

FRANCHISE DISCLOSURE DOCUMENT

SIT MEANS SIT DOG TRAINING

Sit Means Sit Franchise, Inc., a Nevada
Corporation
6295 McLeod Drive #2
Las Vegas, Nevada 89120
(702) 877-4581
info@sitmeanssit.com
www.sitmeanssit.com

The franchise offered is for the operation of a dog training business using the “Sit Means Sit” system and standards.

The total investment necessary to begin operation of a Sit Means Sit franchised business if you are a new franchisee is between \$66,675 and \$163,750. This includes between \$60,530 and \$61,470 that must be paid to the franchisor or its affiliate(s). You must pay an application fee and deposit of \$1,500 at the time you apply to become a franchisee. This fee covers the cost of conducting a credit and criminal background check and evaluating your qualifications as a franchisee candidate. If both parties agree to proceed, the \$1,500 will be applied toward your initial franchise fee or your payment under the Trade Area Reservation Agreement. This fee is nonrefundable under all circumstances, including if either party decides not to proceed. The total investment necessary to begin operation of a Sit Means Sit franchised business if you are an existing franchisee who purchased your first franchise before July 1, 2020 or on or after June 1, 2025 is between \$31,775 and \$128,850. This includes between \$25,630 and \$26,570 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of a Sit Means Sit franchised business if you are an existing franchisee who purchased your first franchise between July 1, 2020 and May 31, 2025 is between \$16,775 and \$119,350. This includes between \$10,630 and \$17,070 that must be paid to the franchisor or its affiliate(s).

You may reserve a Trade Area with us for up to one (1) year by signing a Trade Area Reservation Agreement and paying a deposit of \$5,000 per Trade Area. If you do not commence operations within that year, you may extend the reservation once for an additional year by paying fifty percent (50%) of the then-current initial franchise fee for that Trade Area.

This disclosure document summarizes certain provisions of your Franchise Agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no 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 disclosure in different formats, contact Alfredo Rivera at 6295 McLeod Drive Suite #2, Las Vegas, Nevada 89120, (702) 877-4581.

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

Type of expenditure	Amount	Method of Payment	When Due	To Whom Payment is to be Made
Professional Fees	\$0 - \$3,000	As Incurred	As Incurred	Attorneys, Accountants, etc.
Demonstration Dog (7)	\$50 - \$7,500	Before Training	Before Training	Suppliers
Additional Funds – 3 Months (8)	\$2,400 - \$11,400	As Incurred	As Incurred	Employees, suppliers, utilities, landlords, etc.
TOTAL ESTIMATED INITIAL INVESTMENT (NEW FRANCHISEE)	\$66,675 - \$163,750			
TOTAL ESTIMATED INITIAL INVESTMENT (EXISTING FRANCHISEE – FIRST FRANCHISE BEFORE JULY 1, 2020 OR AFTER JUNE 1, 2025)	\$16,775 to \$31,775 = \$119,350 <u>\$128,850</u>			
TOTAL ESTIMATED INITIAL INVESTMENT (EXISTING FRANCHISEE – FIRST FRANCHISE BEFORE BETWEEN JULY 1, 2020 OR AFTER JUNE 1, 2020 OR AFTER JUNE 1, 2025 AND MAY 31, 2025)	\$31,775–16,775 to \$128,850 <u>119,350</u>			

Note: Neither we, nor any of our affiliates, offer direct or indirect financing for any part of the initial investment. We do not know whether any of the money you pay to third parties will be refundable. The Initial Fee you pay us is partially refundable under the circumstances described in Item 5.

1. As described in Item 5, the Initial Franchise Fee varies depending on your franchise history; existing franchisees who purchased their first franchise before July 1, 2020, or who are purchasing an additional franchise on or after June 1, 2025, pay \$25,000; and existing franchisees who purchased their first franchise between July 1, 2020, and May 31, 2025, pay a tiered Initial Franchise Fee ranging from \$10,000 to \$15,500 depending on the number of franchises they have already purchased. We also offer a referral incentive through our Franchisee Lead Referral (FLR) Program, under which existing franchisees who refer a new franchisee to us are eligible to receive a \$5,000 referral fee. This referral fee may be applied toward the purchase of an additional Trade Area, and if the referring franchisee subsequently purchases an additional Trade Area, they will receive a \$5,000 refund upon signing the Franchise Agreement and paying the applicable Initial Franchise Fee. Please note that this Item 7 does not reflect the \$5,000 refund. We reserve the right to modify or discontinue the FLR Program at any time.

2. The low end of the estimated initial investment assumes that you will operate without a formal Training Facility, and therefore will not incur rental or construction costs. If you choose to operate from a facility, suitable locations may include strip malls or light industrial/commercial zones, typically involving the lease of unimproved and unfurnished retail or warehouse space. For a leased facility, you should expect to prepay first and last month's rent (estimated at approximately \$6,000) and invest an additional \$6,000 to \$9,000 in construction and improvements. These figures are reflected in the high estimate and are based on a facility ranging from 1,000 to 3,500 square feet in Las Vegas, Nevada. Actual costs may vary significantly depending on factors such as location, size, market demand, economic conditions, and lease terms. If you choose to purchase a facility or construct a free-standing building, your investment will likely be substantially higher.

3. The low estimate assumes that you already own a suitable Vehicle and will incur only minimal costs for decals. You are required to purchase or lease one or more Vehicles that meet our specifications.