNITION (continued)

Royalty Fees

The franchise agreement requires the franchisee to pay a royalty fee to the Company of a percentage of its weekly gross revenues, or a minimum weekly payment due per the franchise agreement. These fees are recognized as revenue by the Company when the franchisee has provided the dog training services and any applicable equipment to the customer.

Marketing Fees

Fees charged for contributions to the marketing fund are recognized as revenue by the Company in the month the fees are charged to the franchisee.

Development Agreements

A franchisee may be approved as a multi-unit franchisee, and will sign a Development Agreement to develop up to five (5) franchisee locations at varying costs for each location to be developed. When a franchisee signs a Development Agreement, the franchisee must pay a non-refundable Initial Franchise Fee equal to the number of locations a franchisee is authorized to develop.

NOTE 4 - RELATED PARTY TRANSACTIONS

Accounts Receivable - Related Companies

The Company has accounts receivable of \$12,232 and \$98,442 at December 31, 2023 and 2022, respectively, with related companies owned 100% by ITK9 Company, LLC, (100% member owner of the Company). Management considers these receivable balances fully collectible.

Note Receivable - Member

The Company has a note receivable of \$217,445 and \$-0- at December 31, 2023 and 2022, respectively, from ITK9 Company, LLC (100% member owner of the Company). The note receivable is payable on demand, is non-interest bearing and is unsecured.

Notes Receivable - Related Company

The Company has notes receivables from ITK9 Finance, LLC (100% owned affiliate of ITK9 Company, LLC) of \$561,747 and \$593,665 at December 31, 2023 and 2022, respectively. ITK9 Finance, LLC provides financing for the franchisees of the Company, especially regarding financing for initial franchise fees charged by the Company to its franchisees. ITK9 Finance, LLC is responsible for collecting these receivable balances from the Company's franchisees, and remits the proceeds to the Company when they are received by ITK9 Finance, LLC. ITK9 Finance, LLC has payment schedules with the various franchisees per the contracts signed by the Company's franchisees, and charges interest rates between 7.50% and 12.00% on the unpaid balances. The Company has provided an allowance for doubtful accounts of \$20,000 and \$82,000 at December 31, 2023 and 2022, respectively, for franchisee note receivable balances that the Company estimates to be uncollectible. The notes receivable balances that the Company has with ITK9 Finance, LLC are non-interest bearing and are unsecured.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 4 - RELATED PARTY TRANSACTIONS (continued)

Management Fee Income

The Company charges management fees to various related companies as an allocation of time commitment from staff of the Company to those related companies, as support in the management and operations of the related companies. The percentage is reviewed semi-annually. Management fees charged were \$336,709 in 2023 and \$375,372 in 2022.

NOTE 5 - LINE OF CREDIT - BANK

The Company has an available line of credit of \$300,000 from a bank. The outstanding balance on the line of credit is \$286,000 at December 31, 2023. Interest on this line of credit accrues at the bank's prime rate, which is 8.75% at December 31, 2023. The line of credit is secured by assets of the Company and a guaranty of ITK9 Company, LLC (100% member owner of the Company).

NOTE 6 - LONG-TERM DEBT

Long-term debt consists of the following at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Loan Payable - Economic Injury Disaster Loan (EIDL)		
Installment term loan acquired to be used as working capital to alleviate any economic injury caused by COVID-19. The loan requires monthly principal payments and accrues interest at 3.75%. The loan was paid off in full on January 4, 2023.	\$ -0-	\$ 47,274
	-0-	47,274
Current portion	-0-	47,274
Long-term portion	\$ -0-	\$ -0-

NOTE 7 - OPERATING LEASE

The Company leases business office premises on a month-to-month basis in Medina, Ohio in which the Company's administrative offices are located, from Maple Lane Holdings, LLC, a related company owned 100% by ITK9 Company, LLC (100% member owner of the Company). The monthly rental payments were \$1,500 in 2023 and \$500 in 2021.

In February 2016, the Financial Accounting Standards Board (FASB) issued *ASC Topic 842, Leases*, which became effective for private companies for years beginning after December 15, 2021. *ASC Topic 842, Leases* requires lessees to recognize on the company's balance sheet the assets and liabilities that arise from leases. A lessee should recognize in the balance sheet a right-of-use asset representing its right to use the underlying asset, and a lease liability on which the lessee must make lease payments. *ASC Topic 842, Leases* does not apply to lease terms that are less than twelve months. Therefore, since the Company's lease is on a month-to-month basis, the Company is not required to adopt *ASC Topic 842, Leases* in the accompanying financial statements, and instead records rent expense on a monthly basis.

ITK9 FRANCHISE, LLC dba THE DOG WIZARD
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023 and 2022

NOTE 7 - OPERATING LEASE (continued)

Rent expense was \$18,000 in 2023 and \$6,000 in 2022.

NOTE 8 - THE DOG WIZARD RESOURCE CENTER REVENUE AND COST OF SALES

Beginning in 2022, the Company no longer provides direct training, equipment or supplies to its franchisees. These activities are being performed by The Dog Wizard Resource Center and the Dog Wizard Academy, related companies owned 100% by ITK9 Company, LLC (100% member owner of the Company), as a separate business entity. As a result, the revenue produced and cost of sales incurred from these activities are not recorded on the financial statements of the Company.

NOTE 9 - SUBSEQUENT EVENTS REVIEW

Management has evaluated subsequent events through April 9, 2024, which was the date that the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

EXHIBIT G
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT
STATE ADDENDA TO THE DISCLOSURE DOCUMENT

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF CALIFORNIA**

As to franchises governed by the California Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

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.

Item 3 of the Disclosure Document is amended by adding the following paragraph:

Neither we nor any person or franchise broker in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in this association or exchange.

Item 17 of the Disclosure Document is amended by adding the following paragraphs:

California Business and Professions Code Sections 20000 through 20043 provide rights to the franchisee concerning termination, transfer, or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

Item 17.g. of the Disclosure Document is modified to state that, in addition to the grounds for immediate termination specified in Item 17.h., the franchisor can terminate upon written notice and a 60-day opportunity to cure for a breach of the Franchise Agreement.

Item 17.h. of the Disclosure Document is modified to state that the franchisor can terminate immediately for insolvency, abandonment, mutual agreement to terminate, material misrepresentation, legal violation persisting 10 days after notice, repeated breaches, judgment, criminal conviction, monies owed to the franchisor more than 5 days past due, and imminent danger to public health or safety.

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

Item 19: The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Franchise Disclosure Document, may be one source of this information.

The franchise agreement requires application of the laws of Ohio. This provision may not be enforceable under California law.

The franchise agreement requires binding arbitration. The arbitration will occur at Medina, Ohio, with the costs being borne according to the Rules for Commercial Arbitration of the American Arbitration Association. 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 a franchise agreement restricting venue to a forum outside the State of California.

SECTION 31125 OF THE FRANCHISE INVESTMENT LAW REQUIRES US TO GIVE TO YOU A DISCLOSURE DOCUMENT APPROVED BY THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION BEFORE WE ASK YOU TO CONSIDER A MATERIAL MODIFICATION OF YOUR FRANCHISE AGREEMENT.

YOU MUST SIGN A GENERAL RELEASE OF CLAIM IF YOU RENEW OR TRANSFER YOUR FRANCHISE. CALIFORNIA CORPORATIONS CODE §31512 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE INVESTMENT LAW (CALIFORNIA CODE §§31000 THROUGH 31516). BUSINESS AND PROFESSIONS CODE §20010 VOIDS A WAIVER OF YOUR RIGHTS UNDER THE FRANCHISE RELATIONS ACT (BUSINESS AND PROFESSIONS CODE §§20000 THROUGH 20043).

Our website is located at www.thedogwizard.com.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL INNOVATION AND PROTECTION AT www.dfpi.ca.gov.

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.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship, shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF HAWAII**

As to franchises governed by the Hawaii Franchise Investment Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

THESE FRANCHISES HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

Registered agent in the state authorized to receive service of process:

Commissioner of Securities of the State of Hawaii
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, HI 96813

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF ILLINOIS**

As to franchises governed by the Illinois Franchise Disclosure Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.u. is modified to provide that you must arbitrate claims against us.
 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 the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.
 3. Item 17.w. is modified to provide that Illinois law applies.
 4. Any condition, stipulation, or provision of the Franchise Agreement purporting to bind you to waive compliance with any provision of the Illinois Franchise Disclosure Act or any other law of the State of Illinois is void.
 5. The conditions under which your Franchise Agreement can be terminated and your rights upon nonrenewal may be affected by Sections 19 and 20 of the Illinois Franchise Disclosure Act.
21. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MARYLAND**

As to franchises governed by the Maryland Franchise Registration and Disclosure Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.b. is modified to also provide, “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. Item 17.u. is modified to also provide “This 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.”

3. Item 17.v. is modified to also provide, “Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.”

4. Items 5 and 7 of the Disclosure Document are amended to also provide: “Based upon our financial condition the Maryland Securities Commissioner requires that we defer the payment of all initial fees due to the franchisor and/or its affiliates by the franchisee until all pre-opening obligations of the franchisor are completed and the franchise is open for business. Accordingly, you will not be required to pay the initial fees until we have completed all our pre-opening obligations to you and you begin operating your business. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.”

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 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.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF MINNESOTA**

As to franchises governed by the Minnesota franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

- Minn. Stat. §80C.21 and Minn. Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreements can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.
- With respect to franchises governed by Minnesota law, the franchisor will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4, and 5 which require (except in certain specified cases), that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the franchise agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota § 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.
- The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required.
- Section 4.4 of the Franchise Agreement is amended to state that "These provisions are not enforceable under Minnesota law."
- Item 6 of the Disclosure Document is amended to limit any Non-Sufficient Funds fee to \$30 per occurrence pursuant to Minnesota Statute 604.113.
- No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any

other term of any document executed with the franchise, including but not limited to Section 20.2, Section 22 and Section 25 of the Franchise Agreement.

The Limitations of Claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF NEW YORK**

As to franchises governed by the New York franchise laws, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. The following information is added to the cover page of the Franchise Disclosure Document:

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

2. The following is 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 the “Summary” sections of Item 17(c), titled **“Requirements for franchisee to renew or extend,”** and Item 17(m), entitled **“Conditions for franchisor approval of transfer”**:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

4. The following language replaces the “Summary” section of Item 17(d), titled **“Termination by franchisee”**:

You may terminate the agreement on any grounds available by law.

5. The following is added to the end of the “Summary” sections of Item 17(v), titled **“Choice of forum,”** and Item 17(w), titled **“Choice of law”**:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF RHODE ISLAND**

As to franchises governed by the Rhode Island Franchise Investment Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17.m. of the Disclosure Document is revised to provide:

Section 19-28.1-14 of the Rhode Island Franchise Investment Act prohibits a franchisee to be restricted in choice of jurisdiction or venue. To the extent any such restriction is purported to be required by us, it is void with respect to all franchisees governed under the laws of Rhode Island.

2. Item 17.w. of the Disclosure Document is revised to provide:
3. Rhode Island law applies.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF VIRGINIA**

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 of the disclosure document is hereby modified by adding the following paragraphs to the end of provision entitled “h. ‘Cause’ defined – non-curable defaults”:

Under 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 ground for default or termination stated in the franchise agreement does not constitute ‘reasonable cause,’ as that term may be defined in the Virginia Retail Franchise Act or the laws of Virginia, that provision may not be enforceable.

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provision of the franchise agreement involves the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

2. Item 5 of the disclosure document is amended by the addition of the following language:

“The Virginia State Corporation Commission’s Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.”

3. “No statement, questionnaire, or acknowledgement signed or agreed to by you in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by us, any franchise seller, or any other person acting on our behalf. This provision supersedes any other term of any document executed in connection with the franchise.”

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WASHINGTON**

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws**. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights**. RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation**. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release**. A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial**. Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

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

7. **Termination by Franchisee**. The franchisee may terminate the franchise agreement under any

grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee

of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

**ADDENDUM TO ITK9 FRANCHISE, LLC
FRANCHISE DISCLOSURE DOCUMENT
FOR THE STATE OF WISCONSIN**

As to franchises governed by the Wisconsin Fair Dealership Law, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

1. Item 17 is modified to also provide,
If the franchise agreement contains any provisions that conflict with the Wisconsin Fair Dealership Law, the provisions of this Addendum shall prevail to the extent of such conflict.

With respect to franchises governed by Wisconsin law, the Wisconsin Fair Dealership Law applies to most, if not all, franchise agreements and prohibits the termination, cancellation, non-renewal or the substantial change of the competitive circumstances of a dealership agreement without good cause. That Law further provides that 90 days' prior written notice of a proposed termination, etc. must be given to the dealer. The dealer has 60 days to cure the deficiency and if the deficiency is cured, the notice is void.

EXHIBIT H
TO THE DOG WIZARD FRANCHISE DISCLOSURE DOCUMENT

FRANCHISEE DISCLOSURE ACKNOWLEDGEMENT

[Not to be used as to any franchise sale in or to residents of CA, HI, IL, IN, MD, MI, MN, NY, ND, RI,
SD, VA, WA, WI]

You and we are preparing to enter into a Franchise Agreement. This Acknowledgement is to determine whether any statements or promises were made to you that we did not authorize or are untrue, inaccurate or misleading, to ensure you have been properly represented, and that you understand the limitations on claims you may make relating to your franchise. **You cannot sign or date this Acknowledgement the same day as the Receipt for the Franchise Disclosure Document. You must sign and date it the same day you sign the Franchise Agreement and pay your franchise fee.** Please review each of the following questions carefully and provide honest responses.

- | | | | |
|-------|------|----|---|
| Yes__ | No__ | 1. | Have you received and personally reviewed the Franchise Agreement and each attachment or Schedule attached to it? |
| Yes__ | No__ | 2. | Do you understand all the information contained in the Franchise Agreement? |
| Yes__ | No__ | 3. | Have you received and personally reviewed the Franchise Disclosure Document we provided? |
| Yes__ | No__ | 4. | Do you understand all the information contained in the Franchise Disclosure Document? |
| Yes__ | No__ | 5. | Have you reviewed the Franchise Disclosure Document and Franchise Agreement with a lawyer, accountant or other professional advisor? |
| Yes__ | No__ | 6. | Do you understand the risks of developing and operating this franchise? |
| Yes__ | No__ | 7. | Do you understand that your investment involves substantial business risks and that there is no guarantee that your business will be profitable? |
| Yes__ | No__ | 8. | Do you understand the success or failure of your franchise will depend in large part upon your skills, abilities and efforts and those of the persons you employ as well as many factors beyond your control such as competition, the economy, labor and supply costs and other relevant factors? |
| Yes__ | No__ | 9. | Do you acknowledge that the success of your franchise in large part relies upon your ability as an independent business person and your active participation in the day to day operation of the business? |

Yes___ No___ 10. Do you agree that no employee or other person speaking on our behalf has made any statement, promise, or agreement, that is contrary to or different from what is stated in the Franchise Disclosure Document and Franchise Agreement?

Yes___ No___ 11. Do you agree that no employee or other person speaking on our behalf made any statement or promise regarding the actual, average or projected profits or earnings, the likelihood of success, the amount of money you may earn, or the total amount of revenue you will generate, that is not contained in Item 19 of the Franchise Disclosure Document or that is contrary to, or different from, the information contained in Item 19 of the Franchise Disclosure Document, and that you have not made a decision to purchase your franchise based on any such representations?

Yes___ No___ 12. Do you understand that the Franchise Agreement and attachments to the Franchise Agreement contain the entire agreement between us and you concerning this franchise, meaning any prior oral or written statements not set out in the Franchise Agreement or the attachments to the Franchise Agreement will not be binding?

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of any liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law or the Washington Franchise Investment Protection Act.

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.

[Not to signed in any franchise sale in or to residents of CA, HI, IL, IN, MD, MN, MI, NY, ND, RI, SD, VA, WA, WI]

[signature page follows]

By signing below, you are representing that you have responded truthfully to the above questions.

Name of Applicant (please print)

Signature

Date: _____

Explanation of any negative responses (Refer to Question Number):

EXHIBIT I
DEPOSIT AGREEMENT

DEPOSIT AGREEMENT

The following sets forth the material deal terms of a proposed transaction to become a Franchise Partner ("Franchise Partner") for ITK9 Franchise, LLC (the "Company") which shall be consummated by the execution of a Franchise Agreement ("Franchise Agreement"). Franchise Partner acknowledges receipt of the Franchise Disclosure Document in excess of fifteen (15) days prior to the signing of this Deposit Agreement ("Deposit"):

1. **Territory.** You are acquiring the following territory(ies) ("Development Area") consisting of the Postal ZIP Codes attached to this Deposit and located in:

2. **Initial Business and Dog Training.** Initial business training shall be commenced by the Franchise Partner within 7 business days of this Deposit. Initial dog training will commence within 10 business days upon receipt of the \$10,000 fee for initial dog training.

3. **Deposit.** A \$10,000 (the "deposit") per Territory shall be deposited with the Company upon signing of this Deposit for the Territory described and listed above, which sum shall be applied against the Purchase Price due at Closing. In the event, for any reason, the prospective Franchise Partner does not close on the transaction (i.e. does not enter into the Franchise Agreement with the Company), the deposit shall be non-refundable and shall be forfeited to the Company.

4. **Closing.** The Closing shall take place by or before _____.

5. **Confidential Information.** "Confidential Information" shall include all oral, written, and electronic information furnished by Franchisor to Franchise Partner in relation to Franchise Partner's intent to enter into Franchise Agreement(s) for the purchase and operation of certain territories from Franchisor. Franchisor may disclose and Franchise Partner may receive Confidential Information including, but not limited to, technical and business information relating to Franchisor's proprietary ideas, patentable ideas, copyrights, or trade secrets, existing or contemplated products and services, software, schematics, research and development, production, costs, profit and margin information, finances and financial projections, customers, clients, marketing, and current or future business plans and models, and the terms of any vendor relations or other agreements, all of which shall be deemed Confidential Information regardless of whether such information is designated as "Confidential Information" at the time of its disclosure.

Confidential Information does not include information (a) already in Franchise Partner's possession before receipt from Franchisor; (b) that is matter of public knowledge through no fault of Franchise Partner; (c) that is rightfully received by Franchise Partner from a third party not owing a duty of confidentiality to the Franchisor; (d) that is disclosed without a duty of confidentiality to a third party by, or with the authorization of, Franchisor; or (e) that is independently developed by Franchise Partner.

6. **Use of Confidential Information.** Franchise Partner shall use the Confidential Information only for the purpose of evaluating potential business and investment relationships with Franchisor. Franchise Partner shall limit disclosure and use of Confidential Information within its own organization to those directors, officers, partners, members, employees, representatives, or agents (“Representatives”) having a need to know, and Franchise Partner and its Representatives shall keep the Confidential Information confidential and shall not disclose Confidential Information to any other person or entity without the prior written consent of Franchisor.

If Franchise Partner is required to disclose any Confidential Information pursuant to a legal proceeding, the Franchise Partner will provide reasonable notice to Franchisor in order for Franchisor to file a protective order or take other such action as necessary to prevent the disclosure of such information. If Franchise Partner or any of its Representatives is compelled as a matter of law to disclose any Confidential Information, Franchise Partner may disclose to the person compelling disclosure only that part of the Confidential Information as is required by law to be disclosed. Franchise Partner shall promptly advise Franchisor if the Franchise Partner becomes aware of any possible unauthorized disclosure or use of the Confidential Information.

7. **No Conveyance of Intellectual Property Rights.** This Deposit shall not be construed as creating, conveying, transferring, granting, or conferring upon the Franchise Partner any right, license, or authority in or to the information exchanged, except the limited right to use Confidential Information as specified herein. Specifically, no license or conveyance of any intellectual property rights is granted or implied by this Deposit.

8. **Return of Confidential Information.** Upon the request of Franchisor or termination of this Deposit, the Franchise Partner shall immediately return all Confidential Information, if any, including any copies of Confidential Information or materials developed from such Confidential Information. Additionally, Franchise Partner must immediately and permanently stop using, in any manner whatsoever, any Confidential Information including, but not limited to methods, procedures, and techniques associated with the System; the Proprietary Programs; the Mark “THE DOG WIZARD” and all other Marks and distinctive forms, slogans, signs, symbols, and devices associated with the System. In particular, Franchise Partner must stop using all telephone numbers, signs, advertising materials, websites or web pages, social media accounts, displays, stationery, forms, products, and any other articles which display the Marks.

9. **Termination.** Franchise Partner will be deemed in default under this Deposit, and all rights granted to Franchise Partner will automatically terminate without notice to Franchise Partner, if Franchise Partner fail to execute a Franchise Agreement and pay any sums due and owed at the Closing.

10. **Non-Compete and Non-Solicitation.**

- a. **Non-Compete In-Term.** Franchise Partner will not, during the Term of this Deposit, in the United States or its territories, directly or indirectly, offer or engage in dog training services until the execution of the Franchise Agreement(s) and beginning operation within the Territory(ies).

- b. **Non-Compete Post-Term.** In the event a Franchise Agreement is not executed by Franchise Partner by the closing date above, Franchise Partner agrees that Franchise Partner will not, for a period of two years after the termination (for any reason), assignment by you, or expiration of this Deposit, in the Territory or within thirty (30) miles of the boundaries of the Territory or any another territory franchised by us and in operation at that time, directly or indirectly, for a fee or charge, offer or engage in dog training services.
- c. **No Solicitation of Customers.** In the event a Franchise Agreement is not executed by Franchise Partner by the closing date above, Franchise Partner will not, for a period of two years after the termination (for any reason), assignment by you, or expiration of this Deposit, in the Territory or within thirty (30) miles of the boundaries of the Territory, directly or indirectly solicit the patronage of any client or potential client served or to be served by your anticipated Franchised Business during the training period prior to execution of a Franchise Agreement, for the purpose of offering such person or entity, for a fee or charge, dog training services.

11. **Injunctive Relief; Waiver of Bond.** If there is a breach or threatened breach of any provision of this Deposit, it is agreed that Franchisor will suffer irreparable harm, and monetary damages will be inadequate to compensate for such damages. Accordingly, Franchisor shall be entitled to an injunction restraining Franchise Partner. Franchise Partner waives the posting of bond by Franchisor on any preliminary, temporary, or permanent injunction so obtained. In the event of such breach, Franchisor shall, in addition to any equitable relief, be entitled to any other remedy provided for by law, including the award of damages.

12. **Entire Agreement and Modifications.** This Deposit states the entire agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, understandings, or representations with respect thereto. Any addition or modification to this Deposit must be made in writing and signed by authorized representatives of both parties.

13. **Governing Law, Venue.** This Deposit is made under and shall be construed according to the laws of the State of Ohio. If this Deposit is breached, any and all disputes ("Disputes") must be settled in a court of competent jurisdiction in the City of Medina, Ohio.

14. **Waiver of Jury Trial and Punitive Damages.** The parties agree to waive their rights to a jury trial and to seek or recover punitive damages in any action brought by either party arising out of or relating to this Deposit or the dealings of the parties.

15. **Severability.** If any of the provisions of this Deposit are found to be unenforceable, the remainder shall be enforced as fully as possible, and the unenforceable provision(s) shall be deemed modified to the limited extent required to permit enforcement of the Deposit as a whole.

16. **Binding Effect, Assignment.** This Deposit will be binding on and inure to the benefit of the parties and their respective successors and assigns. Neither party has the right to assign this Deposit, in whole or in part, or any of its obligations, rights, or privileges to any other person without the prior written consent of the other party.

17. **Counterparts.** This Deposit may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one Deposit.

18. **Expenses.** Each party to this Deposit shall pay their respective expenses, including accountants' and attorneys' fees.

THIS DEPOSIT IS A LEGAL DOCUMENT AND BINDING UPON THE PARTIES. Any modification to this Deposit must be in writing. Acceptance of the foregoing terms and receipt of the deposit are indicated below by the signatures of the parties.

FRANCHISE PARTNER:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

FRANCHISOR:

ITK9 FRANCHISE, LLC

By: _____
Name: _____
Title: _____
Date: _____

EXHIBIT J
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
Illinois	Pending
Indiana	Pending
Maryland	Pending
Michigan	September 13, 2024
Minnesota	Pending
New York	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.

EXHIBIT K
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 ITK9 Franchise, LLC offers you a franchise, offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we 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.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit C.

The franchisor is ITK9 Franchise, LLC located at 5690 Wolff Road, Medina, OH 44256. Its telephone number is (877) 585-9727.

Issuance Date: May 20, 2025.

The Franchise Sellers for this offering are:

 X Jason Watson, 5690 Wolff Road, Medina, OH 44256; (704) 954-8830.

 X Krissy Spero, 5690 Wolff Road, Medina, OH 44256; (423) 208-9313.

 X Lindsay Simpson, 5690 Wolff Road, Medina, OH 44256; (805) 455-5904.

 X Grant Reeves, 5690 Wolff Road, Medina, OH 44256; (330) 331-6061.

_____, _____;

We authorize the respective state agencies identified on Exhibit D to receive service of process for us in the particular state.

I received a disclosure document dated May 20, 2025 that included the following Exhibits:

EXHIBIT A FRANCHISE AGREEMENT
 Schedule 1- Ownership of Franchise

Schedule 2- Territory
Schedule 3- Guarantee, Indemnification, and Acknowledgement
Schedule 4- Authorization Agreement for Prearranged Payment (Direct Debits)
Schedule 5- Code of Conduct (Rules, Standards, Procedures, and Code of Conduct)
Schedule 6- State Addenda to the Franchise Agreement

EXHIBIT B	RELEASE
EXHIBIT C	LIST OF STATE ADMINISTRATORS
EXHIBIT D	AGENTS FOR SERVICE OF PROCESS
EXHIBIT E-1	LIST OF CURRENT FRANCHISEES
EXHIBIT E-2	LIST OF FORMER FRANCHISEES
EXHIBIT F	FINANCIAL STATEMENTS
EXHIBIT G	STATE ADDENDA TO THE DISCLOSURE DOCUMENT
EXHIBIT H	FRANCHISE DISCLOSURE ACKNOWLEDGEMENT
EXHIBIT I	DEPOSIT AGREEMENT
EXHIBIT J	STATE EFFECTIVE DATES
EXHIBIT K	RECEIPTS

_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

Please sign, date, and retain this copy for your records.

EXHIBIT K
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 ITK9 Franchise, LLC offers you a franchise, offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we 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.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If we do not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agencies listed in Exhibit C.

The franchisor is ITK9 Franchise, LLC located at 5690 Wolff Road, Medina, OH 44256. Its telephone number is (877) 585-9727.

Issuance Date: May 20, 2025.

The Franchise Sellers for this offering are:

 X Jason Watson, 5690 Wolff Road, Medina, OH 44256; (704) 954-8830.

 X Krissy Spero, 5690 Wolff Road, Medina, OH 44256; (423) 208-9313.

 X Lindsay Simpson, 5690 Wolff Road, Medina, OH 44256; (805) 455-5904.

 X Grant Reeves, 5690 Wolff Road, Medina, OH 44256; (330) 331-6061.

_____, _____;

We authorize the respective state agencies identified on Exhibit D to receive service of process for us in the particular state.

I received a disclosure document dated May 20, 2025 that included the following Exhibits:

EXHIBIT A FRANCHISE AGREEMENT
 Schedule 1- Ownership of Franchise
 Schedule 2- Territory

Schedule 3- Guarantee, Indemnification, and Acknowledgement
Schedule 4- Authorization Agreement for Prearranged Payment (Direct Debits)
Schedule 5- Code of Conduct (Rules, Standards, Procedures, and Code of Conduct)
Schedule 6- State Addenda to the Franchise Agreement

EXHIBIT B	RELEASE
EXHIBIT C	LIST OF STATE ADMINISTRATORS
EXHIBIT D	AGENTS FOR SERVICE OF PROCESS
EXHIBIT E-1	LIST OF CURRENT FRANCHISEES
EXHIBIT E-2	LIST OF FORMER FRANCHISEES
EXHIBIT F	FINANCIAL STATEMENTS
EXHIBIT G	STATE ADDENDA TO THE DISCLOSURE DOCUMENT
EXHIBIT H	FRANCHISE DISCLOSURE ACKNOWLEDGEMENT
EXHIBIT I	DEPOSIT AGREEMENT
EXHIBIT J	STATE EFFECTIVE DATES
EXHIBIT K	RECEIPTS

_____	_____	_____
Date	Signature	Printed Name

_____	_____	_____
Date	Signature	Printed Name

Please sign, date, and return this copy to ITK9 Franchise, LLC, 5690 Wolff Road, Medina, OH 44256.