

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 us. There is no pending material federal or state court litigation regarding our use or ownership rights in the Marks.

HDI owns the trademarks listed in the chart above and licenses them to us pursuant to a written License Agreement dated September 15, 2025. We have the exclusive right to use and sublicense the Marks in connection with the franchise system. The License Agreement is perpetual in duration and may be terminated upon a material breach not remedied after 60 days of notice. If the License Agreement is terminated, you could lose the right to use the trademarks licenses to us, however, HDI has agreed to cooperate in good faith to ensure that franchisees are not harmed by any transition of the Marks. HDI owns the trademarks listed in the chart above and licenses them to us for use in connection with the franchise system.

Other than as disclosed, there are no 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 in writing. 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 Area Representative 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, in our sole discretion, 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.

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**

We do not currently hold any patents or have any pending patent applications that are material to the franchise. We claim copyrights to our Manual, marketing material such as our website text, and other printed material, although we have not presently filed a registration of those copyrights.

There are no currently effective determinations of the U.S. Copyright Office or any court or any pending litigation or other proceedings, regarding any copyrighted materials. No agreement limits our rights to use or allow you to use the copyrighted materials.

We do not have an obligation in the Area Representative Agreement to protect our copyrights. We

means that we believe you have sufficiently grasped the material taught to run an Area Representative franchise competently. Any General Manager must also sign a Confidentiality and Non-Compete Agreement as we may specify, subject to state law. A General Manager is not required to have any equity interest in the franchisee's business.

All owners of the Area Representative Business must guarantee the obligations under the Area Representative Agreement and are subject to a covenant not to compete, along with confidentiality requirements. Spouses are not required to sign a personal guaranty unless they are owners of the Area Representative Business.

You will accurately and completely furnish us the names, contact information, and ownership percentage of anyone who owns an interest in the Area Representative Business. No change to the owners or ownership percentages is permitted without our prior written consent.

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

As an Area Representative, you will recruit prospects to open and operate a Unit Franchisee. Unit Franchises can only be offered and sold through the disclosure of a separate Unit disclosure document that we provide to you. You will only be permitted to recruit prospects when we have issued a current Unit disclosure document and obtained any required state registration. As an Area Representative, you are not authorized to sign any documents on our behalf or on behalf of the System. You will refer all qualified franchisee candidates to us and we may, in our sole and absolute discretion, determine whether or not we approve or disapprove of each respective franchisee candidate. If we reject a franchisee candidate or elect to not enter into a Unit franchise agreement with a franchisee candidate, you will not receive any compensation.

You must offer and sell only the goods and services that we approve, and you must sell all the goods and services that we authorize. We have the unlimited right to change the types of authorized goods and services, but we do not intend to materially change the nature of this relation or the authorized goods and services.

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## MINNESOTA ADDENDUM TO THE DISCLOSURE DOCUMENT

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 Area Representative 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 Area Representative's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Area Representative'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 an Area Representative be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Area Representative Agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the Area Representative's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the Area Representative 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 Area Representative's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring an Area Representative to assent to a general release.
- 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.
- The Area Representative 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.

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

Initial Fee Deferral:

Items 5 and 7 of the Disclosure Document are amended to also add the following: The franchisor defers the receipt of the initial franchise fee until the franchised business opens.

## MINNESOTA ADDENDUM TO THE AREA REPRESENTATIVE AGREEMENT

If any of the terms of the Area Representative 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 Area Representative 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 Area Representative's rights as provided for in Minnesota Statutes, Chapter 80C, or (2) Area Representative'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 an Area Representative be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Area Representative Agreement and that consent to the transfer of the franchise will not be unreasonably withheld.
- The franchisor will protect the Area Representative's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the Area Representative 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 Area Representative's right to use the trademarks. Refer to Minnesota Statutes 80C.12, Subd. 1(g).
- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring an Area Representative to assent to a general release.
- The Area Representative Agreement is amended to limit any Non-Sufficient Fund fee to \$30 per occurrence pursuant to Minnesota Statute 604.113
- The Area Representative 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.

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

Initial Fee Deferral:

The Area Representative Agreement is amended to also state that the franchisor defers the receipt of the initial franchise fee until the franchised business opens.

AREA REPRESENTATIVE:

By: \_\_\_\_\_

By: \_\_\_\_\_

FRANCHISOR:

Happie Doggie, LLC

By: \_\_\_\_\_  
Cory Hughes, CEO

Date: \_\_\_\_\_