

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT A
FRANCHISE AGREEMENT

DOG HAUS WORLDWIDE, LLC

EXHIBIT A

FRANCHISE AGREEMENT

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
1. DEFINITIONS.....	1
2. GRANT.....	9
3. INITIAL AND RENEWAL TERMS.....	10
4. FEES AND PAYMENTS.....	12 11
5. FRANCHISED LOCATION, CONSTRUCTION AND OPENING FOR BUSINESS.....	13
6. OBLIGATIONS OF FRANCHISOR.....	16
7. OBLIGATIONS OF FRANCHISEE.....	19 18
8. SUPPLIERS AND PRODUCTS.....	29 29
9. DOG HAUS MARKS.....	31 30
10. MARKETING.....	32
11. CONFIDENTIAL INFORMATION.....	36 36
12. ACCOUNTING AND RECORDS.....	38 37
13. INSURANCE.....	40 39
14. TRANSFER OF INTEREST.....	41 40
15. COVENANTS.....	46 45
16. DEFAULT AND TERMINATION.....	48 47
17. OBLIGATIONS FOLLOWING TERMINATION OR EXPIRATION.....	52 51
18. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.....	55 54
19. DISPUTE RESOLUTION.....	56
20. NOTICES.....	60 58
21. ACKNOWLEDGMENTS.....	61 59

EXHIBITS

EXHIBIT A	FRANCHISE INFORMATION
EXHIBIT B	ENTITY INFORMATION DISCLOSURE
EXHIBIT C	GUARANTEE OF FRANCHISE AGREEMENT
EXHIBIT D	DEBIT AUTHORIZATION FORM

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

THIS FRANCHISE AGREEMENT (this "Agreement") is made and entered into as of the "Effective Date" set forth on Exhibit A by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), on the one hand, and the individuals or Entity identified as "Franchisee" on Exhibit A, on the other hand, who are individually referred to in this Agreement as a "Party", and collectively referred to in this Agreement as "Parties", with reference to the following facts:

A. Franchisor, its predecessor and Affiliate have developed the "Dog Haus System" for the establishment and operation of restaurants ("Dog Haus Restaurants") that offer freshly prepared, cooked to order, high quality proprietary gourmet hot dogs, sausages, hamburgers, chicken and plant-based food products accompanied by Franchisor's proprietary sauces and a variety of other related food products, side dishes and alcoholic and non-alcoholic beverages for both on-premises and off-premises consumption under the trade name and service mark "Dog Haus" and other related trademarks, service marks, logos and commercial symbols, and the trade dress used to identify Dog Haus Restaurants, including the unique and distinctive interior and exterior building designs, color schemes, furniture, fixtures and accessories present in Dog Haus Restaurants (collectively, the "Dog Haus Marks").

B. Franchisee desires to obtain a license and franchise to develop, own and operate one "Dog Haus Biergarten" or "Dog Haus Fast Casual Restaurant" (the "Franchised Restaurant"), under the Dog Haus Marks in strict accordance with the Dog Haus System and the standards established by Franchisor, and Franchisor is willing to grant Franchisee a license and franchise under the terms and conditions in this Agreement.

NOW, THEREFORE, THE PARTIES AGREE:

1. DEFINITIONS.

The capitalized terms in this Agreement that are not defined elsewhere in the text of this Agreement are assigned these definitions:

"Abandon" means (i) Franchisee's failure, at any time during the Term, to keep the Franchised Restaurant open and operating for business for a period of five (5) consecutive days, except as provided in the Manuals; (ii) Franchisee's failure to keep the Franchised Restaurant open and operating for any period after which it is not unreasonable under the facts and circumstances for Franchisor to conclude that Franchisee does not intend to continue to operate the Franchised Restaurant, unless the failure to operate is due to Force Majeure (subject to Franchisee's continuing compliance with this Agreement); (iii) the withdrawal of permission from the Landlord that results in Franchisee's inability to continue operation of the Franchised Restaurant at the Franchised Location; or (v) a closure of the Franchised Restaurant required by Applicable Law.

"Additional Post-Opening Initial Training Fee" means the \$1,500 weekly fee that Franchisee shall pay Franchisor for each trainee if Franchisee requests Franchisor to provide its Initial Training Program for new or replacement employees of Franchisee following the Opening Date of the Franchised Restaurant.

"Additional Pre-Opening Initial Training Fee" means the \$3,500 fee that Franchisee shall pay Franchisor for each additional trainee if Franchisee requests Franchisor to provide its Initial Training Program to more than two (2) persons selected by Franchisee prior to the Opening Date of the Franchised Restaurant.

“Administrative Assessments” means \$100 for Franchisor’s services for processing the first violation of a reporting requirement, \$200 for Franchisor’s services for processing the second violation of a reporting requirement, and \$300 for Franchisor’s services for processing the third and each subsequent violation of the same reporting requirement, each levied to reimburse Franchisor for its administrative efforts to process Franchisee’s reporting violations, and not as a penalty.

“Affiliate” or “Affiliates” mean any person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement. Control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise.

“Applicable Law” means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of the Franchised Restaurant that are in effect on or after the Effective Date, as they may be amended from time to time.

“Business Judgment” means that Franchisor is allowed to exercise its judgment however Franchisor believes is appropriate in a given circumstance without limitation, subject to the use of that discretion in any reasonable way as more fully described in Section 21.16.

“Catering Services” means (i) the preparation, provision and service and management of service of food and beverages (including sales, marketing and promotional practices related thereto) to guests, invitees and other third parties on behalf of a customer of the provider, whether on premises owned, leased, managed, licensed, hired or operated by such customer, or for a venue-based catering facility not constituting a restaurant by the provider including, without limitation, a private, cultural, entertainment, healthcare, sports, convention or educational facility, or as part of a special event such as a sporting, cultural, charitable or political event; and (ii) contract catering services which means the preparation, provision and service or management of service of food and beverages (including sales, marketing and promotional practices related thereto) to employees, customers, vendors, guests and invitees (but not the general public) on behalf of a customer or to a customer directly on an ongoing basis over a period of time pursuant to a contract with such customer.

“Co-Branding” means the operation of an independent business, product line or operating system owned or licensed by another Entity (not Franchisor) that is featured or incorporated within the Franchised Restaurant or is adjacent to the Franchised Restaurant and operated in a manner likely to cause the public to perceive it is related to the Franchised Restaurant. An example would be an independent ice cream store or counter installed within the Franchised Restaurant.

“Competitive Business” means any restaurant business that prepares, offers and sells gourmet hot dogs, sausages, hamburgers, chicken, plant-based food products or any combination of these products as primary menu items and any business that looks like, copies, imitates, or operates with similar trade dress or décor to the Dog Haus Restaurant.

“Constituents” means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

“Crisis Management Event” means any event that occurs at or about the Franchised Restaurant that has or may cause harm or injury to customers or employees, including, without limitation, food contamination, food spoilage/poisoning, food tampering/sabotage, contagious diseases, natural disasters, terrorist acts, shootings, epidemics, pandemics or any other circumstance which may damage the Dog Haus System, the Dog Haus Marks, or the image or reputation of Franchisor and its Affiliates.

“Default” means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

“Dog Haus Approved Suppliers” means suppliers of Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~ Sub-Branded Products and Non-Proprietary Products and Services, and ancillary services, Food Delivery Services, food products, beverages, supplies, furniture, fixtures and equipment for Dog Haus Restaurants that have been accepted and approved by Franchisor because they have demonstrated to Franchisor their ability to supply products and services for Dog Haus Restaurants meeting Franchisor’s specifications as to brand names, models, contents, manner of preparation, ingredients, quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services. Franchisor and its Affiliates may be Dog Haus Approved Suppliers.

“Dog Haus Authorized Products” means all Dog Haus Branded Products, Sub-Branded Products~~Virtual Branded Products~~, Dog Haus Proprietary Products and Non-Proprietary Products and Services offered for sale or used at Dog Haus Restaurants, as specified by Franchisor from time to time.

“Dog Haus Biergarten” means a Dog Haus Restaurant of approximately 1,800 to 3,000 square feet in size which will be required to have (i) a minimum 24 beers and a number of wines on tap; (ii) a minimum of 8 seats at the bar; (iii) at least one bartender on duty at all times; (iv) a minimum of 10 televisions; (v) have cable/satellite television capability with multiple control boxes, including DirectTV boxes, Dog Haus TV boxes, RX Music boxes and Video Box; (vi) a patio with a minimum of 24 seats; (vii) open or enclosed kitchens, depending on the layout of the premises; (viii) extended hours of operation; (ix) glassware and a dishwasher; (x) additional equipment; (xi) server with a handheld POS (xii) happy-hour pricing for food and beverages. In addition, Dog Haus Biergartens may have brewery events, club affiliations, video games, ping shuffleboard, board games, bocce ball, pool tables, corn hole or foosball. If the Dog Haus Restaurant serves liquor, Franchisee must purchase an additional freezer and ice molds.

“Dog Haus Branded Products” means any product now existing or developed in the future that bears any of the Dog Haus Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor’s recipes, methods, standards and specifications, including pre-packaged food and beverage products, clothing, souvenirs and novelty items.

“Dog Haus Fast Casual Restaurant” means a Dog Haus Restaurant of approximately 1,300 to 1,600 square feet which will have a limited menu, will take orders at the counter, will have communal seating, and will have a limited selection of beer and wine available for purchase.

“Dog Haus Franchise Agreements” means Franchise Agreements between Franchisor and other Dog Haus Franchisees for Dog Haus Restaurants, including all exhibits, riders, guarantees or other related instruments, all as amended from time to time.

“Dog Haus Franchisees” means the parties who enter into Dog Haus Franchise Agreements with Franchisor to develop, own and operate Dog Haus Restaurants.

“Dog Haus Proprietary Products” means Dog Haus food products, beverages, packaging and other items that are produced or manufactured strictly in accordance with the Dog Haus Trade Secrets or that Franchisor or its Affiliates otherwise designate as proprietary.

“Dog Haus System” means Franchisor’s operating methods and business practices related to Dog Haus Restaurants, the relationship between Franchisor and Dog Haus Franchisees, interior and exterior restaurant design, trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, recommended pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and training programs, marketing and public relations programs, and Franchisor’s website, all as Franchisor may modify the same from time to time.

“Dog Haus Trade Secrets” means proprietary and Dog Haus Confidential Information, including, recipes, ingredients, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies and methods and techniques of operating the Franchised Restaurant and producing Dog Haus Authorized Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that Franchisee can show was already lawfully in Franchisee’s possession before receipt from Franchisor.

“Electronic Signature” means any electronic symbol and/or process attached to or logically associated with a document and executed by a Party with the intent to sign such document, including facsimile, email, or other electronic signatures.

“Entity” means any limited liability company, partnership, trust, association, corporation or other entity, which is not an individual. If Franchisee is an Entity, the Entity shall conduct no business other than the operation of the Franchised Restaurant.

“Equity” means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity.

“Expiration Date” means the tenth (10th) anniversary of the Effective Date as set forth on Exhibit A.

“Food Delivery Services” means on-line third-party food ordering platforms that deliver Dog Haus Authorized Products .

“Force Majeure” means any event (i) that was reasonably unforeseeable as of the Effective Date, (ii) that is beyond the reasonable control, directly or indirectly, of a Party, (iii) that could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence, (iv) that does not result from the fault or negligence of that Party or its agents, employees or contractors, and (v) that causes performance by that Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement. Subject to the satisfaction of the foregoing criteria, “Force Majeure” includes (a) acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophe), (b) strikes, lockouts or other industrial disturbances, (c) war, terrorist acts, riot, or other civil disturbance, (d) unilateral governmental action impacting restaurants generally, and (e) contagious diseases, epidemics, pandemics, transportation shortages, inadequate supply of labor, material or energy, or a party foregoing the right to acquire or use any of the foregoing in order to accommodate or comply with the orders, requests, regulations, recommendations or instructions of any federal, state or municipal government or any department or agency. Neither an act or failure to act by a

Governmental Authority, nor the performance, non-performance or exercise of rights under any agreement with Franchisee by any lender, landlord, contractor, or other person, or Franchisee's financial inability to perform or Franchisee's insolvency, shall be an event of Force Majeure hereunder, except to the extent that such act, failure to act, performance, non-performance or exercise of rights results from an act which is otherwise an event of Force Majeure. An event of Force Majeure will not affect or change Franchisee's obligation to pay Royalty Fees, Marketing, Creative & Technology Fees, Cooperative Marketing Fees, Plan Review Fee, Management Fee or any other fees owed to Franchisor when due during the event of Force Majeure.

"Franchised Location" means the site of the Franchised Restaurant as set forth on Exhibit A.

"General Manager" means an individual who is responsible for overseeing the operation of the Franchised Restaurant in the absence of the Principal Owner as set forth on Exhibit B.

"General Release" means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Franchisor and its Constituents. A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed.

"Grand Opening Marketing Expenditure" means the \$20,000 - \$25,000 that Franchisee must spend for a promotional campaign for the grand opening of the Franchised Restaurant within ninety (90) days of the Opening Date.

"Good Standing" means Franchisee is in substantial compliance with the material requirements of this Agreement, the Manuals and all other agreements then in effect between Franchisor, or its Affiliates, and Franchisee, and has substantially cured each curable Default for which Franchisor has issued a Notice of Default to Franchisee within the time periods set forth in Article 16.

"Governmental Authority" means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

"Gross Sales" means the total of all revenues derived from retail and wholesale sales of goods, merchandise, services or products of any nature or kind whatsoever ~~sales of any nature or kind whatsoever~~ from the Franchised Restaurant during the Term, whether evidenced by cash, services, property, barter, or other means of exchange, "Gross Sales" includes, without limitation, (i) revenue from in-store dining, carry-out, drive-thru, catering services, Franchisee delivery sales, third-party delivery sales, and other online orders; (ii) discounted sales; (iii) voucher sales, gift card and gift certificate sales when they are purchased; (iv) the retail price of beverages and food products Franchisee provides to its employees as incident to their employment; and (v) the proceeds from any business interruption insurance related to the non-operation of the Franchised Restaurant. With respect to goods, merchandise, services or products purchased by customers with coupons or other discounts or through the use of third-party delivery services, "Gross Sales" includes the retail price of the goods, merchandise, services or products without deduction of the amount of the discount or third-party delivery service charges. Excluded from "Gross Sales" are the amount of (a) bona fide refunds paid to customers; (b) sales, use or other taxes charged to customers and actually paid to any Governmental Authority; (c) tips, gratuities or service charges paid directly by customers to employees of Franchisee or paid to Franchisee and then paid to such employees by Franchisee; and (d) the retail price of gift cards, gift certificates, or vouchers when they are redeemed, as well as the proceeds

~~from any business interruption insurance related to the non-operation of the Franchised Restaurant, and whether evidenced by cash, services, property, barter, or other means of exchange, including orders taken in or from the Franchised Restaurant although filled elsewhere. "Gross Sales" shall include the full value of drinks and snacks Franchisee provides to its employees as incident to their employment (less the value of any discounts against Gross Sales given during the month in which the drinks and snacks were provided) and all proceeds from the sale of coupons, gift certificates or vouchers. "Gross Sales" shall exclude the amount of bona fide refunds paid to customers and the amount of any sales or use taxes actually paid to any Governmental Authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed.~~

"Initial Franchise Fee" means the \$40,000 initial fee that Franchisee must pay Franchisor for the right to operate the Franchised Restaurant under this Agreement.

"Initial Term" means the ten (10) year period commencing on the Effective Date and ending on the Expiration Date.

"Initial Training Program" means Franchisor's training program that Franchisor shall provide for up to two (2) persons selected by Franchisee who must include the Principal Owner and General Manager, at no charge to Franchisee before Franchisee begins servicing customers and that Franchisor may provide at other times during the Term, upon Franchisee's request, and by mutual arrangement of the Parties for the Additional Pre-Opening Initial Training Fees and the Additional Post-Opening Initial Training Fees described in this Agreement. Franchisor may modify the Initial Training Program at any time without notice.

"Landlord" means the owner of the Franchised Location who enters into a Lease with Franchisee for the Franchised Location.

"Lease" means any agreement, however denominated, that allows Franchisee to occupy a Franchised Location owned by a Landlord, including any lease, sublease, concession agreement, license and similar arrangement between Franchisee and a Landlord.

"Local Store Marketing Expenditure" means the amount that Franchisee shall spend each calendar quarter, if required, during the Term for local promotion and marketing for the Franchised Restaurant equal to one percent (1%) of the Gross Sales of the Franchised Restaurant or \$3,750 per quarter, whichever is greater. Franchisor shall have the right to adjust the amount of the Local Store Marketing Expenditure at any time and from time to time during the Term upon ninety (90) days' prior written notice from Franchisor to Franchisee, to an amount not to exceed three percent (3%) of Gross Sales.

"Manuals" means Franchisor's Operations Manual, which may consist of one or more manuals, and any other written directives related to the Dog Haus System, as they may be amended, issued and revised from time to time.

"Marketing, Creative & Technology Fees" means the fees that Franchisee shall pay Franchisor each week equal to two percent (2%) of the Gross Sales of the Franchised Restaurant. Franchisor shall have the right to adjust the amount of the Marketing, Creative & Technology Fees at any time and from time to time during the Term upon ninety (90) days' prior written notice from Franchisor to Franchisee, to an amount not to exceed three and one-half percent (3.5%) of Gross Sales.

“Marketing, Creative & Technology Fund” means the fund that Franchisor has established to promote the Dog Haus Marks and Dog Haus Restaurants.

“NACHA” means the National Automated Clearing House Association, an organization that establishes the standards and rules followed by financial institutions for transferring payments.

“Non-Proprietary Products and Services” means the food and beverage products, condiments, drink ingredients, raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, menus, packaging, forms, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Dog Haus Branded Products, ~~Virtual Branded Products~~ Sub-Branded Products and Dog Haus Proprietary Products, that Franchisee may or must use, offer and sell at the Franchised Restaurant.

“Non-Traditional Venues” means a broad variety of atypical sites, including a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings including office buildings and business complexes, arenas, stadiums and entertainment venues, health clubs and recreational facilities, beaches, parks, prisons, airports, train and bus stations, travel plazas, toll road facilities and other transportation terminals and related facilities, educational, medical, governmental and other types of institutional facilities, restaurant-in retail locations or restaurant-in-store (for example, a cafe within a grocery store), trucks, cafeterias, casinos, food delivery fulfillment centers, food courts operated by a master concessionaire and any site for which the lessor, owner or operator limits the operation of its beverages and/or food service facilities to a master concessionaire or contract food service provider.

“Notice of Default” means a written notice from one Party to another Party demanding the cure of a Default and demanding that the defaulting Party provide evidence of the cure to the other Party.

“Open,” “Open For Business,” and “Opened” means that Franchisee has actually begun to offer Dog Haus Authorized Products for sale to the public from the Franchised Restaurant.

“Opening Date” means the day that (i) Franchisee receives written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at the Franchised Restaurant, and (ii) Franchisee actually begins to offer Dog Haus Authorized Products for sale to the public from the Franchised Restaurant, whichever occurs last, as set forth on Exhibit A.

“Owner” means each of the individuals listed on Exhibit B and each future direct or indirect shareholder, member, general or limited partner, trustee or other Equity owner of Franchisee. If Franchisee is an Entity, each Owner and each Owner’s spouse shall jointly and severally guarantee Franchisee’s payment and performance of its obligations under this Agreement under a Guarantee in the form of Exhibit C.

“Payment Network” means Visa, MasterCard and any credit or debit card network issuing credit or debit cards and/or their duly authorized entities, agents or affiliates.

“Payment Processors” means all credit card, debit card and/or ACH processors whose services Franchisor may require Franchisee to utilize, as well as payment gateway service providers.

“Payment Rules” means the operating rules and regulations of Payment Processors and any applicable Payment Network, as in effect from time to time.

“Post-Opening Additional Training Program Fee” means the \$400 daily fee that Franchisee shall pay Franchisor for Post-Opening Additional Training Programs provided by Franchisor for each of Franchisor’s representatives who provides Post-Opening Additional Training Programs for Franchisee.

“Principal Owner” means the individual designated by Franchisee on Exhibit B and accepted by Franchisor to serve as the primary operator of the Franchised Restaurant, to serve as the authorized representative of Franchisee who shall act as Franchisee’s representative in all matters with Franchisor as Franchisee’s liaison with Franchisor and the Owners, and who shall have the authority to act on behalf of Franchisee during the Term without the active participation of any other Owner.

“Protected Area” means the geographic area designated on Exhibit A.

“Recommended Suppliers” means suppliers of Non-Proprietary Products and Services who are recommended by Franchisee to become Dog Haus Approved Suppliers.

“Relocation Fee” means the \$5,000 fee that Franchisee must pay Franchisor if Franchisee requests Franchisor to consent to a relocation of the Franchised Restaurant.

“Renewal Fee” means the \$5,000 fee that Franchisee must pay Franchisor to extend the Initial Term and each Renewal Term.

“Renewal Right” means the right held by Franchisee to renew this Agreement for successive Renewal Terms upon the expiration of the Initial Term and prior Renewal Terms.

“Renewal Term” means successive periods, each for ten (10) years.

“Renewal Term Expiration Date” means the tenth anniversary of the commencement date of each Renewal Term.

“Restricted Person” means Franchisee, and each of its Owners and Affiliates, and the respective officers, directors, managers and Affiliates of each of them, and the spouse of each of the foregoing who are individuals.

“Royalty Fees” means the fees that Franchisee shall pay Franchisor on Tuesday of each week during the Term equal to six percent (6%) of the Gross Sales of the Franchised Restaurant during the immediately preceding week.

“Sub-Branded Products” means all food products and packaging that bear names, logos and commercial symbols as designated by Franchisor, whether now existing or to be designated in the future, that are prepared by Franchisee in accordance with Franchisor’s recipes, methods, standards and specifications only for sale and delivery to customers of online food ordering platforms by Food Delivery Services and are branded to online customers under the name “The Absolute Brands Powered by Dog Haus” or other individual sub-brand name Franchisor designates for the Sub-Branded Products.

“Sub-Branded Products Marketing Expenditure” means the \$5,000 Franchisee shall spend to market each new Sub-Branded Product offered from the Franchised Restaurant.

“Term” means the Initial Term unless this Agreement is extended for one or more Renewal Terms, in which case “Term” shall mean both the Initial Term and the Renewal Terms.

"Then-Current" means the form of agreement then-currently provided by Franchisor to similarly situated prospective Dog Haus Franchisees which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Dog Haus Franchisee of Franchisor, or, as the context of this Agreement indicates, the fees then-currently charged by Franchisor for services provided by Franchisor.

"Transfer Fee" means the \$17,500 fee that Franchisee must pay Franchisor as a condition precedent to an Assignment of this Agreement.

~~"Virtual Branded Products" means all food products and packaging that bear names, logos and commercial symbols as designated by Franchisor, whether now existing or to be designated in the future, that are prepared by Franchisee in accordance with Franchisor's recipes, methods, standards and specifications only for sale and delivery to customers of online food ordering platforms by Food Delivery Services and are branded to online customers under the name "The Absolute Brands Powered by Dog Haus" or other individual virtual brand name Franchisor designates for the Virtual Branded Products.~~

~~"Virtual Branded Products Marketing Expenditure" means the \$5,000 Franchisee shall spend to market each new Virtual Branded Product offered from the Franchised Restaurant.~~

"Website" means an interactive electronic document contained in a network of computers linked by communication software that refers to the Franchised Restaurant, the Dog Haus Marks, Franchisor or the Dog Haus System, and includes Internet and World Wide Web home pages.

2. GRANT.

2.1 Grant. Franchisor hereby awards Franchisee, and Franchisee hereby accepts, the right, license and obligation, during the Initial Term, to use and display the Dog Haus Marks and use the Dog Haus System to continually operate one (1) Dog Haus Restaurant of the type specified on Exhibit A at, and only at, the Franchised Location, upon the terms and subject to the provisions of this Agreement and all ancillary documents binding Franchisor and Franchisee. Franchisee shall utilize the Franchised Location only for the operation of the Franchised Restaurant. Franchisee shall not sublicense, sublease, subcontract or enter any management agreement providing for the right to operate the Franchised Restaurant or to use the Dog Haus System granted pursuant to this Agreement.

2.2 Protected Area. Except as provided in Section 2.3, during the Initial Term, and provided that Franchisee is not in Default of this Agreement or any other agreement between Franchisor or its Affiliates and Franchisee, Franchisor shall not own, operate, sell or issue a franchise for any other Franchised Restaurant within the Protected Area. Franchisee shall not receive an exclusive territory. Unless Franchisor agrees otherwise in writing, Franchisee may only accept and fulfill orders received from Food Delivery Services in the Protected Area. Franchisee must advise all Food Delivery Services of these delivery restrictions imposed on Franchisee. The license granted to Franchisee under this Agreement is nonexclusive, and except as provided in this Section 2.2 and on Exhibit A, Franchisee shall have no territorial or protective rights.

2.3 Rights Reserved by Franchisor. The license granted under this Agreement is nonexclusive and Franchisee shall have no territorial or protective rights. Franchisor and its Affiliates expressly reserve all other rights with respect to the Dog Haus System, the Dog Haus Marks and Dog Haus Restaurants, including the

exclusive right, in their discretion, directly or indirectly, without paying Franchisee any compensation or granting Franchisee any rights in the same to: (i) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, Dog Haus Restaurants at any location outside Franchisee's Protected Area regardless of its proximity to the Franchised Restaurant; (ii) develop, own and operate, and to grant licenses and franchises to third parties to develop, own and operate, any other business, including a beverage and snack or food business, other than a Competitive Business, under marks and systems different from the Dog Haus Marks and the Dog Haus System at any location within or outside Franchisee's Protected Area regardless of its proximity to the Franchised Restaurant; (iii) sell or distribute, at retail or wholesale, directly or indirectly, and license others to sell or distribute, Dog Haus Branded Products, ~~and~~ Dog Haus Proprietary Products ~~and Sub-Branded Products~~ from any location within or outside Franchisee's Protected Area regardless of proximity to the Franchised Restaurant, through the Internet, mail order catalogs, direct mail advertising, catering and through other distribution methods; (iv) market on the Internet and use the Dog Haus Marks on the Internet, including all use of websites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (v) deliver and cater and/or license other Dog Haus Restaurants or third parties to deliver and cater at any location within or outside of the Protected Area without compensation to Franchisee, and to establish a delivery and Catering Services policies in the future which may restrict the delivery and Catering Services jurisdiction of Franchisor or of other Dog Haus Franchisees; (vi) develop, own or operate and to grant licenses or franchises to third parties to develop, own or operate Dog Haus Restaurants at Non-Traditional Venues within or outside Franchisee's Protected Area regardless of their proximity to the Franchised Restaurant; (vii) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Dog Haus Restaurants and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (viii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Dog Haus Restaurants, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses; and (ix) engage in all other activities that this Agreement does not expressly prohibit.

3. INITIAL AND RENEWAL TERMS.

3.1 Initial Term. The Initial Term shall commence on the Effective Date and shall expire on the Expiration Date. If Franchisee does not elect to renew the Initial Term under Section 3.2, this Agreement shall expire on the Expiration Date.

3.2 Renewal Right. Upon the expiration of the Initial Term, Franchisee shall have the right (the "Renewal Right") to enter into a new franchise agreement in the Then-Current form then generally being offered to prospective Dog Haus Franchisees (a "Renewal Franchise Agreement") for successive Renewal Terms. If Franchisee desires to exercise the Renewal Right for a Renewal Term, Franchisee shall, no later than twelve (12) months prior to the Expiration Date or Renewal Term Expiration Date, as the case may be, notify Franchisor in writing (the "Renewal Notice") that Franchisee desires to extend the Initial Term or Renewal Term for the duration of the Renewal Term or the next successive Renewal Term. If Franchisee exercises a Renewal Right, this Agreement shall terminate on the next Renewal Term Expiration Date. This Agreement is not otherwise renewable.

3.3 Conditions to Renewal. Franchisee may exercise its Renewal Rights only if all of the following conditions precedent are satisfied prior to the Expiration Date or Renewal Expiration Date, as the case may be: (i) Franchisee shall have fully performed all of its obligations under this Agreement, any Area Development Agreement and all

other agreements binding Franchisor and Franchisee and shall be in Good Standing on the date of the Renewal Notice, on the date of Franchisor's execution of the Renewal Franchise Agreement and on the Expiration Date of Renewal Expiration Date, as the case may be; (ii) Franchisee shall, prior to the commencement date of the Renewal Term, undertake and complete at its expense, the remodeling, renovation, modernization, and refurbishing of the Franchised Location and the Franchised Restaurant to comply with Franchisor's Then-Current specifications and standards for new Dog Haus Restaurants; (iii) Franchisee shall not have committed three (3) or more material Defaults during any twelve (12) month period during the then-expiring Initial Term or Renewal Term, as the case may be, which were subject to notices of Default issued by Franchisor, whether or not the Defaults were cured; (iv) Franchisee shall continue to comply with the terms and conditions of this Agreement; (v) Franchisee shall have satisfied Franchisor's Then-Current qualifications and training requirements; (vi) Franchisee shall have executed and delivered to Franchisor a General Release; (vii) each Owner and each Owner's spouse shall have executed and delivered to Franchisor a personal guarantee, in a form then satisfactory to Franchisor, jointly and severally guaranteeing Franchisee's performance of its obligations under the Renewal Franchise Agreement; (viii) Franchisee shall have paid Franchisor a Renewal Fee when Franchisee issues the Renewal Notice to Franchisor; and (ix) Franchisee shall have executed the Renewal Franchise Agreement and delivered it to Franchisor.

3.4 Renewal Procedures. Following the expiration of any waiting periods required by Applicable Law and no more than thirty (30) days after Franchisee receives franchise disclosure document, if applicable, and the execution copies of the Renewal Franchise Agreement, Franchisee shall execute the copies of the Renewal Franchise Agreement and return them to Franchisor. If Franchisee has exercised a Renewal Right in accordance with Section 3.2 and satisfied all of the conditions in Section 3.3 and this Section 3.4, Franchisor shall execute the Renewal Franchise Agreement. If Franchisee fails to perform any of the acts, or deliver any of the notices required under this Article 3 in a timely fashion, the failure to do so shall be deemed an election by Franchisee not to exercise the applicable Renewal Right and shall automatically cause the applicable Renewal Right to lapse and expire.

3.5 Notice Required by Law. If Applicable Law requires Franchisor to give notice to Franchisee prior to the expiration of the Initial Term or a Renewal Term, as the case may be, this Agreement shall remain in effect on a week-to-week basis until Franchisor has given the notice required by Applicable Law. If Franchisor is not offering new franchises, is in the process of revising, amending or renewing its form of franchise agreement or franchise disclosure document, or is not lawfully able to offer Franchisee its Then-Current form of franchise agreement, at the time Franchisee delivers a Renewal Notice, Franchisor may, in its discretion (i) offer to renew this Agreement upon the same terms set forth in this Agreement for a renewal term determined in accordance with Section 3.2; or (ii) offer to extend the Term on a week-to-week basis following the expiration of the Term for as long as it deems necessary or appropriate so that it may lawfully offer its Then-Current form of franchise agreement.

3.6 Month-to-Month Agreement. If Franchisee does not sign Franchisor's Then-Current Franchise Agreement prior to the Expiration Date and Franchisee continues to accept the benefits of this Agreement after it expires, then at Franchisor's option, this Agreement may be treated either as (i) expired as of the Expiration Date with Franchisee then operating without a license to do so and in violation of Franchisor's rights; or (ii) continued on a month-to-month basis ("Month-to-Month Agreement") until one party provides the other with written notice of such party's intent to terminate the Month-to-Month Agreement, in which case the Month-to-Month Agreement will terminate thirty (30) days after receipt of the notice to terminate the Month-to-Month Agreement, or such longer notice period as is required by Applicable Law. In the latter case, all of Franchisee's obligations shall remain in full force and effect during the Month-to-Month Agreement as if this Agreement had not expired, and all obligations and restrictions imposed on Franchisee upon expiration of this Agreement shall be deemed to take effect upon termination of the Month-to-Month Agreement.

4. FEES AND PAYMENTS.

4.1 Initial Franchise Fee. On the Effective Date, Franchisee shall pay Franchisor the Initial Franchise Fee in the manner provided in Section 4.6. The Initial Franchise Fee shall be non-refundable, in whole or in part, when paid.

4.2 Royalty Fees. Franchisee shall pay Franchisor a weekly Royalty Fee in the manner provided in Section 4.6 without deduction, abatement or offset. The Royalty Fee shall be paid on Tuesday of each week on the Gross Sales of the Franchised Restaurant during the preceding week. Each payment shall be accompanied by a statement of Gross Sales for the preceding calendar week, certified as complete and accurate by the Principal Owner.

4.3 Marketing, Creative & Technology Fees. Franchisee shall pay a weekly Marketing, Creative & Technology Fee to the Marketing, Creative & Technology Fund in the manner provided in Section 4.6 without deduction, abatement or offset. The Marketing, Creative & Technology Fee shall be paid on Tuesday of each week on the Gross Sales of the Franchised Restaurant during the immediately preceding week. Franchisor may, at any time during the Initial Term, upon ninety (90) days' prior notice to Franchisee, increase the amount of the Marketing, Creative & Technology Fee to no more than three and one-half percent (3.5%) of Gross Sales. In addition, Franchisor may, from time to time, offer Franchisee the opportunity to purchase point of sale advertising material, posters, flyers, product displays, templates and other promotional materials for the Franchised Restaurant at Franchisor's direct costs for the same.

4.4 Other Payments. Franchisee shall promptly pay Franchisor and its Affiliates, as applicable, when due without deduction, abatement or offset (i) all amounts advanced by Franchisor or which Franchisor has paid, or for which Franchisor has become obligated to pay on behalf of Franchisee for any reason whatsoever; and (ii) all amounts due to Franchisor or its Affiliates for Dog Haus Branded Products and Dog Haus Proprietary Products sold to Franchisee.

4.5 Interest and Charges for Late Payments. If Franchisee fails to pay any amount due to Franchisor under this Agreement by the date payment is due, or if any electronic payment is unpaid because of insufficient funds or otherwise, Franchisee shall additionally be obligated to pay, as a late charge, the sum of \$200 for each late payment transaction. Additionally, Franchisee shall pay interest on the amount outstanding for each late payment transaction at the rate of one and one-half percent (1.5%) per month (but not to exceed the maximum legal rate of interest) imposed from the date payment was due until the entire sum and late charge are paid in full. This Section 4.5 does not constitute an agreement by Franchisor to accept any payment after the date payment is due or a commitment by Franchisor to extend credit to, or otherwise finance, Franchisee, and Franchisee's failure to pay all amounts when due shall constitute grounds for termination of this Agreement notwithstanding this Section 4.5.

4.6 Manner of Payment. Franchisee shall make all payments due to Franchisor or its Affiliates from Franchisee's bank account by electronic funds transfer ("EFT") or other automatic payment mechanism that Franchisor may designate. Promptly upon Franchisor's request, Franchisee shall execute and deliver to Franchisor the EFT payment form attached to this Agreement as Exhibit D and all pre-authorized check forms and other instruments or drafts required by Franchisor's bank, payable against Franchisee's bank account, to enable Franchisor to draw the Royalty Fees and other sums payable under the terms of this Agreement. Franchisee shall maintain a single bank account for all EFT payments and shall maintain such minimum balance in this account in the amount that Franchisor may reasonably specify from time to time in order to ensure that all payments due to Franchisor and its Affiliates can be paid in full when drawn from the account. Franchisee shall not alter or close

this account except with Franchisor's prior written approval. Any failure by Franchisee to implement an EFT system in strict accordance with Franchisor's instructions shall constitute a material Default of this Agreement. All payments by Franchisee shall be made in US Dollars free and clear of any tax, deduction, offset or withholding of any kind. Franchisee shall register for and collect and report sales tax in compliance with all Applicable Laws. All taxes and penalties, presently or in the future levied on the payments due to Franchisor under this Agreement shall be fully borne by Franchisee.

4.7 Application of Funds. If Franchisee shall be delinquent in the payment of any obligation to Franchisor under this Agreement, or under any other agreement with Franchisor, Franchisor shall have the absolute right to apply any payments received from Franchisee to any obligation owed, whether under this Agreement or otherwise, notwithstanding any contrary designation by Franchisee as to application.

4.8 Security Interest. Franchisee hereby grants Franchisor and its Affiliates a security interest in and to all leasehold improvements, fixtures, furnishings and equipment, inventory, supplies and vehicles located at or used in connection with the Franchised Restaurant, now or hereafter acquired by Franchisee, together with all accounts, payment intangibles, attachments, accessories, additions, substitutions and replacements, all cash and non-cash proceeds derived from insurance or the disposition of the assets, all rights of Franchisee to use the Dog Haus Marks, trade names, trade styles, patents, copyrights and their registrations, trade secret information and other proprietary rights, and all rights granted, owned or licensed to Franchisee under this Agreement for the use of the Dog Haus Marks, trade names, trade styles, patents, copyrights, trade secret information and other proprietary rights, to secure payment and performance of all debts, liabilities and obligations of any kind, whenever and however incurred, from Franchisee to Franchisor. Franchisee hereby authorizes Franchisor and its Affiliates to prepare and file all Uniform Commercial Code (and comparable) financing statements and other documents necessary or desirable to evidence, perfect and continue the priority of this security interest under the Uniform Commercial Code wherever applicable. If Franchisee is in Good Standing under this Agreement and all other agreements between Franchisee and Franchisor or its Affiliates, then Franchisor and its Affiliates shall, upon request of Franchisee, execute a written subordination of its security interest to lenders providing equipment or other financing for the Franchised Restaurant. If Franchisee is in Default of any of the terms and conditions of this Agreement, Franchisor and its Affiliates may, in their discretion, exercise their rights with respect to their security interests. In that event, Franchisee shall remain liable for any deficiency remaining due to Franchisor and its Affiliates and shall be entitled to recover any surplus which results after the application of the proceeds derived from the enforcement of the security interest.

4.9 Sale of Alcoholic Beverages. If state or local law in the state in which the Franchised Restaurant is located prohibits or restricts in any way Franchisee's ability to pay and Franchisor's ability to collect Royalty Fees or other amounts due to Franchisor based on revenue derived from the sale of alcoholic beverages at the Restaurant, Franchisor shall reset the amount of the Royalty Fees or other sums payable to Franchisor under this Agreement and redefine Gross Sales to exclude the payment of Royalty Fees on revenue derived from the sale of alcoholic beverages to an amount that will have the same basic economic result for both Franchisor and Franchisee.

5. FRANCHISED LOCATION, CONSTRUCTION AND OPENING FOR BUSINESS.

5.1 Franchised Location. The Franchised Restaurant shall be located at the Franchised Location. If the address of the Franchised Location has not been inserted in the blank space on Exhibit A on the Effective Date, Franchisee shall, within ninety (90) days after the Effective Date, locate one or more proposed sites that meet Franchisor's Then-Current standards and specifications. Franchisor shall provide Franchisee with Franchisor's site criteria following the parties' execution of the Franchise Agreement. Franchisee shall submit to Franchisor all

demographic and other information regarding a proposed site and neighboring areas that Franchisor shall require in the form prescribed by Franchisor. Franchisor shall accept or reject a proposed site for the Franchised Restaurant within thirty (30) days (or fifteen (15) days after Franchisee provides Franchisor all supplemental information that Franchisor requires to evaluate the site). Following Franchisor's approval of a site, Franchisee shall promptly negotiate a Lease for the site and shall submit a copy of the proposed Lease to Franchisor to allow Franchisor at least fifteen (15) days to confirm that (i) the provisions set forth in Section 5.2 have been included in the proposed Lease, and/or (ii) the Landlord and Franchisee have executed an Option to Obtain Lease Assignment in the form specified by Franchisor. Franchisee shall not enter into any Lease for a site unless and until Franchisor has approved the site and the Lease in writing. Following Franchisee's execution of the Lease for the Franchised Location, Franchisor and Franchisee shall complete and execute an addendum to Exhibit A to identify the Franchised Location. This Agreement may be amended, if necessary, for certain types of Non-Traditional Venues. Franchisee shall obtain a fully executed Lease for the site no later than one hundred eighty (180) days after the Effective Date and provide Franchisor with a lease abstract in the form prescribed by Franchisor. Franchisor may voluntarily, and without obligation, assist Franchisee in selecting an acceptable site for the Franchised Location. Franchisee acknowledges its sole responsibility for finding the Franchised Location.

5.2 Lease for Franchised Location. Franchisee shall not create any obligations on Franchisor's behalf or grant the Landlord any rights against Franchisor, or agree to any term, condition or covenant in the Lease which are inconsistent with any provision of this Agreement. Franchisee shall deliver a fully executed copy of the Lease to Franchisor promptly following its execution, in the form and on the terms previously accepted by Franchisor, without further request by Franchisor. The Lease shall provide, unless Franchisor otherwise consents in writing prior to the execution of the Lease, that: (i) the Lease may not be amended, assigned or sublet without Franchisor's prior written consent; (ii) Franchisor shall have the right (but not the obligation) to succeed to Franchisee's rights under the Lease if Franchisee fails to exercise any option to renew, and or extend the term of the Lease; (iii) upon Franchisee's Default under the Lease, the Landlord shall notify Franchisor in writing at least fifteen (15) days prior to the termination or non-renewal of the Lease; (iv) Franchisor shall have an option to assume the Lease upon the termination or expiration of the Lease for any reason by giving written notice of the election to Franchisee and the Landlord; (v) Franchisee shall have the unrestricted right, without the Landlord's consent, to assign or sublet the Franchised Location to Franchisor, or any franchisee or licensee approved by Franchisor; (vi) Franchisor shall have the right to enter the Franchised Location to remove all of the Dog Haus Marks from the Franchised Location and modify the décor of the Franchised Location so that it no longer resembles, in whole or in part, a Franchised Restaurant if Franchisee fails to do so; and (vii) upon any renewal of the Lease, Franchisor and Landlord will cooperate with each other and use reasonable best efforts to adjust the expiration dates of both the renewal Lease and the Renewal Franchise Agreement, if applicable, so that the term of the renewal Lease will expire contemporaneously with the expiration of the Term of the Renewal Franchise Agreement . As an alternative to including these provisions in the Lease, Franchisor, Franchisee and the Landlord may execute Franchisor's Then-Current form of an Option to Obtain Lease Assignment. If Franchisor elects to succeed to Franchisee's rights under the Lease, Franchisee shall assign to Franchisor all of its right, title and interest in and to the Lease and take all further action that Franchisor, in its sole and absolute discretion, may deem necessary or advisable to effect the assignment within ten (10) days after written demand by Franchisor to do so. Franchisor may voluntarily (without obligation) assist Franchisee in locating an acceptable site for the Franchised Restaurant. Franchisor's acceptance of any proposed Lease is based solely on Franchisor's own interests. Franchisee acknowledges and agrees that although Franchisor may consult with Franchisee regarding the terms of a Lease and the negotiations with a Landlord, it is Franchisee's sole responsibility to negotiate, review and approve the Lease or purchase agreement for the Franchised Restaurant. If Franchisee, due to its own fault, neither obtains the Landlord's agreement to include the provisions in this Section 5.2 in the Lease nor obtains the Landlord's execution of the Option to Obtain Lease Assignment, then Franchisee shall pay Franchisor the sum of \$10,000 as

damages (the "Lease Compliance Fee"). Franchisor and Franchisee acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages that Franchisor will incur if Franchisee, due to its own fault, neither obtains the Landlord's agreement to include the provisions in this Section 5.2 in the Lease nor obtains the Landlord's execution of the Option to Obtain Lease Assignment, and further acknowledge and agree that under all the facts and circumstances, \$10,000 is a reasonable, good faith estimate of those damages. If Franchisee requests Franchisor's consent for Franchisee to execute a Lease containing modified versions of the provisions in this Section 5.2, or to execute a modified version of the Option to Obtain Lease Assignment, then, whether or not Franchisor ultimately grants such consent, Franchisee shall reimburse Franchisor, upon demand, for Franchisor's reasonable attorneys' fees incurred to review, revise and/or negotiate any changes made to the provisions in this Section 5.2 and/or to the Option to Obtain Lease Assignment.

5.3 Construction. Franchisor shall make available, at no charge to Franchisee, Franchisor's specifications for the décor and layout of a prototype Franchised Restaurant and the required fixtures, equipment, furnishings, décor, trade dress and signs. Franchisee shall be responsible for the costs of preparing architectural, engineering and construction drawings and site and space layout and exterior signage plans for the Franchised Restaurant. Franchisee shall, at its own expense, adapt the specifications for the prototype Franchised Restaurant to conform to the characteristics of the Franchised Location and shall submit the final plans to Franchisor within forty-five (45) days after Franchisee obtains possession of the Franchised Location. Franchisor shall review and accept or reject the plans within fifteen (15) days after receiving them from Franchisee. Before commencing any renovation or construction, Franchisee shall employ a licensed architect approved by Franchisor to prepare preliminary and final architectural drawings and specifications for the Franchised Restaurant in accordance with Franchisor's standard architectural plans and specifications for a prototype Franchised Restaurant. Franchisor recommends that Franchisee use Franchisor's architect. If Franchisee chooses to use a different architect, the architect must be licensed and approved by Franchisor and Franchisee must pay a \$1,500 plan review fee directly to Franchisor's architect. Franchisee shall employ a project manager approved by Franchisor to oversee construction, remodeling or other leasehold improvements. Upon Franchisee's written request, Franchisor will recommend an approved project manager for Franchisee to employ. Franchisee shall, at its own expense, obtain all zoning classifications, licenses, permits, and clearances for construction. Franchisee's failure to locate an acceptable site, enter a Lease and Open the Franchised Restaurant within the applicable time periods provided for in this Article 5 shall be deemed to be material Default under this Agreement. Franchisee shall notify Franchisor of the anticipated construction completion date and, within a reasonable time after construction is completed Franchisor shall have the right, but not the obligation, to conduct a final inspection of the Franchised Restaurant.

5.4 Open for Business. The Franchised Restaurant shall Open For Business no later than the first anniversary of the Effective Date, unless (i) Franchisor extends the date for the required Opening Date of the Franchised Restaurant in writing. Franchisor shall not unreasonably withhold its consent to Franchisee's request for additional time to Open the Franchised Restaurant without cause; (ii) the occurrence of an event of Force Majeure delays the Opening Date, in which case the Opening Date shall be extended by the number of days equal to the number of days that the Force Majeure exists, not to exceed ninety (90) days from the first anniversary of the Effective Date; or (iii) the Opening Date is otherwise set forth pursuant to an applicable Development Agreement with Franchisor. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Franchisee shall not Open the Franchised Restaurant or offer Dog Haus Authorized Products to the public without the express written authorization of Franchisor, which authorization may be conditioned upon Franchisee's strict compliance with the specifications of the approved final plans and Dog Haus System standards, the completion of the Initial Training Program by the Principal Owner and the General Manager and Franchisee's compliance with staffing and other requirements. Franchisee shall Open the Franchised Restaurant for business following receipt of a temporary or permanent certificate of occupancy and

no more than ten (10) days after receipt of Franchisor's written authorization to Open. Following the Opening Date, Franchisor and Franchisee shall complete and execute an addendum to Exhibit A to designate the Opening Date.

5.5 Relocation of Franchised Restaurant. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Franchisee may not relocate the Franchised Restaurant without Franchisor's prior written consent. Franchisee shall pay Franchisor a Relocation Fee when Franchisee requests Franchisor's consent to a relocation of the Franchised Restaurant. If Franchisor consents to a relocation, Franchisee shall de-identify the former Franchised Location in the manner described in Section 17.1 and shall reimburse and indemnify and hold Franchisor harmless from any direct and indirect losses, costs and expenses, including attorneys' fees, arising out of Franchisee's failure to do so. If Franchisor consents to a relocation of the Franchised Restaurant during the Term, Franchisee shall have twelve (12) months from the date of Franchisor's approval of the new Franchised Location to secure the new Franchised Location and to Open and operate the Franchised Restaurant at the new Franchised Location. Once Franchisee has identified the new Franchised Location, Franchisor has approved it, and the Lease has been submitted to Franchisor to allow Franchisor at least fifteen (15) days to confirm that the provisions set forth in Section 5.2 have been included in the proposed Lease and that the Landlord and Franchisee have executed an Option to Obtain Lease Assignment in the form specified by Franchisor, Franchisor will prepare an addendum to Exhibit A and provide it to Franchisee. If Franchisee fails to secure the new Franchised Location within twelve (12) months of the date of Franchisor's approval of the new Franchised Location, Franchisor shall have the right to estimate and bill Franchisee for Royalty Fees for the time period following the expiration of the twelve (12) month period based upon the Royalty Fees received for the Franchised Restaurant during the identical periods of the last preceding calendar year plus an additional ten percent (10%) of such amount or, if the Franchised Restaurant was not in operation during the identical period of the last preceding year, based upon the average Royalty Fees paid during the number of months the Franchised Restaurant was in operation plus an additional ten percent (10%) of that amount.

6. OBLIGATIONS OF FRANCHISOR.

6.1 Pre-Opening Initial Training Programs. Prior to the Opening Date of the Franchised Restaurant, Franchisor shall provide an Initial Training Program in the Dog Haus System and methods of operation (the "Pre-Opening Initial Training Program") at Franchisor's training facilities at Franchisor's corporate office, at Dog Haus Restaurants operated by Affiliates of Franchisor or by Dog Haus Franchisees or at other locations that Franchisor designates, for up to two (2) supervisory or managerial personnel of Franchisee selected by Franchisee who must include the Principal Owner and General Manager. Franchisee shall pay Franchisor its Then-Current Additional Pre-Opening Initial Training Fee for each additional trainee. The Pre-Opening Initial Training Program will consist of approximately two (2) weeks of virtual training prior to the Opening Date, which must be completed before the Franchised Restaurant Opens for business, and eight (8) to thirteen (13) days of in-person training. The Pre-Opening Initial Training Program shall not be provided to Franchisee by Franchisor if (i) Franchisee or any Affiliate of Franchisee owns or operates a Dog Haus Restaurant as of the Effective Date and/or has already completed a Pre-Opening Initial Training Program; or (ii) this Agreement is executed as a Renewal Franchise Agreement. Franchisor shall determine the contents and manner of conducting the Pre-Opening Initial Training Program in its discretion, however, the Pre-Opening Initial Training Program will be structured to provide practical training in the implementation and operation of a Dog Haus Restaurant and may include such topics as food and beverage preparation, portion control, cooking procedures, packaging procedures, Dog Haus System standards, marketing and customer service techniques, reports and equipment maintenance. In Franchisor's discretion, Franchisor may vary the length and content of the Pre-Opening Initial

Training Program based on the experience and skill level for each individual attending the Pre-Opening Initial Training Program.

6.2 Additional Post-Opening Initial Training Programs. Following the Opening Date of the Franchised Restaurant, Franchisor may, at Franchisee's request and at Franchisor's discretion, provide additional Initial Training Programs for new or replacement supervisory or managerial personnel of Franchisee ("Additional Post-Opening Initial Training Programs").

6.3 Post-Opening Additional Training Programs. Following the Opening Date of the Franchised Restaurant, Franchisor may, at Franchisor's discretion, from time to time during the Term (i) require the Principal Owner and each General Manager and/or other supervisory or managerial personnel of Franchisee to attend; or (ii) make available to the Principal Owner and each General Manager and/or other supervisory or managerial personnel of Franchisee, additional and remedial training programs ("Post-Opening Additional Training Programs"). In addition, if Franchisor conducts an inspection of the Franchised Restaurant and determines that Franchisee is not operating the Franchised Restaurant in compliance with this Agreement or the Manuals, Franchisor may require Franchisee, the Principal Owner and each General Manager and/or other supervisory or managerial personnel to attend Post-Opening Additional Training Programs to address the operating deficiencies.

6.4 On-Site Opening Assistance. For Franchisee's first Franchised Restaurant, Franchisor will provide up to four (4) of its employees to provide Franchisee with on-site training and assistance for up to ten (10) days, in some combination before and after the Dog Haus Restaurant Opens to the public. Franchisor will also provide at least one (1) of its employees to provide Franchisee with on-site assistance for up to three (3) days during Franchisee's main grand opening promotional event (the "Grand Opening Event"). If this Agreement is for Franchisee's, or any Affiliate's, second or subsequent Franchised Restaurant, Franchisor will not provide on-site training and assistance. On-site opening assistance shall not be provided by Franchisor if (i) Franchisee or any Affiliate of Franchisee owns or operates at least one (1) Dog Haus Restaurant as of the Effective Date; or (ii) this Agreement is executed as a Renewal Franchise Agreement. Franchisor shall select the persons who will provide the on-site training and assistance and the length of time that on-site training and assistance will be provided. Franchisee shall pay all transportation costs, food, lodging and similar costs incurred by Franchisor in connection with its employees' attendance at the Franchised Restaurant for the on-site opening assistance, including expenses for up to two (2) hotel rooms and two (2) rental vehicles, and a \$60 per diem for each of Franchisor's employees who provide the training.

6.5 Manuals. Franchisor will provide Franchisee with access to its current Manuals electronically or by hard copy during the Term. At Franchisor's option, Franchisor may post some or all of the Manuals on a restricted Website, intranet, or extranet to which Franchisee will have access. The Manuals may change from time to time during the Term. The Manuals are, and at all times shall remain Franchisor's sole property and shall promptly be returned to Franchisor upon expiration, termination or an Assignment of this Agreement. The Manuals contain both mandatory and recommended specifications, standards, procedures, rules and other information pertinent to the Dog Haus System and Franchisee's obligations under this Agreement. The Manuals, as modified by Franchisor from time to time, are an integral part of this Agreement and all provisions now or hereafter contained in the Manuals or otherwise communicated to Franchisee in writing are expressly incorporated into this Agreement by this reference and made a part of this Agreement. Franchisor reserves the right to modify the Manuals from time to time to reflect changes that it may implement in the mandatory and recommended specifications, standards and operating procedures of the Dog Haus System.

6.6 Post-Opening Consultation. Following the Opening Date of the Franchised Restaurant, Franchisor may provide regular consultation and advice to Franchisee in response to Franchisee's inquiries about specific administrative and operating issues that Franchisee brings to Franchisor's attention including, without limitation, mandatory and recommended specifications, standards and operating procedures of the Dog Haus System. Franchisor's consultation and advice may be provided by telephone, in writing, electronically, in person, or by other means. Franchisee acknowledges and agrees that the results of Franchisee's efforts to operate a Dog Haus Restaurant rest solely with Franchisee. Franchisor may make recommendations that it deems appropriate to assist Franchisee's efforts. However, Franchisee alone shall establish all requirements, consistent with the policies of Franchisor, regarding: (i) employment policies, hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees; (ii) the individuals to whom Franchisee will offer and sell its products and services; and (iii) the suppliers from whom Franchisee obtains any products or services used in or at the Restaurant for which Franchisor has not established Dog Haus Approved Suppliers.

6.7 Post-Opening Inspections. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, following the Opening Date of the Franchised Restaurant, Franchisor's authorized representatives shall have the right, but not the obligation, at any time and from time to time, to enter the Franchised Restaurant (either physically or remotely through the use of video equipment, Skype, FaceTime, GoToMeeting or other similar Internet service), to examine the Franchised Restaurant, to confer with Franchisee's supervisory or managerial personnel, inspect and check operations, food, beverages, furnishings, interior and exterior décor, supplies, fixtures and equipment, and determine whether the Franchised Restaurant is being operated in accordance with this Agreement, the Dog Haus System and the Manuals. Franchisor shall use reasonable efforts to avoid materially disrupting the operation of the Franchised Restaurant during an inspection.

6.8 Virtual Training, Assistance and Inspections. Franchisor may provide any or all portions of the Pre-Opening Initial Training Program, Pre-Opening Additional Initial Training Program, Post-Opening Additional Initial Training Programs, Additional Training Programs, pre and post-opening on-site opening assistance, post-opening consultations and/or post-opening inspections remotely over a virtual communication platform designated by Franchisor.

6.9 Assignment. Upon the occurrence of an Assignment, the Proposed Buyer must be trained by Franchisor as a condition to the granting of Franchisor's consent to the Assignment. All costs for this training shall be included in the Transfer Fee payable by Franchisee in accordance with Section 14.4.7. The Franchised Restaurant shall not be transferred, Opened, or re-Opened by the Proposed Buyer until Franchisor accepts the Proposed Buyer in writing as certified to operate the Franchised Restaurant and Franchisor has otherwise consented to the Assignment in accordance with this Agreement.

6.10 Toll Free Telephone Number. Franchisor has the right, but not the obligation, to establish and maintain a toll free telephone number for the purpose of accepting and confirming customer orders nationwide, customer service, and customer follow-up and satisfaction surveys. If Franchisor establishes a toll free number, Franchisee shall comply with Franchisor's procedures for implementing the nationwide service as Franchisor specifies in the Manuals or otherwise in writing.

6.11 Delegation of Duties. Franchisee acknowledges and agrees that any designee, employee, or agent of Franchisor may perform any duty or obligation imposed on Franchisor by the Agreement, as Franchisor may direct.

7. OBLIGATIONS OF FRANCHISEE.

To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same:

7.1 Dog Haus System. Franchisee shall operate the Dog Haus Restaurant in compliance with the terms of this Agreement and the Manuals. Franchisee acknowledges and agrees that Franchisee alone shall exercise day-to-day control over all operations, activities and elements of the Dog Haus Restaurant, including over Franchisee's employees, and that under no circumstance shall Franchisor do so or be deemed to do so. Franchisee further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Dog Haus System with which Franchisee must comply under this Agreement, the Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Dog Haus Restaurant, which Franchisee alone controls, but only constitute standards to which Franchisee must adhere when exercising Franchisee's control over the day-to-day operations of the Dog Haus Restaurant consistent with the policies of Franchisor. Franchisee shall comply with Franchisor's standards and shall operate the Franchised Restaurant in conformity with the methods, standards, and specifications that Franchisor may from time to time prescribe in the Manuals or otherwise. Franchisee shall comply, at Franchisee's expense, with all modifications prescribed by Franchisor and shall implement changes to the Dog Haus System within the time periods specified by Franchisor following Franchisee's receipt of notice from Franchisor to do so. Franchisee shall refrain from deviating from the methods, standards, and specifications without Franchisor's prior written consent and from otherwise operating in any manner which reflects adversely on the Dog Haus Marks or the Dog Haus System. Since every detail of the Dog Haus System is essential in order to develop and maintain quality operating standards, to increase the demand for the products and services sold by Dog Haus Restaurants under the Dog Haus System and to protect the Dog Haus Marks and reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the Dog Haus System suggested by Franchisee that is reasonably likely to have an adverse material effect on the Dog Haus System, the Dog Haus Marks or Franchisor's reputation or goodwill.

7.2 Pre-Opening Initial Training Programs. Franchisee's supervisory and managerial personnel shall attend and complete to Franchisor's satisfaction the Pre-Opening Initial Training Program at Franchisor's training facilities at Franchisor's corporate office, at Dog Haus Restaurants operated by Affiliates of Franchisor or by Dog Haus Franchisees or at other locations that Franchisor designates. Franchisee's Principal Owner must attend and complete two (2) days of marketing training at Franchisor's corporate office as a part of the Pre-Opening Initial Training Program. Franchisee shall not commence operation of the Franchised Restaurant until the Pre-Opening Initial Training Program has been completed. Franchisee shall pay all transportation costs, food, lodging and similar costs incurred by Franchisee for the Principal Owner, General Manager and other supervisory or managerial personnel to attend the Pre-Opening Initial Training Program, and for Franchisor, the expenses for up to two (2) round trip flights, two (2) hotel rooms and two (2) rental vehicles, and a \$60 per diem for each of Franchisor's employees who may travel to provide the Initial Training Program. Franchisee acknowledges that because of Franchisor's superior skill and knowledge with respect to the training and skill required to manage a Dog Haus Restaurant, Franchisor, in its sole discretion, shall determine if Franchisee, the Principal Owner, the General Manager and/or other supervisory or managerial personnel have satisfactorily completed the Pre-Opening Initial Training Program. If the Principal Owner (i) fails to complete the Pre-Opening Initial Training Program within five (5) months after the Effective Date; (ii) does not complete the Pre-Opening Initial Training Program to Franchisor's satisfaction; (iii) does not, during the Pre-Opening Initial Training Program, appear to possess the skills necessary to properly fulfill and discharge the demands and responsibilities required by the Dog Haus System or this Agreement; or (iv) is not acceptable to become a franchisee of Franchisor for any reason whatsoever,

in Franchisor's sole and absolute discretion, Franchisor may terminate this Agreement upon five (5) days' written notice to Franchisee and this Agreement shall thereafter be of no further force or effect. Franchisor shall have the right to retain the Initial Franchise Fee. Franchisor and Franchisee acknowledge and agree that the actual damages to be suffered by Franchisor in this circumstance are difficult, if not impossible, to determine, and that, under all the facts and circumstances, this calculation of Franchisor's potential damages and retention of the Initial Franchise Fee by Franchisor, are a reasonable, good-faith estimate of those damages.

7.3 Additional Post-Opening Initial Training Programs. If, following the Opening Date of the Franchised Restaurant, Franchisee requests Franchisor to provide additional Initial Training Programs for new or replacement supervisory or managerial personnel and Franchisor agrees to do so, Franchisee shall pay Franchisor its Then-Current Additional Post-Opening Initial Training Fee for each of Franchisor's representatives that provides the Additional Post-Opening Initial Training Programs to defray Franchisor's direct costs to provide the Additional Post-Opening Initial Training Programs. Franchisee shall pay all transportation costs, food, lodging and similar costs incurred by Franchisor and Franchisee in connection with attendance at the Additional Post-Opening Initial Training Programs, including for Franchisor, the expenses for up to two (2) round trip flights, two (2) hotel rooms and two (2) rental vehicles, and a \$60 per diem for each of Franchisor's employees who provide training.

7.4 Post-Opening Additional Training Programs. Following the Opening Date of the Franchised Restaurant, Franchisee, the Principal Owner and each General Manager shall attend Additional Training Programs as required by Franchisor. Franchisee shall pay Franchisor its Then-Current Post-Opening Additional Training Program Fee for each of Franchisor's employees who provide Additional Training Programs to defray Franchisor's direct costs to provide the Additional Training Programs. Franchisee shall pay all transportation costs, food, lodging and similar costs incurred by Franchisor and Franchisee in connection with attendance at the Post-Opening Additional Training Programs, including, for Franchisor, the expenses for up to two (2) round trip flights, two (2) hotel rooms, two (2) rental vehicles and a \$60 per diem for each person who provides training, and for Franchisee, all compensation expenses for Franchisee's Principal Owner, Franchisee, each General Manager and other supervisory or managerial personnel to attend the Post-Opening Additional Training Programs.

7.5 Manuals. Franchisee shall treat all information contained in the Manuals as Dog Haus Confidential Information and shall use all reasonable efforts to keep the information confidential. Franchisee shall not, without Franchisor's prior written consent, copy, duplicate, record or otherwise reproduce the Manuals, in whole or in part, or otherwise make them available to any person not required to have access to their contents in order to carry out their employment functions. If Franchisee misplaces the Manuals or fails to return the manuals to Franchisor upon demand, Franchisee shall pay Franchisor the sum of \$500 as a manual replacement fee. Franchisee shall comply with all mandatory requirements now or hereafter included in the Manuals, and acknowledges and agrees that a Default under any mandatory requirement of the Manuals shall constitute a Default under this Agreement and grounds for termination. Franchisee shall immediately conform its operations to all revisions in mandatory specifications, standards, operating procedures and rules prescribed by Franchisor.

7.6 Inspection. Following the Opening Date of the Franchised Restaurant, if any inspection of the Franchised Restaurant by Franchisor indicates any deficiency or unsatisfactory condition at the Franchised Restaurant, Franchisor will notify Franchisee in writing of the deficiencies and Franchisee shall promptly correct, remedy or repair the deficiency or unsatisfactory condition. In addition, if any inspection indicates any deficiency or unsatisfactory condition which requires a re-inspection of the Franchised Restaurant within a period of thirty (30) days, Franchisee shall pay Franchisor, upon demand, the sum of \$500 for each re-inspection of the Franchised

Restaurant and shall, in addition, reimburse Franchisor for its out of pocket expenses for the re-inspection, including for transportation costs, food, lodging and similar costs.

7.7 Virtual Training, Assistance and Inspections. Franchisee acknowledges and agrees that Franchisor may provide any or all portions of the Pre-Opening Initial Training Program, Pre-Opening Additional Initial Training Program, Post-Opening Additional Initial Training Programs, Additional Training Programs, post-opening on-site opening assistance, post-opening consultations and/or post-opening inspections remotely over a virtual communication platform designated by Franchisor.

7.8 POS System; Computer Hardware and Software and Sound System. Franchisee shall purchase, use and maintain a computerized point of sale cash collection system (the "POS System"). Franchisee shall also purchase a back-office computer, a computer system, which must consist of terminals and affiliate software to accept online orders through Franchisor's website and mobile applications, as described in Section 7.31, and kitchen printers, including all related hardware and software, cameras and a DVR, televisions, and a sound system, each as specified in the Manuals or otherwise by Franchisor in writing for the Franchised Restaurant (collectively, the "Tech Stack"). The POS System and the Tech Stack shall at all times be capable of accessing the Internet for the purpose of implementing software, transmitting and receiving data, and accessing the Internet for ordering and maintaining the POS System and the Tech Stack. The POS System and the Tech Stack shall be electronically linked to Franchisor, and Franchisee shall allow Franchisor to poll the POS System and the Tech Stack on a daily or other basis at the times and in the manner established by Franchisor, with or without notice, and to retrieve transaction information including sales, menu mix, usage, and other operations data that Franchisor deems appropriate. Franchisee must also allow certain Dog Haus Approved Suppliers to have limited access to the POS System and the Tech Stack to enable the Dog Haus Approved Suppliers to access the Franchised Restaurant's inventory, collect data, and provide technical support. Franchisor may require Franchisee to update, upgrade or replace the POS System or Tech Stack, including hardware and/or software, from time to time, upon written notice, provided that Franchisee shall not be required to replace the POS System or Tech Stack any more frequently than once every two (2) years. Franchisor has the right to change the POS System and the Tech Stack, website and mobile applications at any time upon ninety (90) days' notice. The POS System must include the required technology to permit Franchisee to accept online orders of Dog Haus Authorized Products and services at the Franchised Restaurant and to accept and process Dog Haus gift cards sold in other Dog Haus Restaurants. In addition, Franchisee shall purchase, lease or license all computer hardware and software designated by Franchisor for the Franchised Restaurant at Franchisee's expense. During the Term, Franchisee shall maintain and update all computer hardware and software as required by Franchisor. Franchisee shall not use or permit the use of the POS System or Tech Stack for any unlawful or non-business related activity. Franchisee shall not install or use, and shall prohibit others from installing and using, unauthorized hardware or other components and devices, software on or with the POS System and the Tech Stack. Franchisee shall take all commercially reasonable measures to ensure that the POS System and the Tech Stack are used strictly in accordance with Franchisor's standards, including security protocols and protective measures. Franchisee shall at all times provide Franchisor with all passwords, access keys and other security devices or systems as necessary to permit Franchisor to access the POS System and the Tech Stack and obtain the data Franchisor is permitted to obtain under the Manuals and this Agreement. During the Term, Franchisor may add, control, modify, govern and block any and all network and internet traffic, ports, protocols, and destinations in order to secure the POS System and the Tech Stack.

7.9 Alcoholic and Non-Alcoholic Beverages. Franchisee shall stock and maintain the types and brands of alcoholic and non-alcoholic beverages and related supplies at the Franchised Restaurant as designated and approved by Franchisor in compliance with the Manuals and shall at all times comply with: (i) all Federal, state, city, local and municipal licensing, insurance and other laws, regulations and requirements applicable to the sale

of alcoholic beverages by Franchisee at the Franchised Restaurant; and (ii) the liquor liability insurance requirements set forth in this Agreement or otherwise provided by Franchisor in writing.

7.10 Product Line and Service. Franchisee shall advertise, sell and serve all and only Dog Haus Authorized Products at or from the Franchised Restaurant. All Dog Haus Authorized Products shall be sold and distributed under the names designated by Franchisor and shall be prepared and served strictly in accordance with Franchisor's methods, standards, and specifications. Franchisee shall not remove any Dog Haus Authorized Product from Franchisee's menu without Franchisor's written consent. Franchisee shall not sell any Dog Haus Authorized Products outside of the Franchised Restaurant or to any customer for the purpose of resale by the customer, and all sales by Franchisee shall be for retail consumption only. Subject to Applicable Law, following the Opening Date of the Franchised Restaurant, Franchisor shall have the right to establish pricing guidelines for Dog Haus Authorized Products and, subject to Applicable Law, Franchisee shall comply with, and be bound by, prices which may be recommended, suggested or advertised by Franchisor.

7.11 Virtual Sub-Branded Products. Franchisee may also provide ~~Virtual Branded Products Sub-Branded Products~~ for sale and delivery to customers of online food ordering platforms by Food Delivery Services. Franchisee may only sell the ~~Virtual Branded Products Sub-Branded Products~~ from the Franchised Restaurant through online food ordering platforms offered by Food Delivery Services. Customers will place their orders for ~~Virtual Branded Products Sub-Branded Products~~ online with the Food Delivery Service they choose for the food they want delivered. The Food Delivery Service will then transmit the order to the Franchised Restaurant for preparation, pick up the order at the Franchised Restaurant and deliver the food to the customer for a fee established by the Food Delivery Services. If Franchisee chooses to sell the ~~Virtual Branded Products Sub-Branded Products~~ from the Franchised Restaurant, Franchisee must sell all ~~Virtual Branded Products Sub-Branded Products~~ Franchisor designates unless Franchisor agrees otherwise in writing. Franchisor may change the menu of ~~Virtual Branded Products Sub-Branded Products~~ from time to time and authorize tests from region to region or within regions. Franchisee will have full responsibility for all orders of ~~Virtual Branded Products Sub-Branded Products~~ sent to the Franchised Restaurant for fulfillment, including the preparation and packaging of all orders on a timely basis and in a professional manner in accordance with Franchisor's standards and specifications for ~~Virtual Branded Products Sub-Branded Products~~ in compliance with the fulfillment requirements of each order. ~~Currently~~As of the Effective Date, Dog Haus F Franchisees are not required to offer the ~~Virtual Branded Product Sub-Branded Product~~ s, but Franchisor reserves the right to require all Dog Haus F Franchisees to offers the ~~Virtual Branded Products Sub-Branded Products~~ in the future. If Franchisee offers ~~Virtual Branded Products Sub-Branded Products~~ from the Franchised Restaurant, Franchisee ~~shall~~must spend the ~~Virtual Branded Products Sub-Branded Products~~ Marketing Expenditure for each new ~~Virtual Branded Product Sub-Branded Product~~ offered from the Franchised Restaurant within sixty (60) days of the launch of each new ~~Virtual Branded Product Sub-Branded Product~~, in the manner directed by Franchisor.

7.12 Prices. Subject to Applicable Law, following the Opening Date of the Franchised Restaurant, Franchisor shall have the right to establish pricing guidelines for Dog Haus Authorized Products and, subject to Applicable Law, Franchisee shall comply with, and be bound by, prices which may be recommended, suggested or advertised by Franchisor. Subject to Applicable Law, Franchisee shall honor the terms of all promotional or discount programs that Franchisor may offer to the public for Dog Haus Restaurants and shall comply with all pricing policies that Franchisor may specify, including minimum and maximum price policies, minimum advertised price policies and unilateral price policies. Franchisee shall also provide products and services designated by Franchisor on terms Franchisor specifies, including free-of-charge. In addition, Franchisee shall conduct friends and family, soft-opening and other events and promotions at the Franchised Restaurant as required and directed by

Franchisor and shall provide products and services designated by Franchisor to the public in the manner and at the prices Franchisor specifies, including free-of-charge.

7.13 Oversight and Management. The Principal Owner shall be responsible for oversight of the day-to-day operations of the Franchised Restaurant and shall devote his or her full time and best efforts solely to operation of the Franchised Restaurants operated by Franchisee and to no other business activities. The Principal Owner, if applicable, must, unless otherwise agreed in writing: (i) devote substantially all of his or her time and best efforts solely to the operation of the Franchised Restaurant; (ii) meet Franchisor's educational, experience, financial and other reasonable criteria for the position, as contained in the Manuals or otherwise in writing; (iii) be an owner of ten percent (10%) or more (direct or indirect) of Franchisee's equity and voting rights; and (iv) be approved by Franchisor. The Franchised Restaurant shall be under the direct control of a General Manager in the absence of the Principal Owner. Following the Opening Date of the Franchised Restaurant, Franchisee shall provide comprehensive initial training programs, additional training programs and remedial training programs for its supervisory and managerial personnel and other employees and shall ensure that the Franchised Restaurant is at all times under the direct control of a General Manager fully trained by Franchisee and solely dedicated to operation of the Franchised Restaurant and other employees who have been fully trained by Franchisee and solely dedicated to operation of the Franchised Restaurant. Each General Manager shall have a skill level, training and experience commensurate with the demands of the position and conform in all respects with Franchisor's high standards for quality products, courteous service, and cleanliness of operations. Prior to the Opening Date, Franchisee, its Principal Owner and each General Manager shall successfully complete the ServSafe® Food Safety Certification Program, or show evidence of prior ServSafe® certification and shall successfully complete the Certified Beer Server Program which is the first level of certification in the Cicerone Certification Program®. Franchisor may, in its sole discretion, replace the ServSafe® Food Safety Certification Program with another food safety certification program, if deemed appropriate. Franchisee shall be responsible for all fees and material costs associated with any certification program. In addition, Franchisor may, in its sole discretion, contract with a third party to conduct sanitation and food safety audits of the Franchised Restaurant periodically throughout the Term, but no less than once per calendar year.

7.14 Menus. The approved and authorized menu and menu formats may include, in Franchisor's discretion, requirements on organization, graphics, product descriptions, illustrations and any other matters related to the menu, whether or not similar to those listed. In Franchisor's discretion, the menu and/or menu formats may vary depending upon region, customs or circumstances of a particular Franchised Restaurant, business potential, market size and other factors which affect the Franchised Restaurant. Franchisor may change the menu and/or menu formats from time to time, but not more frequently than twice in any calendar year, and authorize tests from region to region or within regions. Franchisee shall, upon receipt of notice from Franchisor, add, delete or update any Dog Haus Authorized Products to its menu according to the instructions contained in the notice. Franchisee shall have a minimum of thirty (30) days and not more than sixty (60) days after receipt of written notice in which to fully implement any menu change. Franchisee shall cease selling previously approved Dog Haus Authorized Products, or Virtual Branded ProductSub-Branded Products, if applicable, within thirty (30) days after receipt of notice that the product is no longer approved. All menus, containers, napkins, bags, cups and other packaging and like articles used at the Franchised Restaurant shall conform to Franchisor's specifications, shall be imprinted with the Dog Haus Marks, if and as specified by Franchisor, and shall be purchased by Franchisee from a Dog Haus Approved Supplier.

7.15 Compliance with Applicable Law. Franchisee shall operate the Franchised Restaurant as a clean, orderly, legal and respectable place of business in accordance with Franchisor's business standards and merchandising policies and shall comply with all Applicable Laws. Franchisee shall not cause or allow any part of the Franchised

Restaurant or the Franchised Location to be used for any immoral or illegal purpose. Franchisee shall in all dealings with its customers, suppliers, and public officials adhere to high standards of honesty, integrity, fair dealing and ethical conduct and refrain from engaging in any action which will cause Franchisor to be in violation of any Applicable Law. If Franchisee shall receive any notice, report, fine, test results or the like from any applicable department of health (or other similar Governmental Authority), Franchisee shall promptly send a copy of the same to Franchisor.

7.16 Hours. Subject to Applicable Law, Dog Haus Fast Casual Restaurants shall be open and operational at least eleven (11) hours per day, seven (7) days per week or as otherwise prescribed by Franchisor and Dog Haus Biergarten Restaurants shall be open and operational at least thirteen (13) hours per day, seven (7) days per week or as otherwise prescribed by Franchisor. Franchisee shall continually operate the Franchised Restaurant throughout the Term. Franchisee shall diligently and efficiently exercise its best efforts to achieve the maximum Gross Sales possible from its Franchised Location, and shall remain open for longer hours if additional opening hours are reasonably required to maximize operations and sales.

7.17 Signs. Franchisee shall maintain approved signs and/or awnings at, on, or near the front of the Franchised Restaurant, identifying the Franchised Location as a Franchised Restaurant, which shall conform in all respects to Franchisor's specifications and requirements and the layout and design plan approved for the Franchised Location, subject only to restrictions imposed by Applicable Law.

7.18 Franchisee Employee Policies. Franchisee shall maintain a competent, conscientious, and trained staff and shall take all steps necessary to ensure that its employees preserve good customer relations, render competent, prompt, courteous, and knowledgeable service, and meet the minimum standards that Franchisor may establish from time to time in the Manuals or otherwise. All employees hired by or working for Franchisee shall be the employees of Franchisee, and Franchisee alone, and shall not, for any purpose, be deemed to be the employees of Franchisor or subject to Franchisor's direct or indirect control, most particularly with respect to any mandated or other insurance coverage, tax or contributions, or requirements pertaining to withholdings, levied or fixed by any Governmental Authority. Franchisee and Franchisor will each file their own tax, regulatory and payroll reports, and be responsible for all employee benefits and workers' compensation insurance payments with respect to their respective employees and operations. Franchisee acknowledges and agrees that Franchisor will not have the power to hire or fire Franchisee's employees. Franchisee expressly agrees, and will never contend otherwise, that Franchisor's authority under this Agreement to certify Franchisee's supervisory or managerial personnel for qualification to perform certain functions at the Franchised Restaurant does not directly or indirectly vest in Franchisor the power to hire, fire or control any of Franchisee's personnel. Franchisee alone shall be solely responsible for all hiring and employment decisions and functions relating to the Franchised Restaurant, including, without limitation, those related to hiring, firing, training, establishing remuneration, compliance with wage and hour requirements, personnel policies, benefits, recordkeeping, supervision and discipline of employees regardless of whether Franchisee has received advice from Franchisor on these subjects or not. Franchisee acknowledges and agrees that any guidance Franchisee receives from Franchisor regarding employment policies should be considered as examples, that Franchisee alone is responsible for establishing and implementing its own employment policies, and that Franchisee understands that Franchisee should do so in consultation with local legal counsel experienced in employment law. Franchisee shall immediately defend, reimburse and hold Franchisor harmless from any direct or indirect losses, costs and expenses, including attorneys' fees, arising out of any claim made by or for the benefit of any employee of Franchisee against Franchisor regarding employment decisions and employee functions at the Franchised Restaurant, including, without limitation, those related to hiring, firing, training, wage and hour requirements, record keeping, supervision, and discipline of employees. Franchisee shall take all action necessary to ensure that Franchisee's

employees understand and acknowledge that they are not employees of Franchisor, including, without limitation, requiring Franchisee's employees to sign a written acknowledgement that Franchisee is an independently owned and operated franchisee and their sole employer in a form specified by Franchisor in the Manuals or otherwise in writing from time to time. Franchisee shall cause all employees, while working in the Franchised Restaurant, to wear uniforms of the color, design and other specifications that Franchisor may designate from time to time and to present a neat and clean appearance. If Franchisor removes a type of uniform utilized by Franchisee from the list of approved uniforms, Franchisee shall have thirty (30) days from receipt of written notice of removal to discontinue use of its existing inventory of uniforms and obtain and use the approved type of uniform.

7.19 Vending or Other Machines. Except with Franchisor's written approval, Franchisee shall not cause or permit vending, gaming machines, pay telephones, automatic teller machines, Internet kiosks or any other mechanical or electrical device to be installed or maintained at the Franchised Restaurant.

7.20 Co-Branding. Franchisee may not engage in any co-branding in or in connection with the Franchised Restaurant except with Franchisor's prior written consent. Franchisor may approve any co-branding chain or arrangement in its discretion, and only if Franchisor has recognized that co-branding chain as an approved co-brand for operation within Dog Haus Restaurants.

7.21 Customer Complaints and Cooperation. Franchisee shall respond promptly to each customer inquiry or complaint and resolve all reasonable complaints to the customer's satisfaction. At Franchisor's request, Franchisee shall use and display in the Franchised Restaurant during all operating hours customer comment cards in the manner specified in the Manuals. Franchisee shall, from time to time, purchase from Franchisor or a Dog Haus Approved Supplier, and maintain in the Franchised Restaurant, a supply of postage prepaid customer comment cards reasonably adequate to meet Franchisee's needs. Franchisee shall at all times cooperate with Franchisor and other franchisees of Franchisor and shall actively participate in any and all sales, public relations, marketing, cooperative marketing and purchasing programs or promotional programs which may be developed and implemented by Franchisor which call for the cooperation of Franchisee and other franchisees of Franchisor. Franchisee shall further cooperate in any additional programs which may be established and designated by Franchisor from time to time including participating in coupon programs, the system-wide use of gift cards, and other similar programs for the benefit of the Dog Haus System, and shall comply with Franchisor's rules and regulations established from time to time in connection herewith. Franchisee shall cooperate with Franchisor in connection with the test marketing of products and services at the Franchised Restaurant and shall comply with Franchisor's rules and regulations established from time to time in connection herewith.

7.22 Adequate Reserves and Working Capital. Franchisee shall, at all times, maintain adequate reserves and working capital sufficient for Franchisee to fulfill all of Franchisee's obligations under this Agreement and to cover the risks and contingencies of the Franchised Restaurant for at least three (3) months.

7.23 Re-Imaging of Franchised Restaurant. Franchisee shall at its own expense, make the alterations, additions, or modifications to the Franchised Restaurant that Franchisor may reasonably require to accommodate changes made by Franchisor to the Dog Haus System, including, without limitation, changes to menu items or market positioning. Franchisee shall have ninety (90) days from receipt of notice from Franchisor regarding re-imaging requirements in which to make the required alterations, additions, or modifications to the Franchised Restaurant.

7.24 Intranet. If Franchisor establishes a Dog Haus franchisee Intranet, Franchisee shall have the mere privilege to use the Intranet, subject to Franchisee's strict compliance with the standards and specifications, protocols and restrictions that Franchisor may establish from time to time in the Manuals and otherwise.

Franchisee acknowledges that, as administrator of the Intranet, Franchisor may access and view any communication posted on the Intranet. Franchisee further acknowledges that the Intranet facility and all communications that are posted to it will become Franchisor's property, free of any claims of privacy or privilege that Franchisee or any other person may assert. Upon receipt of notice from Franchisor that Franchisor has established an Intranet, Franchisee shall establish and continually maintain an electronic connection with the Intranet as specified in the Manuals that allows Franchisor to send messages to and receive messages from Franchisee. If Franchisee shall Default under this Agreement or any other agreement with Franchisor, Franchisor may, in addition to, and without limiting any other rights and remedies available to Franchisor, disable or terminate Franchisee's access to the Intranet without Franchisor having any liability to Franchisee.

7.25 Improvements. If Franchisee develops any new concept, process or improvement in the Dog Haus System (an "Improvement"), Franchisee shall promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any Improvement shall become the sole property of Franchisor and Franchisor shall be the sole owner of all related intellectual property rights. Franchisee hereby assigns to Franchisor any rights Franchisee may have or acquire in the Improvements, including the right to modify the Improvement, and Franchisee waives and/or releases all rights of restraint and moral rights therein and thereto. Franchisee shall assist Franchisor in obtaining and enforcing the intellectual property rights to any Improvement in any and all countries and further agrees to execute and provide Franchisor with all necessary documentation for obtaining and enforcing those rights. Franchisee hereby irrevocably designates and appoints Franchisor as Franchisee's agent and attorney-in-fact to execute and file any the documentation and to do all other lawful acts to further the prosecution and issuance of intellectual property rights related to any Improvement. If the foregoing provisions of this Section 7.25 are found to be invalid or otherwise unenforceable, Franchisee hereby grants Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense to use of the Improvement to the extent the use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee's rights therein.

7.26 Refurbishment of Franchised Restaurant. At Franchisor's request, but not more often than once every five (5) years unless sooner required by the Lease, Franchisee shall refurbish the Franchised Restaurant, at its own expense, to conform to the building design, trade dress, color schemes, and presentation of the Dog Haus Marks in a manner consistent with the Then-Current public image for new or remodeled Dog Haus Restaurants, including, without limitation, replacement or renovation of equipment, remodeling, redecoration, and modifications to existing improvements and reasonable structural changes that Franchisor may reasonably require or that may be required by Applicable Law. Franchisee's costs for the required refurbishment shall not exceed \$100,000 for the interior of the Franchised Restaurant or \$50,000 for the exterior of the Franchised Restaurant.

7.27 Notifications and Crisis Management Events. Franchisee shall notify Franchisor in writing within (i) twenty-four (24) hours, and confirm in writing within two (2) days thereafter, of any investigation or violation, actual or alleged, of any health, liquor or narcotics laws or regulation related to the Franchised Restaurant; and (ii) five (5) days of the commencement of any investigation, action, suit, or proceeding or of the issuance of any order, writ, injunction, award, or decree of any court, agency, or other Governmental Authority which may adversely affect the operation or financial condition of the Franchised Restaurant. Franchisee shall immediately inform Franchisor's Chief Executive Officer (or as otherwise instructed in the Manuals) by telephone of the occurrence of a Crisis Management Event. Franchisee shall cooperate fully with Franchisor with respect to Franchisor's response to a Crisis Management Event.

7.28 Authorization to Release Information and Use Images. Franchisee hereby authorizes (and agrees to execute any other documents deemed necessary to effect the authorization):

7.28.1 All banks, financial institutions, businesses, suppliers, manufacturers, contractors, vendors and other persons or entities with whom Franchisee does business to disclose to Franchisor any financial information in their possession relating to Franchisee or the Franchised Restaurant which Franchisor may request.

7.28.2 Franchisor to disclose to prospective franchisees or other third parties data from Franchisee's reports if Franchisor determines, in Franchisor's sole discretion, that the disclosure is necessary or advisable.

7.28.3 Franchisor to photograph and film Franchisee, its employees, the public and all areas of the Franchised Restaurant, without further authorization from, or compensation to, Franchisee and to use their images for marketing and promotion of the Franchised Restaurant, other Dog Haus Restaurants and franchises for Dog Haus Restaurants.

7.28.4 Franchisor to disclose to third parties, including but not limited to Franchisee's Landlord or bank, information about Franchisee relating to Franchisee's obligations or performance under this Agreement if Franchisor determines, in Franchisor's sole discretion, that the disclosure is necessary or advisable.

7.29 Annual Franchise Conference. Franchisor may hold an Annual Franchise Conference for all Dog Haus franchisees each year. The Principal Owner and each General Manager shall attend the Annual Franchise Conference. Franchisee shall pay Franchisor a "Franchisee Conference Fee" to reimburse Franchisor for a portion of the direct costs to provide the Annual Franchise Conference. Franchisee shall pay the Franchisee Conference Fee upon demand at least thirty (30) days before the date of the Annual Franchise Conference, whether or not Franchisee attends the Annual Franchise Conference.

7.30 Credit Cards. Franchisee shall honor all credit, charge, courtesy and cash cards approved by Franchisor in writing. To the extent Franchisee shall store, process, transmit or otherwise access or possess cardholder data in connection with the sale of Dog Haus Authorized Products, Franchisee shall maintain the security of cardholder data and adhere to the Then-Current Payment Card Industry Data Security Standards ("PCI DSS"), currently found at www.pcisecuritystandards.org, for the protection of cardholder data throughout the Term. Franchisee shall be and remain responsible for the security of cardholder data in the possession or control of any subcontractors Franchisee engages to process credit cards. All subcontractors must be identified to and approved by Franchisor in writing prior to sharing cardholder data with the subcontractor. Franchisee shall, if requested to do so by Franchisor, provide appropriate documentation to Franchisor to demonstrate compliance with applicable PCI DSS requirements by Franchisee and all identified subcontractors.

7.31 Gift Cards, Loyalty, CRM, Social Media Software, Online and Mobile Ordering Programs. Franchisee shall not create or issue any gift certificates or gift cards and shall only sell gift certificates or gift cards that have been issued by Franchisor that are accepted at all Dog Haus Restaurants. Franchisee shall participate in all gift certificate and/or gift card administration programs as may be designated by Franchisor from time to time. Franchisee shall honor all coupons, gift certificates, gift cards and other programs or promotions as directed by Franchisor. Franchisee shall fully participate in all guest loyalty or frequent customer programs now or in the future adopted or approved by Franchisor. Franchisee shall not issue coupons or discounts of any type for use at the Restaurant except as approved by Franchisor in writing, which may be withheld in Franchisor's sole and absolute discretion. In addition, Franchisee shall purchase, enroll in or subscribe to, as applicable, all CRM, social media analytics, and online and mobile ordering software or programs as specified by Franchisor in its Manual

or otherwise in writing. Franchisor reserves the right to change the designated suppliers of these or similar services in Franchisor's sole discretion. Franchisee shall change, purchase or subscribe to the additional programs or software, as applicable, immediately upon ninety (90) days' notice from Franchisor to do so.

7.32 Music and Music Selection. Franchisee shall use RX Music, a computer based, on-demand music, video, and AV provider and play only the music and music selections approved by Franchisor as set forth in the Manuals or otherwise in writing. Franchisee shall install the equipment necessary to receive and play all approved music.

7.33 Data Security Safeguards. Franchisee shall exert Franchisee's best efforts to protect its customers against a cyber-event, including, without limitation, a data breach or other identity theft or theft of personal information (collectively, a "Cyber Event"). If a Cyber Event occurs, regardless of whether the Cyber Event affects only the Restaurant, Franchisor reserves the right, but shall not have any obligation, to perform and/or control and/or cause its third-party consultants to perform and/or control all aspects of the response to the Cyber Event including, without limitation, the investigation, containment and resolution of the Cyber Event and all communications within the Dog Haus system franchise system and with vendors and suppliers, Governmental Authorities and the general public. Franchisor's control of the response to a Cyber Event may potentially affect or interrupt operations of the Restaurant, but shall not create any liability for Franchisor or additional rights for Franchisee, entitle Franchisee to damages or relieve Franchisee of Franchisee's indemnification obligations under Section 18.4. Franchisee shall reimburse Franchisor for all of Franchisor's out-of-pocket costs and expenses incurred in responding to and remedying any Cyber Event caused solely by Franchisee or the Restaurant. Franchisee shall at all times be compliant with (i) the NACHA ACH Security Framework; (ii) the Payment Rules; (iii) Applicable Law regarding data privacy, data security and security breaches; and (iv) Franchisor's security policies and guidelines, all as may be adopted and/or amended from time to time (collectively, "Data Security Safeguards"). Franchisee shall obtain advice from Franchisee's own legal and security consultants to ensure that Franchisee operates the Restaurant at all times in full compliance with the Data Security Safeguards. Notwithstanding Franchisor's right to perform and/or control all aspects of a response to a Cyber Event, Franchisor shall make commercially reasonable efforts to coordinate its response with Franchisee and Franchisee's insurance carrier(s) and to cooperate with Franchisee's insurance carrier(s) regarding insurance coverage of the Cyber Event to the extent reasonably practicable under the circumstances.

7.34 Communications. Franchisee shall respond to all communications with Franchisor, including electronic communications, in a timely manner. Franchisee's repeated failure to do so shall constitute a Default under this Agreement.

7.35 Marketing. Franchisee shall comply with all provisions of this Agreement relating to marketing, including but not limited to Article 10.

7.36 Payment of Debts and Taxes. Franchisee shall be solely responsible for selecting, retaining and paying Franchisee's employees; the payment of all invoices for the purchase of goods and services used in connection with operating the Franchised Restaurant and determining whether, and on what terms, to obtain any financing or credit which Franchisee deems advisable or necessary for the opening and operation of the Franchised Restaurant. Franchisee shall pay all obligations and liabilities to suppliers, lessors, landlords and creditors on a timely basis. Franchisee shall indemnify Franchisor if Franchisor is held responsible for any debts owed by Franchisee if Franchisor elects to pay any of Franchisee's obligations in order to preserve the relationship between suppliers and Dog Haus Franchisees. Franchisee shall make prompt payment of all federal, state and local taxes, including individual and corporate taxes, sales and use taxes, franchise taxes, gross receipts taxes, employee

withholding taxes, FICA taxes, and personal property and real estate taxes arising from Franchisee's operation of the Franchised Restaurant. Franchisee shall indemnify Franchisor if Franchisor is held responsible for any of these taxes.

7.37 Food Delivery Services. Franchisee shall follow Franchisor's delivery policies and procedures in the Manuals, which may require Franchisee to provide delivery services and/or utilize third party Food Delivery Services and restrict the areas in which Franchisee may offer delivery services as set forth in Section 2.2, and which Franchisor may change from time to time during the Term. Franchisee acknowledges that Franchisor's delivery policies and procedures may allow other Dog Haus Restaurants to provide delivery services in Franchisee's Protected Area and may allow Franchisee to provide delivery services outside of Franchisee's Protected Area. Franchisor may require Franchisee to discontinue delivery services. Franchisee shall use the Food Delivery Service(s) with which Franchisor may have a national contract, and, in that case, Franchisee may not contract with any other delivery platform without Franchisor's written approval.

7.38 Catering Services. Franchisee shall follow Franchisor's Catering Services policies and procedures in the Manuals, which may require Franchisee to provide Catering Services or may restrict the areas in which Franchisee may offer Catering Services. Franchisee acknowledges that Franchisor's Catering policies and procedures may allow other Dog Haus Restaurants to provide Catering Services in Franchisee's Protected Area and may allow Franchisee to provide Catering Services outside of Franchisee's Protected Area. Franchisor may require Franchisee to discontinue Catering Services.

7.39 Privacy. Franchisee shall comply with all Applicable Laws pertaining to the privacy of customer, employee and transactional information ("Privacy Laws"). Franchisee shall also comply with Franchisor's standards and policies pertaining to Privacy Laws. If there is a conflict between Franchisor's standards and policies pertaining to Privacy Laws and actual Applicable Law, Franchisee shall (i) comply with the requirements of Applicable Law; (ii) immediately give Franchisor written notice of the conflict; and (iii) promptly and fully cooperate with Franchisor and Franchisor's counsel in determining the most effective way, if any, to meet Franchisor's standards and policies pertaining to Privacy Laws within the bounds of Applicable Law. Franchisee shall not publish, disseminate, implement, revise, or rescind a data privacy policy without Franchisor's prior written consent to such policy.

8. SUPPLIERS AND PRODUCTS.

To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same,

8.1 Dog Haus Approved Suppliers. All Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Product~~Sub-Branded Products, Non-Proprietary Products and Services, POS systems, website, mobile applications, online ordering systems and merchant service providers designated by Franchisor for use and sale at the Franchised Restaurant must be purchased from Dog Haus Approved Suppliers in accordance with Franchisor's written specifications. Franchisor and its Affiliates may be, but are not obligated to become, Dog Haus Approved Suppliers of certain Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~Sub-Branded Products and Non-Proprietary Products and Services and may act as the sole Dog Haus Approved Suppliers of certain Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~Sub-Branded Products and Non-Proprietary Products and Services. Franchisor may operate an online portal that Franchisee can use to buy Dog Haus Branded Products, Dog Haus Proprietary Products, marketing materials, handbooks and menus directly from Dog Haus Approved Suppliers. Franchisor does not

deliver or install any Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~ Sub-Branded Products or Non-Proprietary Products and Services.

8.2 Recommended Suppliers. If Franchisee desires to purchase authorized Non-Proprietary Products and Services from a Recommended Supplier rather than from Franchisor, its Affiliates or a Dog Haus Approved Supplier, Franchisee shall deliver written notice to Franchisor identifying the Recommended Supplier and shall provide Franchisor with reasonable financial, operational and other information regarding the Recommended Supplier necessary for Franchisor to assess the Recommended Supplier. Franchisor shall notify Franchisee of Franchisor's decision within sixty (60) days after Franchisor's receipt of the necessary information from Franchisee. If Franchisor does not approve or disapprove a Recommended Supplier within sixty (60) days, the Recommended Supplier shall be deemed disapproved. As a condition of its approval, Franchisor may require a Recommended Supplier to agree in writing to (i) provide, from time to time, upon Franchisor's request, free samples of the Non-Proprietary Product the Recommended Supplier intends to supply to Franchisee; (ii) faithfully comply with Franchisor's specifications for the Non-Proprietary Products and Services to be sold by the Recommended Supplier; (iii) sell any Non-Proprietary Products and Services bearing the Dog Haus Marks only to franchisees of Franchisor and only under a trademark license agreement with Franchisor; (iv) provide Franchisor, upon request, with duplicate purchase invoices issued to Franchisee for Franchisor's records and inspection purposes; (v) permit Franchisor's representatives to routinely hold meetings with the Recommended Supplier to ensure the Recommended Supplier's compliance with Franchisor's standards and specifications and (vi) otherwise comply with Franchisor's reasonable requests. Further, Franchisor may require Franchisee or the Recommended Supplier to reimburse Franchisor for all of Franchisor's reasonably anticipated costs in reviewing the application of the Recommended Supplier and all current and future reasonable costs and expenses, including travel and living costs, related to inspecting, re-inspecting and auditing the Recommended Suppliers' facilities, equipment, and food products, and all product testing costs paid by Franchisor to third parties and to pay Franchisor, in advance, a deposit of up to \$1,000, before Franchisor inspects the Recommended Supplier's facilities. Franchisor may revoke its approval of a previously approved Recommended Supplier if the Recommended Supplier does not continue to satisfy Franchisor's criteria.

8.3 Purchases from Franchisor or its Affiliates. All Dog Haus Branded Products, Dog Haus Proprietary Products and Non-Proprietary Products and Services purchased from Franchisor or its Affiliates shall be purchased in accordance with the purchase order format issued from time to time by Franchisor or its Affiliates and at the prices and on delivery terms and other terms offered to similarly situated Dog Haus franchisees. Franchisor, or its Affiliates, in its sole and absolute discretion, may establish the credit terms, if any, upon which it will accept Franchisee's orders, and may require Franchisee to pay for orders on a cash-in-advance or cash-on-delivery basis. On the expiration or termination of this Agreement, or in the event of any Default by Franchisee under this Agreement, Franchisor or its Affiliates shall not be obliged to fill or ship any orders then pending or, in the case of termination or non-renewal, made any time thereafter by Franchisee and may, among other things, only deliver the quantities reasonably necessary to supply Franchisee's needs prior to the expiration or termination of this Agreement. Franchisor or its Affiliates shall not be liable to Franchisee for any delay or delivery failure caused by Force Majeure. Franchisor or its Affiliate shall not be liable to Franchisee for unavailability of, or delay in shipment or receipt of, merchandise because of temporary product shortages, order backlogs, production difficulties, delays, unavailability of transportation, fire, strikes, work stoppages, or other causes beyond the reasonable control of Franchisor or its Affiliate. If any goods or products sold by Franchisor or its Affiliate are not in sufficient supply to fully fulfill all orders, Franchisor or its Affiliate may allocate the available supply among itself, its Affiliates and others, including Franchisee and other Dog Haus Franchisees, in any way Franchisor or its Affiliate deems appropriate, which may result in Franchisee not receiving any allocation of certain goods or products as a result of a shortage.

8.4 Rebates. Franchisor or its Affiliates may receive rebates or allowances from certain Dog Haus Approved Suppliers on purchases of Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~ Sub-Branded Products and Non-Proprietary Products and Services made by Franchisee and other Dog Haus franchisees. Rebates and allowances will generally be a percentage of the revenue derived by the Dog Haus Approved Supplier from sales to Dog Haus Restaurants, will be included in Franchisor's general revenue, and may be used by Franchisor for a variety of purposes including ongoing programs, education, marketing, advertising, seminars and conferences, the handling of inquiries and complaints from franchisees' customers and for general and administrative expenses. Franchisor may use these rebate and allowance funds received for any purpose in its sole and absolute discretion.

8.5 Company Store. Franchisor has registered the Internet domain name <http://doghausstore.com/> (the "Company Store") and have established a website using this domain name. Franchisee acknowledges and agrees that this domain name is Franchisor's sole property. The Company Store shall serve as the primary source for Dog Haus Franchisees' purchases of promotional Dog Haus Branded Products. All promotional Dog Haus Branded Products available at the Company Store may not be duplicated or purchased elsewhere by Franchisee. In addition, the Company Store shall serve as the primary source for public purchases of Dog Haus Branded Products and Dog Haus Proprietary Products.

9. DOG HAUS MARKS.

Franchisor and its Affiliates continue to develop, use and control the use of the Dog Haus Marks in order to identify for the public the source of services and products marketed under the Dog Haus Marks and the Dog Haus System, and to represent the Dog Haus System's high standards of quality, appearance and service. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same:

9.14 Ownership and Goodwill of Dog Haus Marks. Franchisee acknowledges that its right to use the Dog Haus Marks is derived solely from this Agreement and is limited to use in operating as Franchisee pursuant to and in compliance with this Agreement. Any unauthorized use of the Dog Haus Marks by Franchisee shall constitute a Default under this Agreement and an infringement of Franchisor's and Franchisor's Affiliate's rights in and to the Dog Haus Marks. Franchisee acknowledges and agrees that as between Franchisor and Franchisee (i) Franchisor owns the Dog Haus Marks and the Dog Haus System; (ii) Franchisee owns no goodwill or rights in the Dog Haus Marks or the Dog Haus System except for the license granted by this Agreement; and (iii) Franchisee's use of the Dog Haus Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor. Franchisee agrees not to contest, or assist any other person to contest, the validity of Franchisor's rights and interest in the Dog Haus Marks or the Dog Haus System either during the Term or after this Agreement terminates or expires.

9.22 Limitations on Use. If Franchisee is an Entity, Franchisee shall not use the Dog Haus Marks, or Franchisor's trade name, or any words or symbols which are confusingly phonetically or visually similar to the Dog Haus Marks, as all or part of Franchisee's name. In addition, Franchisee shall not use any Dog Haus Marks (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Franchisee under this Agreement); (ii) in connection with unauthorized services or products; (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; or (iv) in any other manner not expressly authorized in writing by Franchisor, or (v) in connection with, supporting, endorsing, promoting or otherwise advocating,

advertising or marketing, in favor of or against any political party or candidate or cause or position at any time, which shall include using its products, branded paper products or goods for these purposes. Franchisee shall give all notices of trademark and service mark registration that Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under Applicable Law. Franchisee further agrees that no service mark other than “Dog Haus”, other Dog Haus Marks specified by Franchisor shall be used in marketing, promoting, or operating the Franchised Restaurant.

9.33 Modifications. Franchisor reserves the right to (i) modify or discontinue licensing any of the Dog Haus Marks; (ii) add new names, marks, designs, logos or commercial symbols to the Dog Haus Marks and require that Franchisee use them; and (iii) require that Franchisee introduce or observe new practices as part of the Dog Haus System in operating the Franchised Restaurant. Franchisee acknowledges and agrees that the term “Dog Haus Marks” means the specific names, marks, designs, logos or commercial symbols licensed by Franchisor at any given point in time, subject to Franchisor’s right to impose changes. Franchisee shall comply, at Franchisee’s sole expense, with Franchisor’s directions regarding changes in the Dog Haus Marks and Dog Haus System within a reasonable time after written notice from Franchisor. Franchisor shall have no liability to Franchisee for any cost, expense, loss or damage that Franchisee incurs in complying with Franchisor’s directions and conforming to required changes.

9.44 Defense of Dog Haus Marks and Dog Haus System. Franchisor shall have the sole right, either alone or with its Affiliate, to handle disputes with Franchisees and third parties concerning Franchisor’s or Franchisor’s Affiliates’ ownership of, rights in, or Franchisee’s use of, the Dog Haus Marks or the Dog Haus System. Franchisee shall immediately notify Franchisor in writing if Franchisee receives notice, or is informed, of any (i) improper use of any of the Dog Haus Marks or elements of the Dog Haus System, including misuse by Franchisees; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Franchisee’s judgment, may be confusingly similar to any of the Dog Haus Marks; (iii) use by any third party of any business practice which, in Franchisee’s judgment, unfairly simulates the Dog Haus System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Franchisee based upon Franchisee’s use of the Dog Haus Marks or the Dog Haus System. Franchisor and/or Franchisor’s Affiliates shall have sole discretion to take all action as it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Dog Haus Marks or the Dog Haus System. Franchisee shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor’s decisions in handling disputes regarding the Dog Haus Marks and the Dog Haus System. Franchisee shall cooperate fully with Franchisor and execute all documents and perform all actions as may, in Franchisor’s judgment, be necessary, appropriate or advisable in the defense of all claims, suits or demands and to protect and maintain Franchisor’s rights in the Dog Haus Marks and the Dog Haus System. Unless it is established that a third party claim asserted against Franchisee is based directly upon Franchisee’s misuse of the Dog Haus Marks or the Dog Haus System, Franchisor agrees to defend Franchisee against the third party claim and indemnify Franchisee for any losses resulting therefore, provided Franchisee has notified Franchisor as soon as practical after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter.

10. MARKETING.

To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same:

10.1 Marketing, Creative & Technology Fund. The Marketing, Creative & Technology Fund shall be administered by Franchisor and shall be used to meet the costs of conducting marketing and promotional activities. Franchisor retains sole discretion over all marketing and public relations programs and activities financed by the Marketing, Creative & Technology Fund, including the creative concepts, materials and endorsements used and the geographic market, media placement and allocation.

10.1.1 The Marketing, Creative & Technology Fund may be used to pay the costs of preparing and producing associated materials and programs as Franchisor determines, including video, audio and written marketing materials employing marketing agencies, sponsorship of sporting, charitable or similar events, administering regional and multi-regional marketing programs including purchasing direct mail and other media marketing, and employing marketing agencies to assist with marketing efforts, supporting public relations, market research and other marketing and promotional activities, campaigns, test marketing, marketing surveys, public relations activities, website design and development/operation for portal, Internet, Intranet and URL services, social media, technology programs, electronic application design and development, and for 800 or similar numbers. All expenditures are at the sole discretion of Franchisor. Franchisor may spend in any year more or less than the total contributions to the Marketing, Creative & Technology Fund in that year. Franchisor may borrow from Franchisor or other lenders on behalf of the Marketing, Creative & Technology Fund to cover deficits of the Marketing, Creative & Technology Fund or cause the Marketing, Creative & Technology Fund to invest any surplus for future use by the Marketing, Creative & Technology Fund. Upon request, Franchisor will prepare an annual accounting of the Marketing, Creative & Technology Fund and will distribute it to Dog Haus Franchisees, once a year, that will state the total amount of money collected and spent by the Marketing, Creative & Technology Fund during the previous year and list, by general category, the manner in which Franchisor spent the money. The report will not be separately audited but will be examined as part of the overall annual audit of Franchisor's books.

10.1.2 Franchisee acknowledges that the Marketing, Creative & Technology Fund is intended to maximize general public recognition of and the acceptance of the Dog Haus brand for the benefit of the Dog Haus System as a whole. Franchisor undertakes no obligation, in administering the Marketing, Creative & Technology Fund, to make expenditures in Franchisee's Protected Area or for Franchisee that are equivalent or proportionate to its contribution, or to ensure that any particular Franchisee benefits directly or pro rata from marketing or promotion conducted with the Marketing, Creative & Technology Fund.

10.1.3 Franchisor will maintain the Marketing, Creative & Technology Fund in an account separate from Franchisor's other monies, and will not use it to defray any of Franchisor's expenses, except for reasonable administrative and marketing wages and costs and overhead which Franchisor may incur in activities related to administering the Marketing, Creative & Technology Fund and marketing programs for Franchisor's franchisees. Franchisor's printed materials and Website may also contain references stating that "Franchises Are Available" and/or that "Each Dog Haus Franchise Is Independently Owned and Operated" to promote the sale of franchises for Dog Haus Restaurants. With this exception, no portion of the Marketing, Creative & Technology Fund will be used to solicit or to sell Dog Haus franchises to prospective franchisees. The Marketing, Creative & Technology Fund is not and will not be an asset of Franchisor. Any Marketing, Creative & Technology Fees collected in a year, but not spent in that year, will be carried over to the next year. Franchisor maintains the right to terminate the collection and disbursement of Marketing, Creative & Technology Fees upon ninety (90) days' prior written notice to Franchisee. Upon termination, Franchisor shall disburse the remaining Marketing, Creative & Technology Fees on hand only for the purposes authorized by this Article 10.

10.2 Local Store Marketing Expenditure. Franchisor may, upon ninety (90) days' notice to Franchisee, require Franchisee to make Local Store Marketing Expenditures on local marketing and promotion of the Franchised Restaurant as required by Franchisor. Franchisor shall have the right to adjust the amount of the Local Store Marketing Expenditure at any time and from time to time during the Term upon ninety (90) days' prior written notice from Franchisor to Franchisee to an amount not to exceed three percent (3%) of Gross Sales. If and when Franchisor requires a Local Store Marketing Expenditure, Franchisee shall conduct all local marketing and promotion in accordance with the policies and provisions with respect to format, content, media, geographic coverage and other criteria as are from time to time contained in the Manuals, or as otherwise directed by Franchisor, and shall not use or publish any marketing material or in any way use or display any of the Dog Haus Marks except in accordance with said policies and provisions and with Franchisor's prior written approval. Franchisee shall submit samples of all marketing and promotional plans and materials to Franchisor for Franchisor's approval and may only commence use of the materials after they have been approved, in writing, by Franchisor. Franchisor shall have the right at any time after Franchisee commences use of any materials to prohibit further use, effective upon written notice to Franchisee. On the tenth (10th) day of each calendar month during the Term, Franchisee shall provide Franchisor with a report summarizing Franchisee's Local Store Marketing Expenditures for the preceding month. Within fifteen (15) days of the end of each calendar quarter, Franchisee shall provide Franchisor with copies of all invoices, statements, canceled checks or other forms of payment that have been issued by Franchisee during the preceding calendar quarter which evidence the expenditure and payment by Franchisee of the required Local Store Marketing Expenditure. If Franchisee fails to do so, or fails to spend the required Local Store Marketing Expenditure during any calendar quarter, at the end of each calendar quarter Franchisee shall pay the Marketing, Creative & Technology Fund the difference between the amount that Franchisee actually spent on local marketing and the required Local Store Marketing Expenditure.

10.3 Cooperative Marketing Programs. Franchisor may from time to time establish programs for co-operative marketing ("Cooperative Marketing Programs") to coordinate marketing efforts and programs, to serve as a conduit for the collection and expenditure of the contributed funds and to maximize the efficient use of local and/or regional advertising media. If and when Franchisor creates a Cooperative Marketing Program for the a marketing coverage area (an "Marketing Coverage Area") in which the Franchised Restaurant is located, Franchisee (and, if Franchisor or an Affiliate of Franchisor owns a Franchised Restaurant in the Marketing Coverage Area, then Franchisor or such Affiliate of Franchisor), shall become a subscriber and member of the Cooperative Marketing Program and shall participate in the Cooperative Marketing Program in the manner prescribed by Franchisor. The size and content of a Marketing Coverage Area, when and if established by Franchisor, shall be binding upon Franchisee, and all other similarly situated Dog Haus franchisees and Franchisor or an Affiliate of Franchisor, if it operates Dog Haus Restaurants in the Marketing Coverage Area. Each participating Dog Haus Franchisee, as well as Franchisor (or its Affiliate), if applicable, shall be entitled to one vote for each Franchised Restaurant located within the Marketing Coverage Area as may reasonably be determined by Franchisor, but in no event shall any Dog Haus Franchisee and/or its Affiliates have more than twenty-five percent (25%) of the vote, regardless of the number of Dog Haus Restaurants owned.

10.3.1 Franchisee and all other members of the Marketing Coverage Area whose Franchise Agreements require their participation in the Cooperative Marketing Program, shall contribute to the Cooperative Marketing Program the amounts that are determined by Franchisor and fifty percent (50%) or more of the participating Dog Haus Restaurants in the Cooperative Marketing Program (at least one-half percent (.5%) of Gross Sales but not to exceed two percent (2%) of the Gross Sales of each participating Franchised Restaurant located in the Marketing Coverage Area). Franchisee's contribution to the Cooperative Marketing Program shall be credited towards the satisfaction of the Local Store Marketing Expenditure required by Section 10.2.

10.3.2 Franchisor shall administer the Cooperative Marketing Program and shall determine the policies of the Cooperative Marketing Program and the usage of the available funds for media time, production of media materials, radio, television, newspapers or Franchised Restaurant level materials such as flyers, or posters, or for any other type of advertising or marketing use. Franchisor reserves the right to establish general standards concerning the operation of the Cooperative Marketing Program, advertising agencies retained by the Cooperative Marketing Program, and marketing conducted by the Cooperative Marketing Program. Any disputes (other than pricing) arising among or between Franchisee, other Dog Haus franchisees, and/or the Cooperative Marketing Program shall be resolved by Franchisor, whose decision shall be final and binding on all parties. Franchisor undertakes no obligation, to make expenditures for advertising or marketing in Franchisee's Protected Area or to ensure that any particular franchisee benefits directly or pro rata from marketing or promotion conducted by the Cooperative Marketing Program.

10.4 Grand Opening Marketing Expenditure: Grand Opening Events. At least sixty (60) days before the Opening Date of the Franchised Restaurant, Franchisor will provide Franchisee with Franchisor's standard promotional campaign plan for the grand opening of the Franchised Restaurant. Franchisee shall spend the required Grand Opening Marketing Expenditure within thirty (30) days before, and ~~twelve~~ ~~eight~~ (12~~8~~) to sixteen (16) weeks after, the Opening Date. Franchisee's Grand Opening Event must occur two to four (2-4) weeks after the Opening Date. Franchisor may designate a different time period to conduct the Grand Opening Event promotional campaign upon prior written notice to Franchisee. Franchisee shall provide Franchisor with copies of all invoices, statements, canceled checks or other forms of payment which have been issued by Franchisee which evidence the Grand Opening Marketing Expenditure and payment by Franchisee of the amounts required by this Section 10.4 for the grand opening marketing campaign for the Franchised Restaurant within thirty (30) days of Franchisee's Grand Opening Event. If Franchisee fails to provide Franchisor with such evidence of payment, or if Franchisee fails to spend the amount required by this Section 10.4, Franchisee shall immediately pay must pay the Marketing, Creative & Technology Fund the difference between the amount that Franchisee actually spent on the grand opening marketing campaign and the required Grand Opening Marketing Expenditure. In addition to the Grand Opening Marketing Expenditure, Franchisee shall conduct grand opening events and promotions as required and directed by Franchisor and as specified in the Manuals. If Franchisee is purchasing an existing Franchised Restaurant, Franchisee shall spend an amount equal to Franchisor's Then-Current required transfer marketing expenditure to conduct a promotional campaign for the Franchised Restaurant during the first three (3) months of operations following the take-over date of the Franchised Restaurant in accordance with Franchisor's Then-Current transfer marketing requirements.

10.5 Promotional Campaigns. From time to time during the Term, Franchisor shall have the right to establish and conduct promotional campaigns on a national or regional basis, which may by way of illustration and not limitation promote particular products or marketing themes. Franchisee shall participate in the promotional campaigns upon the terms and conditions that Franchisor may establish. Franchisee acknowledges and agrees that participation may require Franchisee to purchase point of sale advertising material, posters, flyers, product displays and other promotional materials.

10.6 Advisory Council. Franchisor ~~may from time to time~~ has established an Advisory Council for Dog Haus Franchisees to work with Franchisor and to consult with Franchisor on potential improvements to the Dog Haus System, the products offered by Dog Haus Restaurants, advertising conducted by the Marketing, Creative & Technology Fund and any other matters that Franchisor deems appropriate. ~~If an~~ The Advisory Council ~~is formed,~~ it will ~~act~~ s solely in an advisory capacity, and ~~will~~ does not have decision making authority, ~~will be~~ is comprised of Franchisor's representatives and Dog Haus Franchisees who are in Good Standing and who ~~may are~~ be chosen by Franchisor or elected by other Dog Haus Franchisees in Franchisor's discretion. All Dog Haus Franchisees who

serve on ~~an~~ the Advisory Council ~~must~~ shall pay all transportation costs, food, lodging and similar costs incurred in connection with their attendance at Advisory Council meetings. Franchisor shall have the right to form, change, merge or dissolve any Advisory Council at any time, in its sole discretion.

10.7 Internet. Franchisee shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, Website, domain name, bulletin board, newsgroup or other Internet-related medium or activity, including all forms of social media) which in any way uses or displays, in whole or part, the Dog Haus Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish from time to time. Franchisee shall not separately register any domain name or any portion of any domain name containing the Dog Haus Marks or participate or market on any Website or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms, video Websites, email marketing sites or other forms of electronic media not yet developed) using the Dog Haus Marks without Franchisor's prior written consent. Franchisee's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Franchisor may identify from time to time. Franchisor may, at any time after Franchisee commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Franchisee. Franchisee shall provide free WiFi service at the Franchised Restaurant for use by Franchisee's customers in compliance with Franchisor's requirements for bandwidth included in the Manuals or otherwise. Franchisor controls the WiFi gateway and all emails collected will be Franchisor's property, with no restrictions on Franchisor's use or distribution of email addresses.

10.8 Websites. Franchisor shall establish and maintain from time to time, one or more Internet Websites that shall be used to provide information about Dog Haus Restaurants to the public. Franchisor has sole discretion and control over the establishment, design and content of the Website. Franchisor may, in its discretion, configure the site to accommodate one or more interior pages which Franchisor shall dedicate, in whole or in part, to the Franchised Restaurant, all at Franchisee's expense. Franchisor shall have the right, at its sole option, from time to time, to (i) change, revise, or eliminate the design, content and functionality of the Website, (ii) make operational changes to the Website, (iii) change or modify the URL and/or domain name of the Website, (iv) substitute, modify, or rearrange the Website, at Franchisor's sole option, including in any manner that Franchisor considers necessary or desirable to comply with Applicable Laws, or respond to changes in market conditions or technology and respond to any other circumstances, (v) limit or restrict end-user access (in whole or in part) to the Website, and (vi) disable or terminate the Website without any liability to Franchisee.

11. CONFIDENTIAL INFORMATION.

11.1 Dog Haus Confidential Information. Franchisee acknowledges and agrees that the Dog Haus System is comprised of confidential information that has been developed by Franchisor and its affiliate by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor and its affiliates, and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans,

budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Franchised Restaurant which may be communicated to Franchisee, or of which Franchisee may be apprised, by virtue of Franchisee's operation of the Franchised Restaurant under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively, the "Dog Haus Confidential Information"). Dog Haus Confidential Information does not include any information that was in the lawful and unrestricted possession of Franchisee prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Franchisee after receiving it; has been received lawfully and in good faith by Franchisee from a third party who did not derive it from Franchisor or Franchisee; or is shown by acceptable evidence to have been independently developed by Franchisee.

11.2 Value. Franchisee acknowledges and agrees the Dog Haus Confidential Information is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Franchisee; derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or Franchisee; and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Dog Haus Confidential Information, including, without limitation (i) not revealing the Dog Haus Confidential Information to unauthorized parties; (ii) requiring its franchisees to acknowledge and agree in writing that the Dog Haus Confidential Information is confidential; (iii) requiring its franchisees to agree in writing to maintain the confidentiality of the Dog Haus Confidential Information; (iv) monitoring electronic access to the Dog Haus Confidential Information by the use of passwords and other restrictions so that electronic access to the Dog Haus Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Dog Haus Confidential Information to Franchisor upon the expiration or termination of their Franchise Agreements.

11.3 Maintain Confidentiality. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Franchisee shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers its Dog Haus Trade Secrets and/or Dog Haus Confidential Information. Franchisee shall divulge Dog Haus Confidential Information only to its supervisory or managerial personnel who must have access to it in order to perform their employment responsibilities.

11.4 Irreparable Injury from Disclosure of Dog Haus Confidential Information. Franchisee acknowledges that failure to comply with the requirements of this Article 11 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Franchisee consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond,

an ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Article 11.

11.5 Confidentiality Covenants from Individuals Associated with Franchisee. Franchisee shall require any supervisory or managerial personnel who may have access to any Dog Haus Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Dog Haus Confidential Information they receive in connection with their association with Franchisee. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

11.6 Dog Haus Data. All data pertaining to the Franchised Restaurant and all data created or collected by Franchisee in connection with Franchisee's operation of the Franchised Restaurant, including, without limitation, data pertaining to, or otherwise concerning, the Franchised Restaurant's customers and other pertinent data about the Franchised Restaurant collected by Franchisee, including, without limitation, data uploaded to, or downloaded from Franchisee's computer system or data uploaded, downloaded, or created using any artificial intelligence program (collectively "Dog Haus Data") is Dog Haus Confidential Information and is the sole property of Franchisor. Franchisor shall have the right to review and use the Dog Haus Data in any manner that Franchisor deems appropriate without any compensation to Franchisee. Franchisee shall provide Franchisor with copies and/or originals of the Dog Haus Data within five (5) days after Franchisor's request for the Dog Haus Data at no cost to Franchisor and at any time during the Term and upon the expiration and/or termination of this Agreement. Franchisor hereby licenses use of the Franchised Restaurant. Franchisee shall maintain the Dog Haus Data as secret and confidential throughout the Term and shall not make any of the Dog Haus Data available to any unauthorized person without the prior written consent of Franchisor and then only in the manner permitted by Franchisor. Franchisor hereby licenses use of the Dog Haus Data to Franchisee during the Term, at no cost, solely for Franchisee's use in connection with the Franchised Restaurant.

11.7 No Restriction. Nothing in this Article 11 is intended to prohibit or restrict any activity which prohibition or restriction violates Franchisee's employees' rights to engage in protected concerted activity under the National Labor Relations Act.

12. ACCOUNTING AND RECORDS.

12.1 General Reporting. Franchisee shall submit weekly statistical control forms and other financial, operational and statistical information that Franchisor may require (i) to assist Franchisee in the operation of the Franchised Restaurant; (ii) to allow Franchisor to monitor Gross Sales, purchases, costs and expenses; (iii) to enable Franchisor to develop chain wide statistics; (iv) to assist Franchisor in the development of new Dog Haus Authorized Products or the removal of existing unsuccessful Dog Haus Authorized Products; (v) to enable Franchisor to refine existing Dog Haus Authorized Products; and (vi) to generally improve chain-wide understanding of the Dog Haus System (collectively, the "Reporting Information").

12.2 Specific Reporting. Unless otherwise agreed by Franchisor in writing, Franchisee shall submit condensed reports of daily Gross Sales to Franchisor on a weekly basis in accordance with the guidelines established by Franchisor. Franchisee will electronically link the Franchised Restaurant to Franchisor and will allow Franchisor to poll the POS System on a daily basis at a time selected by Franchisor to retrieve Reporting Information including sales, sales mix, usage and operations data. Further:

12.2.1 Within ten (10) days following the end of each month during the Term, or at any other interval that Franchisor may establish, Franchisee shall submit a Gross Sales report signed by Franchisee, in the form and manner prescribed by Franchisor, reporting all Gross Sales for the preceding month, together with the additional financial information that Franchisor may, from time to time, request.

12.2.2 Within forty-five (45) days following the end of each calendar quarter during the Term, Franchisee shall submit to Franchisor financial statements for the preceding quarter, including a balance sheet and profit and loss statement, prepared in the form and manner prescribed by Franchisor and in accordance with generally accepted accounting principles, which shall be certified by Franchisee to be accurate and complete.

12.2.3 Within forty-five (45) days following the end of each calendar year during the Term, Franchisee shall submit to Franchisor an unaudited annual financial statement prepared in accordance with generally accepted accounting principles, and in the form and manner prescribed by Franchisor, which shall be certified by Franchisee to be accurate and complete. Franchisee shall also provide Franchisor with copies of signed original sales and use tax forms contemporaneously with their filing with the appropriate Governmental Authority. Franchisor reserves the right to require the further information concerning the Franchised Restaurant that Franchisor may, from time to time, reasonably request.

12.3 Administrative Assessments. If Franchisee fails to transmit the reporting information to Franchisor in the manner, at the times, and in the formats specified by Franchisor, in addition to all other remedies available to Franchisor under this Agreement, Franchisee shall pay Franchisor, upon demand, the applicable Administrative Assessment as reimbursement to Franchisor. Franchisor and Franchisee acknowledge that violations of these reporting requirements will damage Franchisor in amounts that cannot be quantified as of the Effective Date and that each of these Administrative Assessments is a reasonable, good faith estimate of those damages.

12.4 Audits. Franchisee shall prepare, and keep for not less than three (3) years following the end of each of its fiscal years, adequate books and records showing daily receipts in, at and from the Dog Haus Restaurants, applicable sales tax returns, if any, all pertinent original serially numbered sales slips and cash register records, and the other sales records as may be reasonably required by Franchisor, from time to time, to verify the Gross Sales reported by Franchisee to Franchisor, in a form suitable for an audit of Franchisee's records by an authorized auditor or agent of Franchisor. Such information shall be broken down by categories of goods, foods and beverages sold, when possible. Franchisor, its agents or representatives may, at any reasonable time during normal working hours, audit or review Franchisee's books and records in accordance with generally accepted standards established by certified public accountants. If any audit or other investigation reveals an under-reporting or under-recording error of three percent (3%) or more, then in addition to any other sums due, the expenses of the audit/inspection shall be borne and paid by Franchisee upon billing by Franchisor, which shall include, without limitation, Franchisor's travel, lodging and wage expenses and reasonable accounting and legal expenses, plus interest at the highest compound rate permitted by Applicable Law, but not to exceed the rate of eighteen percent (18%) per annum.

12.5 Books and Records. Franchisee shall maintain an accounting and record keeping system, which shall provide for basic accounting information necessary to prepare financial statements, a general ledger and reports required by this Agreement and the Manuals. Franchisee shall maintain accurate, adequate and verifiable books and supporting documentation relating to the accounting information.

12.6 Use of Financial Statements In Disclosure Document. Franchisee hereby irrevocably consents to Franchisor's use of information contained in its financial statements, at Franchisor's election, in its franchise disclosure document for the offer and sale of franchises.

12.7 Data for Franchised Restaurant. All data pertaining to the Franchised Restaurant and all data created or collected by Franchisee in connection with Franchisee's operation of the Franchised Restaurant (including, without limitation, data pertaining to or otherwise concerning the Franchised Restaurant's customers) or otherwise provided by Franchisee (including, without limitation, data uploaded to, or downloaded from Franchisee's POS System and/or computer system) is the sole property of Franchisor and Franchisor shall have the right to use such data in any manner that Franchisor deems appropriate without any compensation to Franchisee. Franchisee shall provide Franchisor with copies and/or originals of such data upon request by Franchisor. Franchisor hereby licenses use of such data to Franchisee during the Term, at no cost, solely for Franchisee's use in connection with the Franchised Restaurant.

13. INSURANCE.

13.1 Franchisee's Insurance Obligations. Franchisee shall obtain and maintain throughout the Term the types and amounts of insurance required by Franchisor and shall provide Franchisor with proof of coverage and Certificates of Insurance upon demand. This insurance shall protect Franchisee and Franchisor against any demand or claim with respect to personal and bodily injury, death, or property damage, or any loss, liability, or expense whatsoever arising or occurring upon or in connection with the operation of the Franchised Restaurant. Franchisee shall obtain and maintain: (i) workers' compensation insurance in compliance with local laws and regulations; (ii) employer's liability insurance with \$1,000,000 combined single limit coverage; (iii) comprehensive general liability insurance and product liability insurance with limits of \$1,000,000 per occurrence and \$2,000,000 aggregate coverage including the following: broad form contractual liability and personal injury coverage (employee and contractual inclusion deleted) insuring Franchisor and Franchisee against all claims, suits, obligations, liabilities and damages, including attorneys' fees, for actual or alleged personal injuries or property damage relating to the Franchised Restaurant business, provided that the required amounts may be modified periodically by us to reflect inflation or future experience with claims; (iv) automobile liability insurance on company vehicles, including owned, hired and non-owned vehicle coverage, with a combined single limit of at least \$1,000,000; (v) loss of income insurance (in an amount sufficient to cover the all fees due to Franchisor under this Agreement for a period of at least twelve (12) months); (vi) rental value insurance in an amount sufficient to cover the rents and other fees due the Landlord under the Lease during any period of business interruption or inability to operate the Franchised Restaurant or any greater amounts of insurance as required by the Lease for the Franchised Location; (vii) employment practices liability insurance; and (viii) additional insurance and types of coverage as required by the terms of the Lease for the Franchised Location, including an umbrella policy with limits of \$1,000,000 to \$3,000,000. Franchisor reserves the right to change the insurance requirements during the term of this Agreement, including the types of coverage and the amounts of coverage. Franchisee must comply with any changes to these requirements.

13.2 Required Endorsements and Certificates. Each policy shall: (i) be written by insurers licensed and admitted to write coverage in the jurisdiction in which the Franchised Restaurant is located and with a rating of "A" or better as set forth in the most recent edition of Best's Key Rating Guide; (ii) name Franchisor as an additional insured; and (iii) comply with the requirements prescribed by Franchisor at the time the policies are obtained. Franchisee and Franchisee's insurers shall agree to waive their rights of subrogation against Franchisor, and Franchisee shall provide evidence of the waiver in accordance with Section 13.1. Franchisee's obligation to obtain and maintain insurance shall not be limited in any way by reason of any insurance which may be maintained by

Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section 18.4. All public liability and property damage policies shall contain a provision that Franchisor and its Affiliates, although named as an additional insured, shall nevertheless be entitled to recover under the policies on any loss occasioned to Franchisor, or its Affiliates, partners, shareholders, directors, agents, or employees by reason of the negligence of Franchisee or its partners, shareholders, directors, agents, or employees. At least ten (10) days prior to the time any insurance is first required to be carried by Franchisee, and thereafter at least thirty (30) days prior to the expiration of any policy, Franchisee shall deliver to Franchisor Certificates of Insurance evidencing the proper types and minimum amounts of required coverage. All Certificates shall expressly provide that no less than thirty (30) days' prior written notice shall be given Franchisor in the event of material alteration to or cancellation or non-renewal of the coverages evidenced by the Certificates. Certificates evidencing the insurance required by this Article 13 shall name Franchisor, and each of its Affiliates, partners, shareholders, directors, agents, and employees as additional insureds on the additional-insured Grantor of Franchise Form CG-2029 or an insurer's comparable form, and shall expressly provide that any interest of each shall not be affected by any Default by Franchisee of any policy provisions for which the Certificates evidence coverage.

13.3 Franchisor's Right to Secure Insurance on Behalf of Franchisee. Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, as the requirements may be revised from time to time by Franchisor in the Manuals or otherwise in writing, Franchisor shall have the right and authority (but not the obligation) to immediately procure the insurance and to charge the same to Franchisee, which charges, together with Franchisor's expenses in so acting, shall be payable by Franchisee immediately upon notice. The foregoing remedies shall be in addition to any other remedies Franchisor may have.

14. TRANSFER OF INTEREST.

14.1 Transfer by Franchisor. Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal Entity without the consent or approval of Franchisee. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform the obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment. Franchisor and or its Affiliates may sell their assets, the Dog Haus Marks, or the Dog Haus System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring all without the consent or approval of Franchisee. In connection with any of the foregoing, at Franchisor's request, Franchisee shall deliver to Franchisor a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (b) that Franchisee is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; and (c) as to such other matters as Franchisor may reasonably request; and Franchisee agrees that any such statements may be relied upon by Franchisor and any prospective purchaser, assignee or lender of Franchisor.

14.2 Assignment by Franchisee. Franchisee acknowledges and agrees that the rights granted to Franchisee under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Franchisee and, if Franchisee is an Entity, that of the Owners. Accordingly, to protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Franchisee shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party, either in Franchisee's own name or in the name and/or on behalf of Franchisor, except as otherwise provided in this Agreement.

Franchisee acknowledges and agrees that Franchisee has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly, (i) any interest in this Agreement; or (ii) the right to use the Dog Haus System or the Dog Haus Marks (an "Assignment") without Franchisor's prior written consent. Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor's judgment, Franchisee satisfies the conditions to the Assignment identified in this Agreement.

14.2.1 Unless the Parties otherwise agree in writing, Franchisee shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all Dog Haus Restaurants then owned and operated by Franchisee. As a condition to Franchisor's consent to an Assignment, the assignee must execute Franchisor's Then-Current form of Franchise Agreement for each Franchised Restaurant sold to the assignee. Further, without Franchisor's prior written consent, which may be withheld by Franchisor in its discretion, (i) Franchisee shall not offer for sale or transfer at public or private auction any of the rights of Franchisee under this Agreement; and (ii) Franchisee shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Franchisee shall provide not less than ten (10) days' prior written notice (which notice shall contain the name and address of the secured party and the terms of the pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

14.2.2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to transfer identified in this Agreement: (i) the death or incapacity of any Owner; (ii) the offer or sale of securities of Franchisee pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (iii) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the Equity or voting power of Franchisee, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Franchisee; (iv) the issuance of any securities by Franchisee which itself or in combination with any other transactions results in the Owners, as constituted on the Effective Date, owning less than fifty percent (50%) of the outstanding Equity or voting power of Franchisee; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Franchisee, however effected. Franchisee shall promptly provide Franchisor with written notice (stating the information that Franchisor may from time to time require) of each and every transfer, assignment and encumbrance by any Owner of any direct or indirect equity or voting rights in Franchisee, notwithstanding that the same may not constitute an Assignment under this Article 14.

14.2.3 Neither Franchisor's right of first refusal nor the other conditions of Assignment shall apply to a transfer by Franchisee of all of Franchisee's rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a "Qualified Assignment"). Any attempted or purported Assignment which fails to comply with the requirements of this Article 14 shall be null and void and shall constitute a Default under this Agreement.

14.3. Right of First Refusal. Except with respect to a Qualified Assignment, if Franchisee or an Owner receive a bona fide written offer ("Third Party Offer") from a third party (the "Proposed Buyer") to purchase or otherwise acquire any interest in Franchisee which will result in an Assignment within the meaning of this Agreement, Franchisee or the Proposed Buyer shall, within fourteen (14) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor's consent to the proposed Assignment. To constitute a bona fide written offer, the Third Party Offer must also apply to purchase or otherwise acquire all Dog Haus Restaurants then owned and operated by Franchisee, or its Affiliates.

14.3.1 Franchisee, or the Proposed Buyer, shall attach to its application for consent to complete the transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee's experience and qualifications; (ii) a copy of the proposed transferee's current financial statement; and (iii) any other information material to the Third Party Offer, proposed transferee and proposed Assignment or that Franchisor requests.

14.3.2 Franchisor or its nominee shall have the right, exercisable by written notice ("Purchase Notice") given to Franchisee or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Franchisee or the Proposed Buyer that it will purchase or acquire the rights, assets, Equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer; and (ii) deduct from the purchase price the amount of all amounts then due and owing from Franchisee to Franchisor under this Agreement or otherwise.

14.3.3 If Franchisor or its nominee elects to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor.

14.3.4 If Franchisor does not elect to purchase or acquire the rights, assets, Equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Franchisee. If there is any material change in the terms of the Third Party Offer before the closing of the sale, Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 14.3.

14.4 Conditions of Assignment to Third Party. As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied:

14.4.1 The Proposed Buyer must submit a completed franchise application to Franchisor and meet Franchisor's Then-Current qualifications for new Dog Haus franchisees, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

14.4.2 Franchisee must be in Good Standing on the date consent is requested and until the date of closing of the Assignment.

14.4.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer's financial and other obligations to Franchisor, third party suppliers and creditors following the closing. Franchisor shall have no liability to either Franchisee or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties.

14.4.4 The Proposed Buyer must sign Franchisor's Then-Current form of Franchise Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects, except that the term of replacement Franchise Agreement shall be the remaining term of this Agreement. In exchange for signing the Then-Current Franchise Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement. If the Proposed Buyer is an Entity, each owner and each owner's spouse of the Proposed Buyer shall jointly and severally guarantee the Proposed Buyer's

performance of its obligations in the Then-Current Franchise Agreement under a Guarantee in the form of Exhibit C. If Franchisor is not offering new Dog Haus franchises, is in the process of revising, amending or renewing Franchisor's form of Franchise Agreement or franchise disclosure document or is not lawfully able to offer Franchisor's Then-Current form of Franchise Agreement at the time of an Assignment, Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time, or may offer to amend the Term on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then-Current form of Franchise Agreement.

14.4.5 Franchisee will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the transfer, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non-disclosure of Dog Haus Confidential Information.

14.4.6 Franchisee and the Proposed Buyer shall execute a General Release of all known and unknown liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, that they have, may have or believe to have against Franchisor and its Affiliates and their officers, directors, agents, shareholders and employees as of the date of the general release, in a form acceptable to Franchisor.

14.4.7 Franchisee shall pay Franchisor the Transfer Fee to apply against Franchisor's administrative and other costs to process the Assignment.

14.4.8 Franchisee must simultaneously transfer its rights in all contracts for which continuation is necessary for operation of the Franchised Restaurant to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the transfer of Franchisee's rights to the Proposed Buyer. The Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment. All required third party consents to the Assignment must be obtained.

14.4.9 Franchisee's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Franchisee and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Franchisee only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied.

14.4.10 Except when the transferee is an existing Franchisee or franchisee of Franchisor, the Proposed Buyer and a supervisory or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the Franchised Restaurant who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor's Initial Training Program prior to the effective date of the Assignment.

14.4.11 The Proposed Buyer must conform the Franchised Restaurant with Franchisor's Then-Current appearance and design standards and equipment specifications applicable to new Dog Haus Restaurants.

14.4.12 Franchisee must sign a guarantee personally guaranteeing the Proposed Buyer's obligations under the new Franchise Agreement in favor of Franchisor.

14.4.12 The Proposed Buyer must spend an amount equal to Franchisor's Then-Current required transfer marketing expenditure to conduct a promotional campaign for the Franchised Restaurant during the first three

(3) months of operations following the take-over date of the Franchised Restaurant in accordance with Franchisor's Then-Current transfer marketing requirements.

14.5 Death or Incapacity. In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated Owner, or the remaining Owners (the "Successor") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated Owner; or (ii) complete an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party, subject to the provisions of this Article 14. If a Successor has not purchased the interest of the deceased or incapacitated Owner or completed an Assignment of the interest of the deceased or incapacitated Owner to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement.

14.6 Transfer by Franchisee in Bankruptcy. If, for any reason, this Agreement is not terminated pursuant to Section 16.1 and this Agreement is assumed, or Assignment of the same to any person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (a) the name and address of the proposed assignee, and (b) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee's offer to accept Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Franchisee out of the consideration to be paid by the assignee for the Assignment of this Agreement.

14.7 Restriction on Publicly Traded and Private Securities. Securities, partnership or other ownership interests in Franchisee may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld. All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Franchisor for such review prior to their use. No offering by Franchisee shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Franchisee or Franchisor, and Franchisor's review of any offering materials shall be limited solely to the subject of the relationship between Franchisee and Franchisor, and its Affiliates. Franchisor may, at its option, require Franchisee's offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence. Franchisee, its Owners and other participants in the offering must fully agree in writing to defend and indemnify Franchisor, its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity. For each proposed offering, Franchisee shall pay to Franchisor a non-refundable fee of \$10,000, which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees. Franchisee shall give Franchisor written notice

at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article 14.

15. COVENANTS.

15.1 No Prior Experience, Information or Knowledge. Franchisee specifically acknowledges and agrees that prior to becoming a franchisee of Franchisor, Franchisee had no experience, information or knowledge whatsoever about a gourmet hot dog, sausage, hamburger, chicken and plant-based food products restaurant or a Dog Haus Restaurant and that Franchisee's knowledge of the Dog Haus Confidential Information was obtained solely from Franchisor, following Franchisee's training by Franchisor and Franchisee's subsequent operation of the Franchised Restaurant under this Agreement. In addition, Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, Dog Haus Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Dog Haus System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy.

15.2 Non-Competition During Term of Agreement. Franchisee and each Owner covenants that during the Term, except as otherwise approved in writing by Franchisor, Franchisee and each Owner shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, or legal Entity: (i) divert or attempt to divert any present or prospective Dog Haus customer to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Dog Haus Marks and the Dog Haus System; or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business, provided, however, the restrictions stated in this Section 15.2 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee.

15.3 Non-Competition After Expiration or Termination of Agreement. Except as Franchisor otherwise approves in writing, commencing upon the date of (i) an Assignment permitted under Article 14, (ii) the Expiration Date of this Agreement, (iii) the termination of this Agreement (regardless of the cause for termination), or (iv) a final court order (after all appeals have been taken): with respect to any of the foregoing events or with respect to enforcement of this Section 15.3, and continuing for an uninterrupted period of two (2) years thereafter, Franchisee and each Owner shall not, own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at the Franchised Location or within two (2) miles of the Franchised Location or any other Dog Haus Restaurants; provided, however, the restrictions stated in this Section 15.3 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Franchisee.

15.4 Violation of Covenants. If Franchisee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment during the Term; (iii) the cession of the Restricted Person's relationship with Franchisee; or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3, in addition to all other remedies available to Franchisor, Franchisee or the

Restricted Person shall pay Franchisor, throughout the twenty-four (24) month period, five percent (5%) of the revenue derived by Franchisee from the sale of all products and services and all other income of every kind and nature ("Post Termination Gross Sales") of the Competitive Business. Franchisee shall account for and pay the six percent (6%) of the Post Termination Gross Sales to Franchisor on the fifteenth day of each calendar month on the Post Termination Gross Sales of the Competitive Business during the preceding calendar month. Franchisor shall have the right to audit the books and records of the Competitive Business in accordance with Section 12.3 to confirm Franchisee's compliance with this Section 15.4, upon prior notice to Franchisee.

15.5 Exceptions to Covenants. Sections 15.2 and 15.3 shall not apply to ownership by Franchisee or an Owner of a less than five percent (5%) beneficial interest in the outstanding equity securities of any Competitive Business registered under the Securities Act of 1933 or the Securities Exchange Act of 1934.

15.6 Reducing Scope of Covenants. Franchisee understands and acknowledges that Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 15.3, or any portion thereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof; and Franchisee agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

15.7 Reasonable Good Faith Estimate. Franchisor and Franchisee acknowledge and agree that it would be impossible and impracticable to determine the precise amount of damages and expenses Franchisor will incur if Franchisee or any Restricted Person shall commit any violation of Section 15.3 during the two (2) year period following (i) the expiration or termination of this Agreement; (ii) the occurrence of any Assignment during the Term; (iii) the cession of the Restricted Person's relationship with Franchisee; or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of Section 15.3 due to the complications inherent in determining the amount of revenue lost by Franchisor because of the uncertainty regarding the number of months left to complete the then-current Term, the uncertainty regarding the Gross Sales of the Franchised Restaurant during the remainder of the then-current Term, the amount of Royalty Fees Franchisee would have paid Franchisor based upon the Gross Sales of the Franchised Restaurant and the like as well as the amount of the fees that Franchisor will collect from Franchisee upon the occurrence of the circumstances described in Section 15.3. Franchisor and Franchisee further acknowledge and agree that the five percent (5%) fee of Post Termination Gross Sales is a reasonable, good faith estimate of those damages.

15.8 Covenants from Individuals. Franchisee shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Article 15 (including covenants applicable upon the termination of a person's relationship with Franchisee) from all Owners. Every covenant required by this Section 15.8 shall be in a form acceptable to Franchisor, and shall include, without limitation, a designation of Franchisor as a third party beneficiary of the covenants with the independent right to enforce them.

15.9 Effect of Applicable Law. In the event any portion of the covenants in this Article 15 violates laws affecting Franchisee, or is held invalid or unenforceable in a final judgment to which Franchisor and Franchisee are parties, then the maximum legally allowable restriction permitted by Applicable Law shall control and bind Franchisee. Franchisor may at any time unilaterally reduce the scope of any part of the above covenants, and Franchisee shall comply with any reduced covenant upon receipt of written notice. The provisions of this Article 15 shall be in addition to and not in lieu of any other confidentiality obligation of Franchisee, or any other person, whether pursuant to another agreement or pursuant to Applicable Law.

15.10 Business Practices. Franchisee shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the "Anti-Terrorism Laws"). In connection with its compliance, Franchisee certifies, represents and warrants that none of Franchisee's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Franchisee is not otherwise in violation of any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Franchisee or Franchisee's employees or any "blocking" of Franchisee's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Franchisee has entered into with Franchisor or any of its Affiliates, in accordance with the provisions of Section 16.2.

15.11 Survival. The provisions of this Article 15 shall survive the expiration and termination of this Agreement and shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or the Dog Haus Marks, the Dog Haus System, the Dog Haus Confidential Information, the Dog Haus Trade Secrets, or any other proprietary aspects of Franchisor's business.

16. DEFAULT AND TERMINATION.

16.1 Termination In the Event of Franchisee's Bankruptcy or Insolvency. Franchisee shall be deemed to be in Default under this Agreement, and all rights granted to Franchisee of this Agreement shall automatically terminate without notice to Franchisee, (i) if Franchisee or its Principal Owner becomes insolvent or make a general assignment for the benefit of creditors; (ii) if a petition in bankruptcy is filed under any foreign, state or United States Bankruptcy Act by Franchisee or its Principal Owner or if a petition is filed against and not opposed by Franchisee or its Principal Owner; (iii) if Franchisee or its Principal Owner is adjudicated as bankrupt or insolvent; (iv) if a bill in equity or other proceeding for the appointment of a receiver of Franchisee or its Principal Owner or other custodian for the Franchised Restaurant is filed and consented to by Franchisee or its Principal Owner; (v) if a receiver or other custodian (permanent or temporary) of Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Franchisee or its Principal Owner; (vii) if a final judgment in excess of \$100,000 against the Franchised Restaurant remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); (viii) if Franchisee or its Principal Owner admits Franchisee or its Principal Owner is unable to generally pay Franchisee's or its Principal Owner's debts as they become due; (ix) if execution is levied against the Franchised Restaurant or property; (x) if suit to foreclose any lien or mortgage against the Franchised Restaurant, the Franchised Location or the equipment of the Franchised Restaurant is instituted against Franchisee or its Principal Owner and not dismissed within thirty (30) days; or (xi) if the Franchised Restaurant or the Franchised Location shall be sold after levy thereupon by any sheriff, marshal, or constable.

16.2 Option to Terminate Without Opportunity to Cure. Franchisee shall be deemed to be in Default and Franchisor may, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Franchisee any opportunity to cure the Default, effective immediately upon receipt of notice by Franchisor upon the occurrence of any of the following events:

16.2.1 If Franchisee shall Abandon the Franchised Restaurant.

16.2.2 If Franchisee shall purport to make any Assignment without the prior written consent of Franchisor.

16.2.3 If Franchisee shall Default in any obligation as to which Franchisee has previously received three (3) or more written notices of Default from Franchisor setting forth the Default complained of within the preceding twelve (12) months.

16.2.4 If Franchisee makes any material misrepresentations in connection with the execution of this Agreement or the operations of the Franchised Restaurant.

16.2.5 If Franchisee fails, for a period of ten (10) days after having received notification of noncompliance from Franchisor or any Governmental Authority, to comply with any Federal, state or local law or regulation applicable to the operation of the Franchised Restaurant.

16.2.6 If Franchisee's operation of the Franchised Restaurant constitutes an imminent danger to the public health.

16.2.7 If an audit or investigation conducted by Franchisor discloses that Franchisee has knowingly maintained false books or records, or submitted false reports to Franchisor, or knowingly understated its Gross Sales or withheld the reporting of the same as provided in this Agreement.

16.2.8 If Franchisee or any of its Owners, are convicted of or plead guilty or *nolo contendere* to a felony or any other crime or offense that is reasonably likely, in the sole opinion of Franchisor, to adversely affect Franchisor's reputation, the Dog Haus System, the Dog Haus Marks or the goodwill associated with the same; however, if the crime or offense is committed by an Owner other than the Principal Owner, Franchisor may only terminate this Agreement under this Section 16.2.8 if the convicted Owner fails to sell its interest in Franchisee to Franchisee's other Owners within thirty (30) days after the conviction or guilty plea.

16.2.9 If Franchisee materially misuses or makes any unauthorized use of the Dog Haus Marks or otherwise materially impairs the goodwill associated therewith or Franchisor's rights therein, or takes any action which reflects materially and unfavorably upon the operation and reputation of the Franchised Restaurant or the Dog Haus chain generally.

16.2.10 If Franchisee makes any unauthorized use, disclosure, or duplication of the Dog Haus Trade Secrets or Dog Haus Confidential Information.

16.2.11 If Franchisee fails to purchase and maintain in inventory the types and quantities of Dog Haus Branded Products, Dog Haus Proprietary Products, ~~Virtual Branded Products~~ Sub-Branded Products or Non-Proprietary Products and Services necessary to meet reasonably anticipated consumer demand.

16.2.12 If Franchisee shall or purports to purchase Dog Haus Branded Products or Dog Haus Proprietary Products or ~~Virtual Branded Products~~ Sub-Branded Products or Non-Proprietary Products and Services from other than a Dog Haus Approved Supplier and fails to cease use of the non-complying product within three (3) days after having received notification from Franchisor to do so.

16.2.13 If Franchisee shall Default in any obligation under this Agreement that by its nature is not capable of being cured by Franchisee.

16.2.14 If Franchisee fails to meet the site selection requirements, enter a Lease or Open the Franchised Restaurant within the applicable time periods provided for in this Agreement.

16.2.15 If an approved Assignment as required by Section 14.5, is not effected within the time provided following the death or permanent incapacity (mental or physical) of Franchisee.

16.2.16 If Franchisee fails to comply with the covenants in Article 15 or fails to deliver to Franchisor the executed covenants required under Section 11.5 or Section 15.8.

16.2.17 If Franchisee or the Principal Owner fails to successfully complete the Initial Training Program required by Section 6.1.

16.2.18 If Franchisee fails to obtain or maintain the insurance coverage required by Sections 13.1 and 13.2.

16.2.19 If, within ten (10) days after receipt of written notice from Franchisor that any required payment is overdue, Franchisee fails to make the payment to Franchisor, Franchisor's Affiliates, or, to Franchisee's landlord, suppliers, creditors or employees unless, with respect to Franchisee's suppliers, creditors or employees, Franchisee notifies Franchisor of the existence of a bona fide dispute and takes immediate action to resolve it.

16.2.20 If Franchisee fails to make timely payments upon any obligation of Franchisee upon which Franchisor has advanced any funds for or on behalf of Franchisee, or upon which Franchisor is acting as a guarantor of Franchisee, or Default upon or breach of any provision of any promissory note or other evidence of indebtedness or any agreement relating to this Agreement concerning any obligation of Franchisee which arises from the Franchised Restaurant.

16.2.21 If Franchisee Defaults in the repayment or performance of any obligation or financing transaction with third parties under which this franchise, the Franchised Location or any asset of the Franchised Restaurant is pledged as security for Franchisee's performance.

16.2.22 If Franchisee or any of its Owners use abusive language when communicating with Franchisor, Franchisor's staff, or customers, or denigrates the Dog Haus System or portrays it in an unflattering light on the Internet or otherwise.

16.2.23 If, contrary to the terms of Section 7.10, Franchisee fails to sell and offer for sale all and only authorized services and merchandise required by Franchisor after Franchisee receives a Notice of Default from Franchisor due to Franchisee's failure to do so, whether or not Franchisee has cured the Default after one or more notices; or if Franchisee fails to discontinue selling and offering for sale any services or merchandise that Franchisor may, in its sole discretion, disapprove in writing at any time, within ten (10) days after Franchisee's receipt of written notice from Franchisor to do so.

16.2.24 If Franchisee fails to respond to all communications with Franchisor in a timely manner.

16.2.25 If funding promised or otherwise represented to be made available to Franchisee or its Owners on the condition that Franchisee sign this Agreement is not made available to Franchisee or its Owners within ten (10) business days after Franchisee signs this Agreement.

16.2.26 If, in Franchisor's Business Judgment, Franchisor has grounds to believe that Franchisee or any of its Owners, officers, directors, or key employees has engaged or attempted to engage, through one or more affirmative acts or a failure to act, in any fraudulent, dishonest, unethical, immoral, or similar conduct in connection with the Franchised Restaurant's operation, whether such conduct is directed at or reasonably expected to impact the Franchised Restaurant, the System, the Franchisor or its Affiliates, suppliers, other franchisees, or another third party.

16.2.27 If, in Franchisor's Business Judgment, Franchisor has grounds to believe that Franchisee or any of its Owners, officers, or directors has engaged in any lewd or immoral conduct, whether or not in connection with the Franchised Restaurant's operation.

16.3 Termination with Notice and Opportunity to Cure. Except for any Default by Franchisee under Sections 16.1 or 16.2, and as expressly provided elsewhere in this Agreement, Franchisee shall have five (5) days, in the case of any monetary Default and ten (10) days in the case of any other type of Default, following the receipt of a notice of Default (a "Notice of Default") demanding the cure of the Default and to provide evidence of the cure to Franchisor. If any Default is not cured within that time period, or any longer time period that Applicable Law may require or that Franchisor may specify in the Notice of Default, this Agreement and all rights granted in this Agreement shall automatically terminate without further notice or opportunity to cure.

16.4 Reimbursement of Franchisor's Costs. Upon a Default by Franchisee, all of Franchisor's costs and expenses arising from the Default, including reasonable attorneys' fees, shall be paid to Franchisor within five (5) days after cure or upon demand by Franchisor whether or not the Default is cured.

16.5 Cross-Default. Any Default under the terms and conditions of this Agreement, any Area Development Agreement or any other agreement between Franchisor, or its Affiliates, and Franchisee, or its Owners or Affiliates, shall be deemed to be a Default of each and every other agreement. In the event of termination, for any cause, of this Agreement or any other agreement between the Parties, Franchisor may, at its option, terminate any or all of the agreements.

16.6 Notice Required By Law. Notwithstanding anything to the contrary contained in this Article 16, if any valid Applicable Law of a competent Governmental Authority having jurisdiction over this Agreement and the Parties shall limit Franchisor's rights of termination under this Agreement or shall require longer notice periods than those set forth above, this Agreement shall be deemed amended to conform to the minimum notice periods or restrictions upon termination required by that Applicable Law. Franchisor shall not, however, be precluded from contesting the validity, enforceability or application of Applicable Laws in any action, hearing or dispute relating to this Agreement or the termination of this Agreement.

16.7 Interim Management. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, after Franchisor has given Franchisee written notice that Franchisee is in Default, Franchisor may (but is not obligated to) assume interim management of the Franchised Restaurant during the pendency of any cure period or in lieu of immediately terminating this Agreement. If Franchisor elects to assume interim management of the Franchised Restaurant (i) Franchisor's election will not relieve Franchisee of Franchisee's obligations under this Agreement; (ii) Franchisor will not be liable for any debts, losses, costs or expenses incurred in the operation of the Franchised Restaurant during any interim management period; (iii) Franchisor will ~~have the right to charge a reasonable fee~~ charge the Interim Management Fee, currently \$500 per day, plus the actual out of pocket costs Franchisor incurs for the management services (the "Interim Management Fee"); and (iv) Franchisee agrees to, and hereby does, indemnify and hold Franchisor harmless against any and

all claims, demands, judgments, fines, losses, liabilities, costs, amounts paid in settlement and reasonable expenses (including, but not limited to attorneys' fees) incurred in connection with the interim management of the Franchised Restaurant, other than those arising solely from the gross negligence or willful misconduct of Franchisor. Franchisor may delegate its responsibilities under this Section 16.7 to any designee, employee or agent of Franchisor, as Franchisor may direct.

16.8 Delay by Force Majeure. Franchisee shall provide Franchisor, within ten (10) days after the occurrence of an event that Franchisee believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Franchisee's performance under this Agreement. The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay. If Franchisor determines that the Default is the result of an event of Force Majeure, the required date for performance by Franchisee shall be extended by the number of days equal to the number of days that the Force Majeure exists. Franchisee shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Franchisee's progress and diligence in responding to and overcoming the event of Force Majeure. An event of Force Majeure will not affect or change Franchisee's obligation to pay Royalty Fees, Marketing, Creative & Technology Fees, Cooperative Marketing Fees, Plan Review Fee, Management Fee or any other fees owed to Franchisor when due during the event of Force Majeure.

16.9 Termination by Franchisee. Franchisee may terminate this Agreement due to a material Default by Franchisor of its obligations under this Agreement, which Default is not cured by Franchisor within sixty (60) days after Franchisor's receipt of prompt written notice by Franchisee to Franchisor detailing the alleged Default with specificity; provided, that if the Default is such that it cannot be reasonably cured within such sixty (60) day period, Franchisor shall not be deemed in Default for so long as it commences to cure such Default within sixty (60) days and diligently continues to prosecute such cure to completion. If Franchisee terminates this Agreement pursuant to this Section 16.9, Franchisee shall comply with all of the terms and conditions of Article 17.

16.10 Options At Termination. Upon any Default under Sections 16.2 or 16.3, Franchisor may immediately take any one or more of the following actions, by written notice to Franchisee: (i) terminate this Agreement and all rights granted to Franchisee under this Agreement; (ii) eliminate or diminish Franchisee's rights with respect to the Protected Area or the size of the Protected Area; (iii) increase the fees to be paid by Franchisee to Franchisor; or (iv) increase Franchisee's Local Store Marketing Expenditures.

17. OBLIGATIONS FOLLOWING TERMINATION OR EXPIRATION.

17.1 General. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, upon the expiration or termination of Franchisee's rights granted under this Agreement, Franchisee shall immediately cease to use all Dog Haus Trade Secrets, Dog Haus Confidential Information, the Dog Haus Marks, and any confusingly similar trademark, service mark, trade name, logotype, or other commercial symbol or insignia. Franchisee shall at its own cost immediately return the Manuals and all written materials incorporating Dog Haus Trade Secrets and all copies of any of the same to Franchisor. Franchisee shall at its own cost make cosmetic changes to the Franchised Restaurant and the Franchised Location so that they no longer contain or resemble Franchisor's proprietary designs and shall remove all Dog Haus identifying materials and distinctive Dog Haus cosmetic features and finishes, furniture, soffits, interior wall coverings and colors, exterior finishes and colors and signage from the Franchised Location that Franchisor may reasonably direct.

17.2 Prior Payments. Franchisor may retain all fees paid to Franchisor pursuant to this Agreement, and Franchisee shall immediately pay any and all amounts remaining due to Franchisor and its Affiliates. If this Agreement terminates due to a Default by Franchisee, the amounts to be paid by Franchisee shall include all damages, and costs, and expenses, including reasonable attorneys' fees, incurred by Franchisor as a result of the Default, which obligation shall remain, until paid in full, a lien in favor of Franchisor against assets of the Franchised Restaurant.

17.3 Termination of Obligations and Rights. Upon the termination or expiration of this Agreement, any and all obligations of Franchisor to Franchisee under this Agreement shall immediately cease and terminate. Likewise, any and all rights of Franchisee under this Agreement shall immediately cease and terminate and Franchisee shall immediately cease and thereafter refrain from representing itself as a then or former Franchisee or other Affiliate of Franchisor.

17.4 Electronic Communications and Media. The goodwill associated with all phone and fax numbers, email addresses, domain names, Websites or webpages, social media and other Internet addresses used in operation of the Franchised Restaurant ("Electronic Communications and Media") is an asset that belongs to Franchisor. Franchisor shall have the option, exercisable by written notice within thirty (30) days after the cancellation, termination or expiration of this Agreement, to take an assignment of all Electronic Communications and Media for the Franchised Restaurant. If Franchisor exercises this option, Franchisee will be deemed to have assigned to Franchisor or Franchisor's designee all right, title and interest in and to these and/or services associated with the same. Franchisee shall notify the telephone company, domain name registrars and all listing agencies of the cancellation, termination or expiration of its right to use the Electronic Communications and Media associated with the Franchised Restaurant, and shall authorize their transfer to Franchisor. Franchisee hereby appoints Franchisor as its true and lawful agent and attorney-in-fact with full power and authority, for the sole purpose of taking such action as may be necessary to effect an assignment of Electronic Communications and Media for the Franchised Restaurant. This power of attorney is coupled with an interest and shall survive the cancellation, termination or expiration of this Agreement. Franchisee, by executing this Agreement, authorizes Franchisor and hereby appoints Franchisor and all of Franchisor's officers as Franchisee's attorney-in-fact to direct the telephone company, domain name registrars and all listing agencies to transfer the same to Franchisor, should Franchisee fail or refuse to do so. The telephone company, domain name registrars and all listing agencies may accept this Agreement as conclusive evidence of Franchisor's exclusive rights to the Electronic Communications and Media and Franchisor's authority to direct their transfer. Franchisee must sign the instruments Franchisor requests to confirm the assignments and transfers to Franchisor. Franchisee shall not be entitled to any compensation from Franchisor if Franchisor exercises this option.

17.5 Purchase Restaurant Assets. Upon the expiration of this Agreement or the termination of this Agreement for any Default of Franchisee, Franchisor shall have the option, to be exercised by written notice to Franchisee within thirty (30) days after the Expiration Date or termination date, to purchase some or all of the assets of the Franchised Restaurant, regardless of whether the Franchised Restaurant is under construction or is Open and operating, and some or all of the assets of Franchisee related to the Franchised Restaurant that Franchisor elects to purchase (collectively, the "Restaurant Assets"). The purchase price for the Restaurant Assets (the "Purchase Price") shall be the "Fair Market Value" of the Restaurant Assets as determined under this Section 17.5. "Fair Market Value" means the price that a willing buyer would pay to a willing seller when neither is acting under compulsion and when both have reasonable knowledge of the relevant facts on the date the option is first exercisable (the "Exercise Date"). Franchisor and Franchisee shall use their best efforts to mutually agree upon the Fair Market Value. If they are unable to so agree within thirty (30) days after the Exercise Date, Franchisor shall appoint, within forty (40) days of the Exercise Date, one (1) appraiser, and Franchisee shall appoint within

forty (40) days of the Exercise Date, one (1) appraiser. The two (2) appraisers shall within a period of five (5) additional days, agree upon and appoint an additional appraiser. The three (3) appraisers shall, within sixty (60) days after the appointment of the third appraiser, determine the Purchase Price in writing and submit their report to Franchisor and Franchisee. The Purchase Price shall be determined by disregarding the appraiser's valuation that diverges the greatest from each of the other two (2) appraisers' valuations, and the arithmetic mean of the remaining two (2) appraisers' valuations shall be the Purchase Price. Franchisor and Franchisee shall each pay for the services of the appraiser they select, plus one half (1/2) of the fee charged by the third appraiser, and one half (1/2) of all other costs relating to the determination of the Purchase Price. The Purchase Price as so determined shall be payable as Franchisor and Franchisee mutually agree. If they are unable to so agree within ten (10) days after final determination of the Purchase Price, fifty percent (50%) of the Purchase Price shall be payable in cash and the remaining fifty percent (50%) of the Purchase Price shall be paid in eighty-four (84) equal monthly payments and shall bear interest at a rate equal to the greater of the prime rate of interest, as published by the Western Edition of the Wall Street Journal, plus three percent (3%), OR ten percent (10%) per annum, but in no event in excess of the maximum rate permitted by Applicable Law. Payment of the portion of the Purchase Price not paid in cash shall be secured by a security interest in the Restaurant Assets. Any purchase of the Restaurant Assets shall include the assumption by Franchisor and the assignment by Franchisee, of the Lease for the Franchised Restaurant.

17.6 Survival of Obligations. Termination or expiration of this Agreement shall be without prejudice to any other rights or remedies that Franchisor or Franchisee, as the case may be, shall have in law or in equity, including, without limitation, the right to recover benefit of the bargain damages. In no event shall a termination or expiration of this Agreement affect Franchisee's obligations to take or abstain from taking any action in accordance with this Agreement. The provisions of this Agreement which by their nature or expressly constitute post-termination or post-expiration covenants and agreements shall survive the termination or expiration of this Agreement.

17.7 No Ownership of Dog Haus Marks. Franchisee acknowledges and agrees that the rights to the Dog Haus Marks and the use of the Dog Haus Marks shall be and remain the property of Franchisor. Franchisee acknowledges and agrees that any use of the Dog Haus Marks after the termination or expiration of this Agreement shall constitute an unauthorized use of an identical mark and shall entitle Franchisor to damages due to, but not limited to, trademark infringement and counterfeiting.

17.8 Government Filings. If Franchisee has registered any of the Dog Haus Marks or the name Dog Haus or Dog Haus as part of an assumed, fictitious or corporate name, Franchisee shall promptly amend those registrations to delete the Dog Haus Marks and any confusingly similar marks or names.

17.9 Security Interest. Franchisee acknowledges and agrees that in addition to any other rights and remedies to which Franchisor and its Affiliates may be entitled, Franchisor and its Affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Franchised Location is located, pursuant to the security interest granted in Section 4.8, including, without limitation, the right to enter the Franchised Location to remove and repossess any products or goods in which Franchisor or its Affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases Franchisor and its Affiliates from any and all claims in connection therewith and arising therefrom. At the request of Franchisor or its Affiliates following the event of a Default, Franchisee shall assemble and make available to Franchisor and its Affiliates all products and goods in which Franchisor or its Affiliates have been granted a security interest at a place to be designated by Franchisor or its Affiliates which is reasonably convenient to both Parties.

18. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.

18.1 No Fiduciary Relationship. This Agreement does not create a fiduciary relationship between the Parties. Franchisee shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

18.2 Public Notice of Independent Status. Franchisee shall conspicuously identify itself in all dealings with its customers, contractors, suppliers, public officials, and others, as an independent Franchisee of Franchisor, and shall place the notice of independent ownership on all forms. Franchisor shall have the right to specify the language of any notice.

18.3 Independent Contractor. Franchisee acknowledges and agrees that it is not authorized to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligations in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any action, nor shall Franchisor be liable by reason of any act or omission of Franchisee in its conduct of the Franchised Restaurant or for any claim or judgment arising therefrom against Franchisee or Franchisor.

18.4 Indemnification. Franchisee and its Owners and Affiliates (collectively, the "Indemnitors") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor and its Constituents (collectively, the "Indemnitees"), from any and all "Losses and Expenses" incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, and regardless of whether the same is between Indemnitors and Indemnities (collectively, an "Indemnifiable Claim") which arises directly or indirectly from, as a result of, or in connection with Franchisee's operation of the Franchised Restaurant and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Franchisee; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 18.4 shall extend to any finding of comparative negligence or contributory negligence attributable to Franchisee). For the purpose of this Section 18.4, the term "Losses and Expenses" means and include compensatory, exemplary, or punitive damages, fines and penalties, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party's reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses.

18.4.1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 18.4. The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a "Third Party Claim") or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a "Direct Claim"), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known. If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees' failure to give such notice on a timely basis.

18.4.2 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice. The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors' receipt of notice of a Third Party Claim. If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors' sole expense. The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees' behalf, at the Indemnitees' sole expense, unless the Indemnitors consent to the retention of the Indemnitees' counsel at the Indemnitors' expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses).

18.4.3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim. If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the Indemnitees for the amount of the payment. If the Indemnitees' liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors.

18.4.4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed. Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed. The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they becomes available).

18.4.5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request. If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim. If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 19.

18.4.6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses.

19. DISPUTE RESOLUTION.

19.1 Mediation. Except as set forth in Sections 19.2.5 and 19.5, the Parties pledge to attempt first to resolve any dispute pursuant to mediation. Within fifteen (15) days after either Party first gives notice of mediation, the Parties shall promptly agree on a mediator, whose qualifications must include at least ten (10) years of experience in franchise law. Mediation shall take place in Los Angeles, California and be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association (“AAA”) unless Franchisor and Franchisee agree on alternative rules or to proceed on a virtual platform. Mediation shall be completed within forty-five (45) days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by Franchisor and Franchisee. The fees and expenses of the mediator shall be shared equally by Franchisor and Franchisee. The mediator shall be disqualified as a witness, expert or counsel for any Party with respect to the dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under California and other Applicable Laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and Franchisor and Franchisee shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation. Notwithstanding anything to the contrary set forth in this Agreement, any Party that fails to reasonably cooperate in scheduling and completing a mediation within forty-five (45) days after giving or receiving notice thereof shall be precluded from recovering costs, expenses, and/or prevailing party attorneys' fees in any subsequent legal action.

19.2 Arbitration. Except as set forth in Sections 19.2.5 and 19.5, if the Parties cannot fully resolve and settle a dispute through mediation as set forth in Section 19.1, all unresolved claims between Franchisor and Franchisee arising out of or relating to this Agreement, the rights and obligations of the Parties to this Agreement, any alleged breach of this Agreement, any issues pertaining to the arbitrability of such controversy or claim, and any claims or causes of action related to the making, interpretation, or performance of either Party under this Agreement, shall be submitted to binding arbitration. Arbitration shall be conducted before one arbitrator in accordance with the then-current rules of the AAA unless Franchisor and Franchisee agree on another arbitration organization to conduct the arbitration proceeding. The arbitration shall be conducted in Los Angeles, California.

19.2.1 In no event may the material provisions of this Agreement including, without limitation, the method of operation, authorized product line sold or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals, be modified or changed by the arbitrator. The arbitration and the Parties' agreement for the arbitration shall be deemed to be self-executing, and if either Party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such Party despite its failure to appear. All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Agreement shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.), notwithstanding any provision of this Agreement specifying the state law under which this Agreement shall be governed and construed.

19.2.2 The fees of, and authorized costs incurred by, the arbitrator will be shared equally by the Parties, and each Party will bear all of its own costs of arbitration; provided, however, that the arbitration decision will provide that the substantially prevailing Party will recover from the other Party its actual costs and expenses (including arbitrator's fees and expenses, and attorney fees and expenses) incurred in connection with the dispute. The provisions of §1283.05 of the California Code of Civil Procedure related to depositions and discovery (including any successor provisions) are hereby incorporated by this reference and made a part of this Agreement.

19.2.3 Except as required by Applicable Law, including the required disclosure in Franchisor's franchise disclosure document, the entire arbitration proceedings and related documents are

confidential. These matters will not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the Parties, and will not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the Parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the arbitration.

19.2.4 Judgment upon any award rendered may be entered in any Court having jurisdiction thereof. The arbitrator will have the right to award or include in the award any relief which it deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that the arbitrator will not have the authority to award exemplary or punitive damages. To the extent permitted by Applicable Law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration under this Agreement, except to the extent such issue may be determined in another proceeding between Franchisor and Franchisee. The award and decision of the arbitrator will be conclusive and binding upon all Parties and judgment upon the award may be entered in any court of competent jurisdiction. Each Party waives any right to contest the validity or enforceability of the award. The Parties shall be bound by the provisions of any limitation on the period of time by which claims must be brought. Each Party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceedings as the claim to which it relates. Any claim which is not submitted or filed in the proceeding will be barred.

19.2.5 Franchisee acknowledges and agrees that irreparable harm could be caused to Franchisor by Franchisee's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Franchisee's use of the Dog Haus Marks and Confidential Information; (ii) the restrictive covenants set forth in this Agreement; (iii) Franchisee's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Dog Haus Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) disputes involving acts or omissions by Franchisee or its employees that constitute a violation of Applicable Law, threatens the Dog Haus System or other franchisees of Franchisor. Franchisee's only remedy if such an injunction is entered will be the dissolution of the injunction.

~~19.1 — Judicial Relief. The Parties agree that all disputes arising out of or relating to this Agreement shall be brought in the Superior Court of California, County of Los Angeles, or the United States District Court of the Central District of California. To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts. This Agreement shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Agreement would not be enforceable under the laws of California, and if the Franchised Restaurant is located outside of California and such provision would be enforceable under the laws of the state in which the Franchised Restaurant is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this Section 19.1 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of any state to which it would not otherwise be subject.~~

19.32 Waivers. The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or its Default under this Agreement must be commenced by no later than the last to occur of the following: (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability; or (ii) one (1) year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability. Franchisor and Franchisee, for themselves, and for and on behalf of the Franchisor Owners and the Owners, respectively, hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, Franchisor and Franchisee shall each be limited to recovering only the actual damages proven to have been sustained by that Party, except as provided in Section 19.54.

19.43 Specific Performance. Franchisor and Franchisee acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, Franchisor and Franchisee agree that the provisions of this Agreement shall be specifically enforceable. Franchisor and Franchisee further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Franchisee might otherwise have.

19.54 Injunctive Relief. Franchisee acknowledges and agrees that irreparable harm could be caused to Franchisor by Franchisee's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Franchisee's use of the Dog Haus Marks and Confidential Information (including any proprietary software used in connection with the Franchised Restaurant); (ii) the in-term covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement; (iii) Franchisee's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Dog Haus Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) prohibit any act or omission by Franchisee or its employees that constitutes a violation of Applicable Law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Franchisee's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Franchisee waives all damage claims if the injunction is wrongfully issued.

19.65 Exclusive Remedy. In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement. Each Party waives any claim for damages. Neither Party may claim any damages by way of setoff, counterclaim or defense. Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

19.76 Attorneys' Fees. In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs in addition to any other relief that may be awarded by a court of competent jurisdiction.

19.87 No Withholding of Payments. Franchisee shall not withhold all or any part of any payment to Franchisor or any of its Affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's Affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

19.98 WAIVER OF JURY TRIAL. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR FRANCHISEE'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.

19.109 WAIVER OF CLASS ACTIONS OR OTHER COLLECTIVE ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED RESTAURANT, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN FRANCHISEE, FRANCHISEE'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

19.110 Waiver of Punitive Damages. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that Franchisee's recovery is limited to actual damages. Except for any damages or losses incurred by Franchisor as a result of or arising out of any of Franchisee's (i) breach of its non-compete or confidentiality obligations under the Franchise Agreement, (ii) misuse or breach of its obligations under the Franchise Agreement as it relates to or arises out of the Dog Haus Marks or the Dog Haus System, (iii) fraud or willful misconduct, or (iv) any other illegal conduct or bad faith actions, Franchisor hereby waives to the fullest extent permitted by law, any right to or claim for any punitive damages (and only punitive damages) against Franchisee arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise).

19.124 Consequential Damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full force and effect, including, without limitation, Franchisee's waiver of any right to claim any consequential damages. Nothing in this Section 19.134 or any other provision of this Agreement shall be construed to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future royalties for the balance of the Term if it is terminated due to Franchisee's default, which the Parties agree and acknowledge Franchisor may claim under this Agreement.

19.132 Survival. The provisions of this Article 19 shall survive the expiration, termination or non-renewal of this Agreement.

20. NOTICES.

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail, by facsimile transmission or by electronic transmission (email). Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a

guaranteed tracking facility; (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid; (iv) on the day of facsimile transmission to the facsimile number given below if confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission; and (v) on the day of electronic transmission to the email address given below if confirmation of receipt is obtained by the sender promptly after completion of electronic transmission. Notices and demands shall be given 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 Franchisor:

Dog Haus Worldwide, LLC
22 Central Court
Pasadena, California 91105
Attention: Erik Hartung
Email: erik@doghaus.com

With a copy to (which shall not constitute notice):

Barry Kurtz, Esq.
Lewitt, Hackman, Shapiro, Marshall and Harlan
16633 Ventura Boulevard, 11th Floor
Encino, California 91436
Fax: (818) 981-4764
Email: bkurtz@lewithhackman.com

Notices to Franchisee:

See Exhibit A

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party.

21. ACKNOWLEDGMENTS.

21.1 Waiver and Delay. No waiver by Franchisor of any Default, or series of Defaults in performance by Franchisee, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it under this Agreement or under any agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Franchisee's obligations under this Agreement or any Franchise Agreement or other agreement between Franchisor and Franchisee, whether entered into before, after or contemporaneously with the execution of this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

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

21.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Franchisee and his or their

respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement.

21.4 Joint and Several Liability. If Franchisee consists of more than one Owner, the obligations and liabilities of each person or Entity to Franchisor are joint and several.

21.5 Entire Agreement. This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representations made in the Dog Haus Franchise Disclosure Document.

21.6 Titles and Recitals. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement. The recitals set forth in Recitals A and B are true and correct and are hereby incorporated by reference into the body of this Agreement.

21.7 Gender and Construction. The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided in this Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Franchisee that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor's standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties. Franchisor and Franchisee intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

21.8 Severability; Modification. Nothing contained in this Agreement shall be construed as requiring the commission of any act contrary to Applicable Law. Whenever there is any conflict between any provisions of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the Parties have no legal right to contract, the latter shall prevail, but in that event, the provisions of this Agreement thus affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law. In the event that any part, article, paragraph, sentence or clause of this Agreement shall be held to be indefinite, invalid

or otherwise unenforceable, the indefinite, invalid or unenforceable provision shall be deemed deleted, and the remaining part of this Agreement shall continue in full force and effect.

21.9 Counterparts and Electronic Transmission. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits.

21.10 Electronic Execution and Copies. This Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and Electronic Signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits. An executed copy of this Agreement (or any portion of this Agreement) may be delivered by either of the Parties by facsimile, electrical, digital, magnetic, optical, electromagnetic, or similar capability regardless of the medium of transmission (collectively, "electronic"), and delivery will be effective and binding upon the Parties, and will not in any way diminish or affect the legal effectiveness, validity or enforceability of this Agreement. Franchisee acknowledges and agrees that Franchisor may create an electronic record of any or all agreements, correspondence or other communications between the Parties or involving third parties and may thereafter dispose of or destroy the original of any of the agreements, correspondence or other communications. Any such electronic record will be inscribed on a tangible medium or stored in an electronic or other medium and be retrievable in perceivable form, and will be maintained in and readable by hardware and software generally available. Notwithstanding any Applicable Law to the contrary, any electronic version of this Agreement or any other agreements, correspondence or other communications between the Parties will have the same legal effect, validity and enforceability as an original of any document, even if the original of the document has been disposed of or intentionally destroyed.

21.11 Copy of Agreement. Franchisee acknowledges that it received a copy of this Agreement, the Exhibits attached to this Agreement and all other agreements relating to this Agreement, if any, with all of the blank lines filled in, at least seven (7) days prior to the Effective Date.

21.12 Acceptance. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon its execution by Franchisor and Franchisee. This Agreement shall not be binding on Franchisor unless and until it shall have been accepted and signed on its behalf by an authorized officer of Franchisor.

21.13 Area Development Agreement. This Section 21.13 is only applicable if Franchisee or its Affiliates have entered into an Area Development Agreement (a "Development Agreement") with Franchisor. Franchisor and Franchisee acknowledge and agree that the Development Agreement contains certain negotiated provisions which are intended to apply to, and modify, future franchise agreements entered into by the Parties. Therefore, notwithstanding anything to the contrary set forth in this Agreement, to the extent any provision in the Development Agreement contradicts any provision in this Agreement, or is in addition to any provision of this Agreement, the Development Agreement shall control to the extent of such inconsistency or addition. Franchisor and Franchisee further acknowledge and agree that this Section 21.13 has been added at the request and for the convenience and benefit of both Parties and with advice of counsel. Accordingly, both Franchisor and Franchisee

shall work in good faith to resolve any disputes regarding the application or intent of the Development Agreement and future franchise agreements entered into by the Parties. Should a dispute arise as to the application or intent of the Development Agreement as it pertains to this Agreement, the Parties shall resolve the dispute in accordance with Article 19.

21.14 Business Judgment. Notwithstanding any provision in this Agreement to the contrary, Franchisee and the Owners acknowledge and agree that:

21.14.1 This Agreement (and the relationship of the Parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions or refrain from taking actions not inconsistent with the explicit rights and obligations of Franchisee and the Owners hereunder that may affect Franchisee and the Owners' interests favorably or adversely. Franchisor shall use its Business Judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests, promotion, and benefit of the Dog Haus System and other Dog Haus Franchisees, Dog Haus Restaurants generally, and specifically without considering the individual interests of Franchisee or the Owners or the individual interests of any other Dog Haus Franchisee. Franchisee and the Owners acknowledge and agree that Franchisor shall have no liability to Franchisee or the Owners for the exercise of its discretion in this manner; and even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification, no trier of fact in any legal action shall substitute his or her judgment for Franchisor's judgment so exercised and no such action or decision shall be subject to challenge for abuse of discretion. If Franchisor takes any action or Franchisor chooses not to take any action in its discretion with regard to any matter related to this Agreement and its actions or inaction are challenged for any reason, the Parties expressly direct the trier of fact to find that Franchisor's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of its discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

21.14.2 In granting its approval of the Franchised Location, designating suppliers, setting standards and the like, Franchisor shall exercise its Business Judgment. However, in the exercise of its Business Judgment, Franchisor shall not be liable to Franchisee or the Owners or anyone else, if Franchisor's exercise of its Business Judgment results in a business loss or if the products or services provided fail to meet the expectations of Franchisor, Franchisee, the Owners or other parties. Franchisor disclaims all warranties and liability for the acts or omissions of any contractors, vendors, suppliers, products or employees which Franchisee uses, purchases, retains or hires pursuant to Franchisor's exercise of its Business Judgment.

21.14.3 If Applicable Law implies a covenant of good faith and fair dealing in this Agreement, the Parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if Applicable Law shall imply the covenant, Franchisee agrees that: (i) this Agreement (and the relationship of the Parties that is inherent in this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations under this Agreement that may affect favorably or adversely Franchisee's interests; (ii) Franchisor will use its judgment in exercising the discretion based on Franchisor's assessment of its own interests and balancing those interests against the interests of the Dog Haus Franchisees generally (including Franchisor and its Affiliates if applicable), and specifically without considering Franchisee's individual interests or the individual interests of any other particular Dog Haus Franchisee; (iii) Franchisor will have no liability to Franchisee for the exercise of Franchisor's discretion in this manner, so long as the discretion is not exercised in

bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for Franchisor's judgment so exercised.

21.15 No Third Party Beneficiaries. Except as expressly provided to the contrary in this Agreement, nothing in this Agreement is intended, nor shall be deemed, to confer on any Person or Entity other than Franchisee, Franchisor, Franchisor's officers, directors and personnel and such of Franchisee's and Franchisor's respective successors and assigns that may have any rights or remedies under or as a result of this Agreement.

21.16 Franchise Disclosure Document. Franchisee acknowledges that it has received a copy of the complete Dog Haus Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed.

21.17 Atypical Terms. Franchisee acknowledges and agrees that Franchisor may modify the offer of its franchises to other Dog Haus franchisees in any manner and at any time, which offers have or may have terms, conditions, and obligations that may differ from the terms, conditions, and obligations in this Agreement. Franchisee further acknowledges and agrees that Franchisor has made no warranty or representation that all Dog Haus Franchise Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Franchise Agreements previously executed or executed after the Effective Date with other Dog Haus franchisees in a non-uniform manner.

(Signature Page Follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

(IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____

Name: _____

Title: _____

AND

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT A
FRANCHISE INFORMATION

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT A
FRANCHISE INFORMATION

EFFECTIVE DATE: _____.

NAME OF FRANCHISEE: _____.

EXPIRATION DATE: _____.

ADDRESS OF FRANCHISED LOCATION: _____.

TYPE OF RESTAURANT (CHECK ONE):

_____ DOG HAUS BIERGARTEN

_____ DOG HAUS FAST CASUAL RESTAURANT

_____ DOG HAUS REMOTE KITCHEN

OPENING DATE: _____.

PROTECTED AREA: _____.

RENEWAL TERM: _____.

RENEWAL TERM EXPIRATION DATE: _____.

NOTICE ADDRESS FOR FRANCHISEE: _____.

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

A _____

By: _____

Name: _____

Title: _____

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

Franchisee represents and warrants that the following information is accurate and complete in all material respects:

(1) Franchisee is a (check as applicable):

- corporation
- limited liability company
- general partnership
- limited partnership
- Other (specify): _____

State of incorporation/organization: _____

Franchisee entity name: _____

Federal Tax Identification Number: _____

(2) Franchisee shall provide to Franchisor concurrently with the execution of this Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the "Entity Documents").

(3) Franchisee promptly shall provide all additional information that Franchisor may from time to time request concerning all persons who may have any, direct or indirect, financial interest in Franchisee.

(4) The name and address of each Owner is:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The names, addresses and titles of Franchisee Owner who will be devoting their full time to the Franchised Restaurant are:

NAME	ADDRESS	TITLE

(6) The address where Franchisee's financial records and Entity Documents are maintained is:

_____.

(7) The Principal Owner is _____.

(8) The General Manager is _____.

(9) Franchisee represents and warrants to Franchisor, as an inducement to Franchisor's execution of the Franchise Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Franchisee shall provide Franchisor with all additional information Franchisor may request with respect to the partners, shareholders and members of Franchisee and the ownership of Franchisee upon demand by Franchisor. In addition, Franchisee shall notify Franchisor within ten (10) days of any change in the information set forth in this Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Franchisee to be true, correct and complete in all material respects. Franchisor grants Franchisee the rights in the Franchise Agreement in reliance upon each and all of the terms of this Entity Information Disclosure.

IN WITNESS WHEREOF, the Parties have executed this Exhibit B on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

(IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
Name: _____
Title: _____

AND

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT C
GUARANTEE OF FRANCHISE AGREEMENT

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT C
GUARANTEE OF FRANCHISE AGREEMENT

The undersigned (collectively, "Guarantors") have requested DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), to enter into a Franchise Agreement dated _____, ____ (the "Franchise Agreement") with the "Franchisee" named in the Franchise Agreement. In consideration for, and as an inducement to, Franchisor's execution of the Franchise Agreement, Guarantors hereby grant this guarantee (this "Guarantee") agree as follows:

1. "Obligations" means and includes any and all obligations of Franchisee arising under or pursuant to the Franchise Agreement and all other obligations, whether now existing or hereafter arising, of Franchisee to Franchisor of whatever nature.
2. Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt, full and complete payment of any and all Obligations of Franchisee to Franchisor and the performance of any and all obligations of Franchisee including, without limitation, obligations under the Franchise Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations.
3. If Franchisee fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors. Guarantors agree that if any obligation, covenant or agreement contained in the Franchise Agreement is not observed, performed or discharged as required by the Franchise Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, to observe, perform or discharge the obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors.
4. No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Franchisee or any other person and no change, impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Franchisor. Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors' liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the Franchise Agreement or of any of the Obligations, in whole or in part; (ii) any acceptance, enforcement or release by Franchisor of any security for the Franchise Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Franchise Agreement or the Obligations or any security therefore; (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any Assignment or transfer of the Franchise Agreement (or any of them) by Franchisor or Franchisee; (iv) the invalidity or unenforceability of any provision of the Franchise Agreement or any of the Obligations; or (v) any failure, omission or delay of Franchisor in enforcing the Franchise Agreement, the Obligations or this Guarantee.

5. Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Franchisee or any other person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor's power; (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby; (iii) any defense that may arise by reason of Franchisee's incapacity, lack of authority, insolvency or bankruptcy or Franchisor's failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Franchisee, any other or others; (iv) any defense arising out of any alteration of the Franchise Agreement or the Obligations; (v) notice of Franchisee's Default in the payment or performance of any of the Obligations; (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Franchisee, Franchisor, any endorser, creditor of Franchisee or Guarantors under this or any other instrument, or any other person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed; (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against Franchisee by operation of Applicable Law or otherwise; (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Franchisee, regardless of whether Franchisor has reason to believe that those facts materially increase the risk beyond that which Guarantors intends to assume or has reason to believe that the facts are unknown to Guarantors or has a reasonable opportunity to communicate the facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Franchisee's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed; and (ix) any right to the benefit of or to direct the application of any security held by Franchisor.

6. Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Franchisee. All existing or future indebtedness of Franchisee to Guarantors and any right to withdraw capital invested in Franchisee by Guarantors are hereby subordinated to all Obligations.

7. Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and the rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law. Without limiting the generality of anything contained in this Guarantee, Guarantors waive and agree not to assert or take advantage of (i) all rights described in California Civil Code Section 2856(a)(1) through 2856(a)(3), inclusive, including without limitation, any rights or defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive; and (ii) California Civil Code Section 2899.

8. The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection. Guarantors' obligations under this Guarantee are independent of Franchisee's obligations. This is a continuing Guarantee. It shall be irrevocable during the initial term and each renewal term and through any extensions, renewals, amendments, modifications, substitutions or replacements of the Franchise Agreement and until all Obligations has been fully paid and the Obligations have been fully performed. In the event of any Default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Franchisee or whether Franchisee is joined in any action or actions. Franchisor may maintain successive actions for other Defaults.

Franchisor's rights under this Guarantee shall not be exhausted by Franchisor's exercise of any rights or remedies or by any action or by any number of successive actions until and unless all Obligations have fully been paid and performed. The obligations of Guarantors shall be primary and are independent of the obligations of Franchisee and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Franchisee or any other person or Entity, or applying or enforcing any security of the Franchise Agreement. Guarantors acknowledge and agree that Guarantors shall, and hereby are, bound by each and all of the confidentiality and non-competition provisions of the Franchise Agreement.

9. Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived, nor can Guarantors be released from Guarantors' obligations under this Guarantee except by a written agreement executed by Franchisor. If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter of this Guarantee and no representation, understanding, promise or condition concerning the subject matter of this Guarantee shall bind Franchisor unless expressed in this Guarantee.

10. All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 20 of the Franchise Agreement. Notices to Guarantors shall be sent to the address set forth below each Guarantors' signature below.

11. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guarantee. In addition, this Guarantee may be signed electronically by the Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee.

12. This Guarantee shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Guarantee would not be enforceable under the laws of California, and if the Franchised Restaurant is located outside of California and such provision would be enforceable under the laws of the state in which the Franchised Restaurant is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this Paragraph 12 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of California to which it would not otherwise be subject. Venue for purposes of any legal proceedings brought in connection with or arising out of this Guarantee shall be conclusively presumed to be in the State of California, County of Los Angeles. Guarantors hereby submit to the jurisdiction of the United States District Court for the Central District of California.

(Signature Page Follows)

Executed by or on behalf of Guarantors on the date set forth below.

Date: _____

Address:

Date: _____

Address:

DOG HAUS WORLDWIDE, LLC
FRANCHISE AGREEMENT

EXHIBIT D
DEBIT AUTHORIZATION FORM

AUTHORIZATION AGREEMENT FOR PREARRANGED PAYMENTS
(DIRECT DEBITS)

The undersigned franchisee/depositor ("Depositor") hereby (1) authorizes DOG HAUS WORLDWIDE, LLC and its affiliates ("Franchisor") to initiate debit entries and/or credit correction entries to the undersigned's checking and/or savings account indicated below and (2) authorizes the depository designated below ("Depository") to debit such account pursuant to Franchisor's instructions.

_____ Depository	_____ Branch
_____ City and State	_____ Zip Code
_____ Bank Transit /ABA Number	_____ Account Number

This authority is to remain in full force and effect until Depository has received joint written notification from Franchisor and Depositor of the Depositor's termination of such authority in such time and in such manner as to afford Depository a reasonable opportunity to act on it. Notwithstanding the foregoing, Depository shall provide Franchisor and Depositor with thirty (30) days' prior written notice of the termination of this authority. If an erroneous debit entry is initiated to Depositor's account, Depositor shall have the right to have the amount of such entry credited to such account by Depository, if within fifteen (15) calendar days following the date on which Depository sent to Depositor a statement of account or a written notice pertaining to such entry or forty-five (45) days after posting, whichever comes first, Depositor shall have sent to Depository a written notice identifying such entry, stating that such entry was in error, and requesting Depository to credit the amount thereof to such account. These rights are in addition to any rights Depositor may have under federal and state banking laws. Depositor shall be responsible for all charges assessed by Depository to process all debit entries and/or credit corrections entries to the undersigned's checking and/or savings account initiated by Franchisor. Franchisor will credit Depositor for fees if error is deemed to be caused by Franchisor.

DEPOSITOR (Print Name)

DEPOSITORY (Print Name)

By: _____

By: _____

Its: _____

Its: _____

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT B
AREA DEVELOPMENT AGREEMENT

DOG HAUS WORLDWIDE, LLC
EXHIBIT B
AREA DEVELOPMENT AGREEMENT

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

TABLE OF CONTENTS

<u>ARTICLE</u>	<u>PAGE</u>
1. DEFINITIONS.....	<u>21</u>
2. EXCLUSIVE LICENSE.....	<u>76</u>
3. TERM.....	<u>108</u>
4. PAYMENTS BY AREA DEVELOPER.....	<u>108</u>
5. INITIAL SERVICES AND ONGOING OBLIGATIONS OF FRANCHISOR	<u>109</u>
6. OBLIGATIONS OF AREA DEVELOPER.....	<u>1140</u>
7. DOG HAUS MARKS.....	<u>1240</u>
8. CONFIDENTIAL INFORMATION.....	<u>1312</u>
9. TRANSFER OF INTEREST	<u>1513</u>
10. TRANSFER BY AREA DEVELOPER IN BANKRUPTCY	<u>1918</u>
11. DEFAULT AND TERMINATION	<u>1918</u>
12. OBLIGATIONS UPON TERMINATION OR EXPIRATION.....	<u>2120</u>
13. COVENANTS.....	<u>2220</u>
14. INDEPENDENT CONTRACTOR AND INDEMNIFICATION.....	<u>2322</u>
15. DISPUTE RESOLUTION	<u>2524</u>
16. ANTI-TERRORISM LAWS.....	<u>2925</u>
17. NOTICES	<u>2925</u>
18. ACKNOWLEDGMENTS	<u>3026</u>

EXHIBITS

EXHIBIT A	DEVELOPMENT INFORMATION
EXHIBIT B	ENTITY INFORMATION DISCLOSURE
EXHIBIT C	GUARANTEE OF AREA DEVELOPMENT AGREEMENT

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

THIS AREA DEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of the "Effective Date" set forth on Exhibit A, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), on the one hand, and the individuals or Entity identified as "Area Developer" on Exhibit A, on the other hand, who are individually referred to in this Agreement as a "Party", and collectively referred to in this Agreement as "Parties", with reference to the following facts:

AA. Franchisor and its predecessor and Affiliate have developed the "Dog Haus System" for the establishment and operation of fast casual restaurants that offer freshly prepared, cooked to order, high quality proprietary gourmet hot dogs, sausages, hamburgers, chicken and plant-based food products accompanied by Franchisor's proprietary sauces and a variety of other related food products, side dishes and alcoholic and non-alcoholic beverages for both on-premises and off-premises consumption under the trade name and service mark "Dog Haus" and other related trademarks, service marks, logos and commercial symbols, and the trade dress used to identify Dog Haus Restaurants, including the unique and distinctive interior and exterior building designs, color schemes, furniture, fixtures and accessories present in Dog Haus Restaurants (collectively, the "Dog Haus Marks").

B. Franchisor desires to expand and develop "Dog Haus Biergarten", "Dog Haus Fast Casual", and/or "Dog Haus Remote Kitchen" ("Dog Haus Restaurants") in the Development Area and Area Developer desires to develop, open and operate Dog Haus Restaurants in the Development Area in accordance with the terms of this Agreement.

NOW, THEREFORE, IT IS AGREED:

11. DEFINITIONS

The capitalized terms in this Agreement that are not defined elsewhere in the text of this Agreement are assigned these definitions:

"Affiliate" or "Affiliates" means any person or Entity that controls, is controlled by, or is under common control with, a Party to this Agreement. Control of a person or Entity means the power, direct or indirect, to direct or cause the direction of the management and policies of such person or Entity whether by contract or otherwise.

"Applicable Law" means and includes applicable common law and all statutes, laws, rules, regulations, ordinances, policies and procedures established by any Governmental Authority with jurisdiction over the operation of Dog Haus Restaurants that are in effect on or after the Effective Date, as they may be amended from time to time.

"Business Judgment" means that Franchisor is allowed to exercise its judgment however Franchisor believes is appropriate in a given circumstance without limitation, subject to the use of that discretion in any reasonable way as more fully described in Section 18.16.

"Competitive Business" means any restaurant business that prepares, offers and sells gourmet hot dogs, sausages, hamburgers, chicken, plant-based food products or any combination of these products as primary menu items and any business that looks like, copies, imitates, or operates with similar trade dress or décor to the Dog Haus Restaurant.

"Constituents" means past, present and future Affiliates, parents, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents,

predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

“Default” means any breach of, or failure to comply with, any of the terms or conditions of an agreement.

“Development Area” means the geographic area designated on Exhibit A.

“Development Fee” means the development fee payable to Franchisor by Area Developer on the Effective Date in the amount set forth on Exhibit A.

“Development Period” means each of the time periods indicated on Exhibit A during which Area Developer shall have the right and obligation to construct, equip, Open and thereafter continue to operate Dog Haus Restaurants in accordance with the Minimum Development Obligation.

“Dog Haus Approved Suppliers” means suppliers of Dog Haus Branded Products, Dog Haus Proprietary Products and Non-Proprietary Products, and ancillary services, food products, beverages, supplies, furniture, fixtures and equipment for Dog Haus Restaurants that have been accepted and approved by Franchisor because they have demonstrated to Franchisor their ability to supply products and services for Dog Haus Restaurants meeting Franchisor’s specifications as to brand names, models, contents, manner of preparation, ingredients, quality, freshness, compliance with governmental standards and regulations, reliability with respect to delivery and consistency in the quality of their products or services. Franchisor and its Affiliates may be Dog Haus Approved Suppliers.

“Dog Haus Authorized Products” means all Dog Haus Branded Products, Dog Haus Proprietary Products and Non-Proprietary Products offered for sale or used at Dog Haus Restaurants, as specified by Franchisor from time to time.

“Dog Haus Biergarten” means a Dog Haus Restaurant of approximately 1,800 to 3,000 square feet in size which will be required to have (i) a minimum 20 beers on tap; (ii) a minimum of 8 seats at the bar; (iii) at least one bartender on duty at all times; (iv) a minimum of 6 televisions; (v) have cable/satellite television capability with multiple control boxes, including DirectTV boxes, Dog Haus TV boxes and PC Music boxes; (vi) a patio with a minimum of 30 seats; (vii) open or enclosed kitchens, depending on the layout of the premises; (viii) extended hours of operation; (ix) glassware and a dishwasher; and (x) additional equipment. In addition, Dog Haus Biergartens may have brewery events, club affiliations, video games, ping pong tables, darts or foosball, and happy-hour pricing for food and beverages.

“Dog Haus Branded Products” means any product now existing or developed in the future that bears any of the Dog Haus Marks, including products that are prepared, sold and/or manufactured in strict accordance with Franchisor’s recipes, methods, standards and specifications, as well as novelty items such as cups, coolers, hats, t-shirts and the like.

“Dog Haus Fast Casual Restaurant” means a Dog Haus Restaurant of approximately 1,300 to 1,600 square feet which will have a limited menu, will take orders at the counter, will have communal seating, and will have a limited selection of beer and wine available for purchase.

“Dog Haus Proprietary Products” means only those food products, beverages, packaging and other products which are produced or manufactured strictly in accordance with Dog Haus Trade Secrets or that Franchisor otherwise designates as proprietary.

“Dog Haus Remote Kitchen” (also known as a delivery-only restaurant or an online-only restaurant) means a food service business used for the production of delivery and take-away food products located in a partially equipped commercial kitchen within a multi-kitchen facility with other restauranters that only serves customers through online food ordering through a third-party Food Delivery Service, usually on a computer application or through a website that is downloaded by the customer to a mobile device. Customers may place their orders for food products online with the Food Delivery Service they choose for the food they want delivered. The Food Delivery Service then transmits the order to the Remote Kitchen for preparation, picks up the order at the Remote Kitchen facility and delivers the food to the customer for a fee established by the Food Delivery Service. Alternatively, customers may place their orders directly with the Remote Kitchen and pick up their order at the Remote Kitchen facility.

“Dog Haus System” means Franchisor’s operating methods and business practices related to a Dog Haus Restaurant, and the relationship between Franchisor and its area developers and franchisees, including interior and exterior Dog Haus Restaurant design; other items of trade dress; specifications of equipment, fixtures, and uniforms; defined product offerings; recipes and preparation methods; Franchisor specified pricing and promotions; standard operating and administrative procedures; restrictions on ownership; management and technical training programs; and marketing and public relations programs; all as Franchisor may modify the same from time to time.

“Dog Haus Trade Secrets” means proprietary and confidential information, including, recipes, ingredients, specifications, procedures, policies, concepts, systems, know-how, plans, software, strategies and methods and techniques of operating Dog Haus Restaurants and producing Dog Haus Authorized Products, excluding information that is or becomes a part of the public domain through publication or communication by third parties not bound by any confidentiality obligation or that can be shown that was already lawfully in a third party’s possession before receipt from Franchisor.

“Electronic Signature” means any electronic symbol and/or process attached to or logically associated with a document and executed by a Party with the intent to sign such document, including facsimile, email, or other electronic

“Entity” means any limited liability company, partnership, trust, association, corporation or other entity, which is not an individual. If Area Developer is an Entity, the Entity shall conduct no business other than the development of Franchised Restaurants in the Development Area, in accordance with the Development Obligation.

“Equity” means capital stock, membership interests, partnership rights or other equity ownership interests of an Entity.

“Expiration Date” means the fifth (5th) anniversary of the Effective Date.

“Food Delivery Services” means on-line third-party food ordering platforms that deliver Dog Haus Authorized Products.

“Force Majeure” means any event (i) that was reasonably unforeseeable as of the Effective Date; (ii) that is beyond the reasonable control, directly or indirectly, of a Party; (iii) that could not reasonably have been prevented or avoided by that Party with the exercise of reasonable efforts and due diligence; (iv) that does not result from the fault or negligence of that Party or its agents, employees or contractors; and (v) that causes the Party to be delayed, in whole or in part, or unable to partially or wholly perform its obligations under this Agreement. Subject to the satisfaction

of the foregoing criteria, Force Majeure shall include: (a) acts of God (such as tornadoes, earthquakes, hurricanes, floods, fire or other natural catastrophes); (b) strikes, lockouts or other industrial disturbances; (c) war, terrorist acts, riot, or other civil disturbance; (d) unilateral governmental action impacting restaurants generally; and (e) contagious diseases, epidemics, pandemics, transportation shortages, inadequate supply of labor, material or energy. An event of Force Majeure will not affect or change Franchisee Area Developer's obligation to pay Initial Franchise Fees, Development Fees or any other fees owed to Franchisor when due.

"Franchise Agreement" means the form of agreement prescribed by Franchisor and used to grant to Area Developer the right to develop, open and operate a single Dog Haus Restaurant in the Development Area, including all exhibits, riders, guarantees or other related instruments, all as amended from time to time.

"Franchised Location" means the site of a Franchised Restaurant.

"General Release" means the form of general release prescribed by Franchisor of any and all known and unknown obligations, liabilities, demands, costs, expenses, damages, claims, actions and causes of action, of whatever nature, character or description, against Franchisor and its Constituents. A General Release will cover future consequences of acts, omissions events and circumstances predating the date of the General Release, but will not release, in advance, future acts, omissions or events which have not occurred at the time the General Release is executed.

"Good Standing" means Area Developer is in substantial compliance with the material requirements of this Agreement, the Dog Haus Franchise Agreements, the Manuals and all other agreements then in effect between Franchisor or its Affiliates, and Area Developer, and has substantially cured each curable Default for which Franchisor has issued a notice of Default to Area Developer within the time periods set forth in Section 11.3.

"Governmental Authority" means all Federal, state, county, municipal and local governmental and quasi-governmental agencies, commissions and authorities.

"Gross Sales" means the total of all revenues derived from retail and wholesale sales of goods, merchandise, services or products of any nature or kind whatsoever ~~sales of any nature or kind whatsoever~~ from the Dog Haus Restaurants during the Term, whether evidenced by cash, services, property, barter, or other means of exchange, "Gross Sales" includes, without limitation, (i) revenue from in-store dining, carry-out, drive-thru, catering services, Area Developer delivery sales, third-party delivery sales, and other online orders; (ii) discounted sales; (iii) voucher sales, gift card and gift certificate sales when they are purchased; (iv) the retail price of beverages and food products Area Developer provides to its employees as incident to their employment; and (v) the proceeds from any business interruption insurance related to the non-operation of the Dog Haus Restaurants. With respect to goods, merchandise, services or products purchased by customers with coupons or other discounts or through the use of third-party delivery services, "Gross Sales" includes the retail price of the goods, merchandise, services or products without deduction of the amount of the discount or third-party delivery service charges. Excluded from "Gross Sales" are the amount of (a) bona fide refunds paid to customers; (b) sales, use or other taxes charged to customers and actually paid to any Governmental Authority; (c) tips, gratuities or service charges paid directly by customers to employees of Area Developer or paid to Area Developer and then paid to such employees by Area Developer; and (d) the retail price of gift cards, gift certificates, or vouchers when they are redeemed ~~as well as the proceeds from any business interruption insurance related to the non-operation of the Dog Haus Restaurant, and whether evidenced by cash, services, property, barter, or other means of exchange, including orders taken in or from a Dog Haus Restaurant although filled elsewhere. "Gross Sales" shall include the full value of drinks and snacks Area Developer provides to its employees as incident to their employment (less the value of any discounts against Gross Sales given during the month in which the drinks and snacks were provided) and all proceeds from the sale of coupons, gift certificates or vouchers. "Gross Sales" shall exclude the amount of bona fide refunds paid to customers and the amount of any~~

~~sales or use taxes actually paid to any Governmental Authority and the retail price of any coupons, gift certificates and vouchers when they are redeemed.~~

“Initial Franchise Fee” means the initial fee that Area Developer must pay Franchisor for each Dog Haus Restaurant developed, Opened and operated by Area Developer in the Development Area in the amounts set forth on Exhibit A.

“Landlord” means the owner of a Franchised Location who enters into a Lease with Area Developer for a Franchised Location.

“Lease” means any agreement, however denominated, that allows Area Developer to occupy a Franchised Location owned by a Landlord, including any lease, sublease, concession agreement, license and similar arrangement between Area Developer and a Landlord.

“Manuals” means Franchisor’s Operations Manuals, which may consist of one or more manuals, and any other written directive related to the Dog Haus System, as the same may be amended and revised from time to time, including all bulletins, supplements and ancillary and additional manuals and written directives established by Franchisor as in effect and amended from time to time.

“Minimum Development Obligation” means the Area Developer’s right and obligation to construct, equip, Open and thereafter continue to operate at sites within the Development Area the cumulative number of Dog Haus Restaurants set forth in Exhibit A within each Development Period.

“Non-Proprietary Products” means the food and beverage products, condiments, drink ingredients, raw materials, fixtures, furnishings, equipment, uniforms, supplies, paper goods, services, menus, packaging, forms, POS Systems, computer hardware, software, modems and peripheral equipment and other products, supplies, services and equipment, other than Dog Haus Branded Products and Dog Haus Proprietary Products, that may or must be used, offered and sold at the Dog Haus Restaurants.

“Non-Traditional Venues” means a broad variety of atypical sites, including a site or location within a captive market site, another primary business or in conjunction with other businesses or at institutional settings including office buildings and business complexes, arenas, stadiums and entertainment venues, health clubs and recreational facilities, beaches, parks, prisons, airports, train and bus stations, travel plazas, toll road facilities and other transportation terminals and related facilities, educational, medical, governmental and other types of institutional facilities, restaurant-in retail locations or restaurant-in-store (for example, a cafe within a grocery store), trucks, cafeterias, casinos, food delivery fulfillment centers, food courts operated by a master concessionaire and any site for which the lessor, owner or operator limits the operation of its beverages and/or food service facilities to a master concessionaire or contract food service provider.

“Open” and “Opened” means that Area Developer has actually begun to sell food products to the public from a Dog Haus Restaurant.

“Opening Date” means the day that (i) Area Developer receives written authorization from Franchisor and all applicable Governmental Authorities to commence business operations at a Dog Haus Restaurant; and (ii) Area Developer actually begins to offer Dog Haus Authorized Products for sale to the public from the Dog Haus Restaurant, whichever occurs last.

“Owner” means each of the individuals listed on Exhibit B and each future direct or indirect shareholder, member, general or limited partner, trustee or other Equity owner of Area Developer. If Area Developer is an Entity, each

Owner and each Owner's spouse shall jointly and severally guarantee Area Developer's payment and performance of its obligations under this Agreement under a Guarantee in the form of Exhibit C.

"Principal Owner" means the individual designated by Area Developer on Exhibit B, and accepted by Franchisor, to serve as the authorized representative of Area Developer, who shall act as Area Developer's representative in all matters with Franchisor, as Area Developer's liaison with Franchisor, the Franchisor Owners and the Owners, who shall have the authority to act on behalf of Area Developer during the Term without the participation of any other Owner, and who shall own at least ten percent (10%) of the Equity of Area Developer.

"Term" means the five (5) year period commencing on the Effective Date and ending on the Expiration Date.

"Then-Current" means the form of agreement then-currently provided by Franchisor to similarly situated prospective Dog Haus area developers and franchisees which may contain terms and conditions that are materially different from this Agreement, or if not then being so provided, then a form of agreement selected by Franchisor in its discretion which previously has been delivered to and executed by a Dog Haus area developer or a franchisee; (ii) the fees then-currently charged by Franchisor or its Affiliates; (iii) the then-current qualifications or financial conditions required by Franchisor for Dog Haus area developers or franchisees; or (iv) then-current appearance, design standards and equipment specifications applicable to Dog Haus Restaurants.

"Transfer Fee" means the \$17,500 fee that Area Developer must pay Franchisor as a condition precedent to an Assignment of this Agreement.

"Venue" means any site other than a Non-Traditional Venue.

2.2 EXCLUSIVE LICENSE

2.2.14 Grant and Minimum Development Obligation. Franchisor hereby grants Area Developer, and Area Developer hereby accepts the right and obligation to use the Dog Haus Marks and the Dog Haus System to develop, open and operate the cumulative number of Dog Haus Restaurants set forth in Exhibit A in the Development Area during the Term. Except as provided in Section 2.6, Area Developer may not develop, open or operate more Dog Haus Restaurants than the number of Dog Haus Restaurants set forth on Exhibit A during the Term. Area Developer shall not subcontract, sublicense, share, divide or partition this Agreement or enter into any agreement with any third party providing for the right to develop, open or operate Dog Haus Restaurants or to use the Dog Haus Marks or the Dog Haus System and nothing in this Agreement will be construed as granting Area Developer the right to do so. The Parties shall execute Franchisor's Then-Current Franchise Agreement for each Dog Haus Restaurant to be developed, opened and operated by Area Developer under this Agreement, the form of which may differ from the form of Dog Haus Franchise Agreement attached to Franchisor's Franchise Disclosure Document (the "Disclosure Document") provided to Area Developer prior to the Effective Date.

2.2.22 Exclusive License. Except as otherwise provided in this Section 2.2 and in Section 2.4, the rights granted to Area Developer under this Agreement are exclusive during the Term so long as Area Developer is in Good Standing and neither Franchisor nor any of its Affiliates shall themselves develop, open and operate, or grant third parties the right to develop, open and operate, Dog Haus Restaurants in the Development Area during the Term. Area Developer acknowledges the Development Area may be subject to pre-existing franchises granted prior to the Effective Date. The Development Area will not contain any areas granted to other franchisees prior to the Effective Date. Existing franchisees may renew or transfer the franchise rights previously granted to them under their Area Development Agreements or Franchise Agreements.

2.3 Adherence to Development Schedule. Area Developer shall satisfy the Minimum Development Obligation by Opening the number of Dog Haus Restaurants in the Development Area within each Development Period as required by the Development Schedule set forth on Exhibit A and by continuing to operate the cumulative number of Dog Haus Restaurants required by the Minimum Development Obligation. Failure to comply with the Development Schedule shall constitute a Default under this Agreement and shall entitle Franchisor to terminate this Agreement, unless the Default results from an event of Force Majeure, in which case, the deadline to Opening a Dog Haus Restaurant may be extended by Franchisor as provided in Section 2.7.

2.4 Rights Reserved by Franchisor. Except as expressly provided in Section 2.2, Franchisor expressly reserves all other rights, including the exclusive, unrestricted right, in its discretion, directly and indirectly, through its employees, Affiliates, representatives, licensees, assigns, agents and others, to (i) develop, own and operate, and to grant franchises to third parties to develop, open and operate, Dog Haus Restaurants outside the Development Area, regardless of their proximity to the Development Area; (ii) develop, open and operate, and to grant franchises to third parties to develop, open and operate any other business, including a beverage and snack or food business, other than a Competitive Business, under marks and systems different from the Dog Haus Marks and the Dog Haus System within and outside the Development Area; (iii) sell or distribute, at retail or wholesale, directly or indirectly, or license others to sell or distribute, Dog Haus Branded Products and Dog Haus Proprietary Products within and outside the Development Area, through the Internet, mail order catalogs, direct mail advertising, catering and through other distribution methods; (iv) deliver and cater and/or to license to other Dog Haus Restaurants or third parties to deliver and cater at any location within or outside of the Development Area without compensation to Area Developer, and to establish a delivery and Catering Services policy in the future which may restrict the delivery and Catering Services jurisdiction of Franchisor or of any Dog Haus Area Developers; (v) market on the Internet and use the Dog Haus Marks on the Internet, including all use of web sites, domain names, URLs, directory addresses, email addresses, metatags, linking, advertising, co-branding and other arrangements, and in all other forms of electronic media; (vi) open or operate and to franchise or license others to open or operate Dog Haus Restaurants at any Non-Traditional Venue within and outside of the Development Area regardless of their proximity to any Dog Haus Restaurants developed or under development by Area Developer; (vii) acquire the assets or ownership interests of one or more businesses providing products and services similar to those provided at Dog Haus Restaurants and to franchise, license or create similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating; (viii) be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by any business providing products and services similar to those provided at Dog Haus Restaurants, or by another business, even if such business operates, franchises and/or licenses Competitive Businesses; and (ix) engage in all other activities that this Agreement does not expressly prohibit.

2.5 Closures and Assignments. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, if, during the Term, Area Developer ceases to operate any Dog Haus Restaurant developed and Opened under this Agreement for any reason, Area Developer must develop a replacement Dog Haus Restaurant (a "Replacement Restaurant") to fulfill Area Developer's obligation to have Open and in operation the required number of Dog Haus Restaurants at the expiration of each Development Period. Area Developer may not, however, cease operating any Dog Haus Restaurant or obtain a Replacement Restaurant without Franchisor's prior written consent. Area Developer must Open each Replacement Restaurant within twelve (12) months after the date of the closing of the Dog Haus Restaurant that it will replace. Dog Haus Restaurants that are operating that are assigned to Affiliates of Area Developer with Franchisor's consent, shall count in determining whether Area Developer has satisfied the Minimum Development Obligation for so long as the applicable Affiliate continues to comply with the terms of this Agreement.

2.6 Additional Development Rights. If Area Developer satisfies the Minimum Development Obligation before the Expiration Date and desires to develop, open and operate additional Dog Haus Restaurants in the Development

Area, Area Developer shall have the right to extend the Term of this Agreement for an additional five (5) years on the terms and conditions set forth in this Section 2.6. If Area Developer desires to extend the Term of this Agreement for an additional five (5) years, Area Developer shall, no later than one hundred eighty (180) days prior to the Expiration Date, notify Franchisor in writing (the "Additional Development Notice") that Area Developer desires to do so and provide Franchisor with a proposal for the development of additional Dog Haus Restaurants in the Development Area (the "Additional Development Obligation"), setting forth the number of additional Dog Haus Restaurants proposed to be opened by Area Developer, the proposed development fees and the proposed opening dates for each Dog Haus Restaurant during the extended term. Franchisor may, but has no obligation to, grant Area Developer the Additional Development Rights described in this Section 2.6 in its sole and absolute discretion.

2.6.1 If the Additional Development Obligation proposed by Area Developer is unacceptable to Franchisor, or if the Parties cannot reach an agreement on an alternative Additional Development Obligation within the thirty (30) day period after the date of the Additional Development Notice, this Agreement shall expire on the Expiration Date. Franchisor and Area Developer shall execute Franchisor's Then-Current Franchise Agreement for each additional Dog Haus Restaurant to be developed and opened in the Development Area by Area Developer. If the Additional Development Obligation proposed by Area Developer is acceptable to Franchisor, or if the Parties reach agreement on an alternative Additional Development Obligation within the thirty (30) day period after the date of the Additional Development Notice, Franchisor shall deliver to Area Developer its Then-Current form of Dog Haus Area Development Agreement (the "Additional Area Development Agreement") setting forth the agreed upon Additional Development Obligation. Within thirty (30) days after Area Developer's receipt of the Additional Area Development Agreement, Area Developer shall execute the Additional Area Development Agreement, and return it to Franchisor. If Area Developer has so executed and returned the Additional Area Development Agreement, and has satisfied the conditions precedent set forth in Section 2.6.2, Franchisor shall execute the Additional Area Development Agreement, and return a fully executed copy to Area Developer.

2.6.2 Franchisor shall execute the Additional Area Development Agreement, if, and only if, (i) Franchisor elects to grant the Additional Development Rights to Area Developer; (ii) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between Franchisor and Area Developer and is in Good Standing on the date of the Additional Development Notice and on the date of Franchisor signs the Additional Area Development Agreement; (iii) Area Developer has demonstrated Area Developer's Then-Current financial ability to timely implement and complete the Additional Development Obligation; (iv) Area Developer continues to operate no less than the aggregate number of Dog Haus Restaurants in the Development Area as required by the Minimum Development Obligation; (v) Area Developer has executed the Additional Area Development Agreement and delivered it to Franchisor together with the development fees and initial development fees payable to Franchisor for the Additional Development Rights; and (vi) Area Developer executes and delivers to Franchisor a General Release in a form acceptable to Franchisor.

2.7 Force Majeure. Neither Party will be in default in the performance of its obligations under this Agreement if such performance is prevented or delayed due to Force Majeure. If Area Developer is unable to meet the Minimum Development Obligation for any Development Period solely as the result of Force Majeure or any legal disability of Franchisor to deliver a Disclosure Document pursuant to Section 5.4, which results in the inability of Area Developer to construct and Open the Dog Haus Restaurants as required by this Agreement, Area Developer shall provide Franchisor, within ten (10) days after the occurrence of an event that Area Developer believes is an event of Force Majeure, with notice of the specific nature and extent of the Force Majeure and an explanation as to how the event has delayed Area Developer's performance under this Agreement. The determination of whether an event of Force Majeure has occurred shall be made by Franchisor upon Franchisor's assessment of the event causing the delay. If Franchisor determines that the Default is the result of an event of Force Majeure, the required date for performance by Area Developer shall be extended by the number of days equal to the number of days that the Force Majeure

exists. Area Developer shall provide Franchisor with continuing updates and all information requested by Franchisor regarding Area Developer's progress and diligence in responding to and overcoming the event of Force Majeure.

2.8 No Rights to Use the Dog Haus Marks or Dog Haus System. This Agreement is not a Dog Haus Franchise Agreement, and does not grant Area Developer any right to use the Dog Haus Marks or the Dog Haus System or to sell or distribute any Dog Haus Authorized Products. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Area Developer's rights to use the Dog Haus Marks and the Dog Haus System will be granted to Area Developer solely under the terms of a Dog Haus Franchise Agreement.

3. TERM.

The Initial Term shall commence on the Effective Date and shall expire on the Expiration Date. Except as provided in Section 2.6, this Agreement is not renewable.

4. PAYMENTS BY AREA DEVELOPER

4.1 Development Fee. On the Effective Date, Area Developer shall pay Franchisor a Development Fee to for the rights granted to Area Developer under this Agreement by a wire transfer of immediately available funds to a bank account designated by Franchisor. The Development Fee is fully earned by Franchisor when paid and is nonrefundable, in whole or in part, under any circumstances.

4.2 Initial Franchise Fees. Area Developer shall pay Franchisor an Initial Franchise Fee for each Dog Haus Restaurant to be operated under this Agreement. Area Developer shall then sign the Franchise Agreement for the first Dog Haus Restaurant and pay Franchisor an Initial Franchise Fee, when Area Developer signs this Agreement, in full on the Effective Date by a wire transfer of immediately available funds to a bank account designated by Franchisor. The Initial Franchise Fee for each additional Dog Haus Restaurant shall be payable upon execution by Area Developer of each Franchise Agreement entered into for a Dog Haus Restaurant under this Agreement. The Initial Franchise Fee for each Dog Haus Restaurant is fully earned by Franchisor when paid and is non-refundable, in whole or in part, under any circumstances.

5. INITIAL SERVICES AND ONGOING OBLIGATIONS OF FRANCHISOR

5.1 Limited Obligations. Area Developer acknowledges and agrees that Franchisor's obligations under this Agreement are limited to identifying the Development Area and that Franchisor has no ongoing obligations for training or operational support for Area Developer under this Agreement. All initial and continuing obligations of Franchisor to Area Developer shall be provided by Franchisor under Franchisor's Then-Current Franchise Agreement for each Dog Haus Restaurant to be developed and opened in the Development Area by Area Developer.

5.2 Franchised Locations. Area Developer shall, at all times during the Term, exert Area Developer's best efforts to diligently identify proposed sites for the Dog Haus Restaurants. When Area Developer identifies a proposed site for a Dog Haus Restaurant, Area Developer shall submit to Franchisor all demographic and other information regarding the proposed site and neighboring areas that Franchisor shall require, in the form prescribed by Franchisor, and shall request Franchisor to consider and approve the site. If Franchisor accepts a proposed site, Franchisor shall notify Area Developer of its acceptance of the Franchised Location. Area Developer acknowledges and agrees that it is Area Developer's sole responsibility to identify and obtain each Franchised Location for the Dog Haus Restaurants to be developed under this Agreement. Area Developer further acknowledges and agrees that it is Area Developer's sole responsibility to review and approve each Lease or purchase agreement for each Dog Haus Restaurant to be developed under this Agreement. Each Lease shall comply with the requirements set forth in Sections 5.1 and 5.2 of

Franchisor's current Franchise Agreement. Following Franchisor's approval of a Franchised Location, Area Developer shall execute Franchisor's Then-Current Franchise Agreement for the Dog Haus Restaurant to be located at a Franchised Location and return it to Franchisor within thirty (30) days after receipt of the execution copies of the Then-Current Franchise Agreement together with the applicable Initial Franchise Fee. If Area Developer has executed and returned the signed Then-Current Franchise Agreement and paid Franchisor the Initial Franchise Fee, Franchisor shall execute the Franchise Agreement and return one (1) fully executed copy of the Franchise Agreement to Area Developer.

5.3 Conditions to Franchisor's Obligations. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Area Developer acknowledges and agrees that, as a condition precedent to Area Developer's right to develop each Dog Haus Restaurant, all of the following conditions precedent must be satisfied and Franchisor shall execute a Then-Current Franchise Agreement for each Dog Haus Restaurant if, and only if (i) Area Developer has fully performed all of its obligations under this Agreement and all other agreements between Franchisor and Area Developer and is in Good Standing on the date of Franchisor's execution of a Franchise Agreement; (ii) Area Developer demonstrates Area Developer's Then-Current financial ability to implement and complete the construction and Opening of the Dog Haus Restaurant; (iii) Area Developer has Opened and continues to operate no less than the aggregate number of Dog Haus Restaurants required by the Minimum Development Obligation in compliance with the Development Schedule; (iv) Area Developer has executed a Then-Current Franchise Agreement and delivered it to Franchisor; (v) Area Developer executes and delivers a General Release to Franchisor in a form acceptable to Franchisor; and (vi) Area Developer has paid Franchisor the Initial Franchise Fee when Area Developer executed the Franchise Agreement and returned it to Franchisor.

5.4 Delegation of Duties. Area Developer acknowledges and agrees that any designee, employee, or agent of Franchisor may perform any duty or obligation imposed on Franchisor by this Agreement, as Franchisor may direct.

6. OBLIGATIONS OF AREA DEVELOPER

To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same:

6.1 Development and Operation of Dog Haus Restaurants. Area Developer shall, at all times during the Term, exert Area Developer's best efforts to faithfully, honestly and diligently develop, own and operate the number of Dog Haus Restaurants in the Development Area in order to satisfy the Minimum Development Obligation and the Development Schedule in accordance with the requirements of this Agreement and each Franchise Agreement for each Dog Haus Restaurant.

6.2 Dog Haus System. Area Developer shall operate the Dog Haus Restaurants in compliance with the terms of the Franchise Agreements and the Manuals. Area Developer acknowledges and agrees that Area Developer alone shall exercise day-to-day control over all operations, activities and elements of the Franchised Restaurants, including over Area Developer's employees, and that under no circumstance shall Franchisor do so or be deemed to do so. Area Developer further acknowledges and agrees that the various requirements, restrictions, prohibitions, specifications and procedures of the Dog Haus System that Area Developer must comply with under the Franchise Agreements, the Manuals or otherwise, do not directly or indirectly constitute, suggest, infer or imply that Franchisor controls any aspect or element of the day-to-day operations of the Dog Haus Restaurants, which Area Developer alone controls, but only constitute standards to which Area Developer must adhere when exercising Area Developer's control over the day-to-day operations of the Dog Haus Restaurants consistent with the policies of Franchisor. Area Developer shall comply with each Franchise Agreement and shall develop and operate the Dog Haus Restaurants in conformity with the methods, standards, and specifications that Franchisor may from time to time prescribe in the Manuals or otherwise. Since every detail of the Dog Haus System is essential in order to develop

and maintain quality operating standards, to increase the demand for the products and services sold by Dog Haus Restaurants under the Dog Haus System and to protect the Dog Haus Marks and Franchisor's reputation and goodwill, Franchisor shall have the right to disapprove, as it believes necessary, any modification of, or addition to, the Dog Haus System suggested by Area Developer that is reasonably likely to have an adverse material effect on the Dog Haus System, the Dog Haus Marks or Franchisor's reputation or goodwill.

7. DOG HAUS MARKS

Franchisor and its Affiliates continue to develop, use and control the use of the Dog Haus Marks in order to identify for the public the source of services and products marketed under the Dog Haus Marks and the Dog Haus System, and to represent the Dog Haus System's high standards of quality, appearance and service. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same:

7.1+ Ownership and Goodwill of Dog Haus Marks. Area Developer acknowledges that its right to use the Dog Haus Marks is derived solely from this Agreement and is limited to use in operating as Area Developer pursuant to and in compliance with this Agreement and as an Dog Haus Area Developer pursuant to the Dog Haus Franchise Agreements between Area Developer and Franchisor. Any unauthorized use of the Dog Haus Marks by Area Developer shall constitute a Default under this Agreement and an infringement of Franchisor's and Franchisor's Affiliate's rights in and to the Dog Haus Marks. Area Developer acknowledges and agrees that as between Franchisor and Area Developer (i) Franchisor owns the Dog Haus Marks and the Dog Haus System; (ii) Area Developer owns no goodwill or rights in the Dog Haus Marks or the Dog Haus System except for the license granted by this Agreement; and (iii) Area Developer's use of the Dog Haus Marks and any goodwill established by that use shall inure to the exclusive benefit of Franchisor. Area Developer agrees not to contest, or assist any other person to contest, the validity of Franchisor's rights and interest in the Dog Haus Marks or the Dog Haus System either during the Term or after this Agreement terminates or expires.

7.2 Limitations on Use. If Area Developer is an Entity, Area Developer shall not use the Dog Haus Marks, or Franchisor's trade name, or any words or symbols which are confusingly phonetically or visually similar to the Dog Haus Marks, as all or part of Area Developer's name. In addition, Area Developer shall not use any Dog Haus Mark (i) with any prefix, suffix, or other modifying words, terms, designs, or symbols (other than logos licensed to Area Developer under this Agreement); (ii) in connection with unauthorized services or products; (iii) as part of any domain name or electronic address maintained on the Internet, the World Wide Web, or any other similar proprietary or common carrier electronic delivery system; or (iv) in any other manner not expressly authorized in writing by Franchisor. Area Developer shall give all notices of trademark and service mark registration as Franchisor specifies and shall use and obtain all fictitious or assumed name registrations required by Franchisor or under applicable law. Area Developer further agrees that no service mark other than "Dog Haus" or other Dog Haus Marks specified by Franchisor shall be used in marketing, promoting, or operating the Dog Haus Restaurants.

7.3 Modifications. Franchisor reserves the right to (i) modify or discontinue licensing any of the Dog Haus Marks; (ii) add new names, marks, designs, logos or commercial symbols to the Dog Haus Marks and require that Area Developer use them; and (iii) require that Area Developer introduce or observe new practices as part of the Dog Haus System in operating the Dog Haus Restaurants. Area Developer acknowledges and agrees that the term Dog Haus Marks means the specific names, marks, designs, logos or commercial symbols licensed by Franchisor at any given point in time, subject to Franchisor's right to impose changes. Area Developer shall comply, at Area Developer's sole expense, with Franchisor's directions regarding changes in the Dog Haus Marks and Dog Haus System within a reasonable time after written notice from Franchisor. Franchisor shall have no liability to Area Developer for any cost, expense, loss or damage that Area Developer incurs in complying with Franchisor's directions and conforming to required changes.

7.4 Defense of Dog Haus Marks and Dog Haus System. Franchisor shall have the sole right to handle disputes with Area Developers and third parties concerning Franchisor's or Franchisor's Affiliates' ownership of, rights in, or Area Developer's use of, the Dog Haus Marks or the Dog Haus System. Area Developer shall immediately notify Franchisor in writing if Area Developer receives notice, or is informed, of any: (i) improper use of any of the Dog Haus Marks or elements of the Dog Haus System, including misuse by Area Developers; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Area Developer's judgment, may be confusingly similar to any of the Dog Haus Marks; (iii) use by any third party of any business practice which, in Area Developer's judgment, unfairly simulates the Dog Haus System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Area Developer based upon Area Developer's use of the Dog Haus Marks or the Dog Haus System. Franchisor and Franchisor's Affiliate shall have sole discretion to take all action as it/they deem appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Dog Haus Marks or the Dog Haus System. Area Developer shall not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor's decisions in handling disputes regarding the Dog Haus Marks and the Dog Haus System. Area Developer shall cooperate fully with Franchisor and execute all documents and perform all actions as may, in Franchisor's judgment, be necessary, appropriate or advisable in the defense of all claims, suits or demands and to protect and maintain Franchisor's rights in the Dog Haus Marks and the Dog Haus System. Unless it is established that a third party claim asserted against Area Developer is based directly upon Area Developer's misuse of the Dog Haus Marks or the Dog Haus System, Franchisor agrees to defend Area Developer against the third party claim and indemnify Area Developer for any losses resulting therefore, provided Area Developer has notified Franchisor as soon as practical after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third party claim, Area Developer is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter. Area Developer has no right, independent of Franchisor, to make any demand against any such user or challenger or to prosecute any claim of any kind or nature whatsoever relating to the Dog Haus Marks.

7.5 Internet. Area Developer shall not develop, create, generate, own, license, lease or use in any manner any computer medium or electronic medium (including, without limitation, any Internet home page, e-mail address, web site, domain name, bulletin board, newsgroup or other Internet-related medium or activity, including all social media) which in any way uses or displays, in whole or part, the Dog Haus Marks, or any of them, or any words, symbols or terms confusingly similar thereto without Franchisor's prior written consent, and then only in the manner and in accordance with the procedures, policies, standards and specifications that Franchisor may establish from time to time. Area Developer shall not separately register any domain name or any portion of any domain name containing the Dog Haus Marks or participate or market on any web site or other form of electronic media (including, without limitation, through the use of social technology, social media, social networking platforms or other forms of electronic media not yet developed) using the Dog Haus Marks without Franchisor's prior written consent. Area Developer's general conduct on the Internet and in the use of other forms of electronic media is subject to the terms and conditions of this Agreement and all other rules, requirements or policies that Franchisor may identify from time to time. Franchisor may, at any time after Area Developer commences use of any approved electronic media, prohibit further use, effective upon receipt of written notice by Area Developer.

8. CONFIDENTIAL INFORMATION

8.1 Dog Haus Confidential Information. Area Developer acknowledges and agrees that the Dog Haus System is comprised of confidential information that has been developed by Franchisor and its affiliates by the investment of time, skill, effort and money and is widely recognized by the public, is of substantial value, and is proprietary, confidential and constitutes Dog Haus Trade Secrets, and includes, without limitation, tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, products and services, recipes, sources of materials and equipment, client management and other software, data, other content,

formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, designs, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories, prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees of Franchisor and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, knowledge or know-how concerning the methods of operation of the Dog Haus Restaurant which may be communicated to Area Developer, or of which Area Developer may be apprised under the terms of this Agreement, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential (collectively, the "Dog Haus Confidential Information"). Dog Haus Confidential Information does not include any information that was in the lawful and unrestricted possession of Area Developer prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Area Developer after receiving it; has been received lawfully and in good faith by Area Developer from a third party who did not derive it from Franchisor or Area Developer; or is shown by acceptable evidence to have been independently developed by Area Developer.

8.2 Value. Area Developer acknowledges and agrees the Dog Haus Confidential Information is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Area Developer; derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor, its franchisees or Area Developer; and is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Dog Haus Confidential Information, including, without limitation (i) not revealing the Dog Haus Confidential Information to unauthorized parties; (ii) requiring its franchisees to acknowledge and agree in writing that the Dog Haus Confidential Information is confidential; (iii) requiring its franchisees to agree in writing to maintain the confidentiality of the Dog Haus Confidential Information; (iv) monitoring electronic access to the Dog Haus Confidential Information by the use of passwords and other restrictions so that electronic access to the Dog Haus Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Dog Haus Confidential Information to Franchisor upon the expiration or termination of their Franchise Agreements.

8.3 Maintain Confidentiality. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Area Developer shall not, during the term of this Agreement or thereafter, communicate, divulge, or use for the benefit of anyone else, any information that Franchisor considers its trade secrets and/or Dog Haus Confidential Information. Area Developer shall divulge such Dog Haus Confidential Information only to its supervisory or managerial personnel who must have access to it in order to perform their employment responsibilities.

8.4 Irreparable Injury from Disclosure of Dog Haus Confidential Information. Area Developer acknowledges that failure to comply with the requirements of this Article 8 will result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Area Developer consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an

ex parte or other order for injunctive or other legal or equitable relief with respect to the requirements of this Article 8.

8.5 Confidentiality Covenants from Individuals Associated with Area Developer. Area Developer shall require any supervisory or managerial personnel who may have access to any Dog Haus Confidential Information of Franchisor to execute covenants that they will maintain the confidentiality of the Dog Haus Confidential Information they receive in connection with their association with Area Developer. Such covenants shall be in a form satisfactory to Franchisor, including, without limitation, specific identification of Franchisor as a third-party beneficiary of such covenants with the independent right to enforce them.

9. TRANSFER OF INTEREST

9.1 Transfer by Franchisor.

9.1.1 Franchisor shall have the right to transfer or assign all or any part of its rights or obligations under this Agreement to any person or legal Entity without the consent or approval of Area Developer. With respect to any assignment which results in the subsequent performance by the assignee of all of Franchisor's obligations under this Agreement, the assignee shall expressly assume and agree to perform such obligations, and shall become solely responsible for all obligations of Franchisor under this Agreement from the date of assignment. Franchisor and or its Affiliates may sell their assets, the Dog Haus Marks, or the Dog Haus System, may sell securities in a public offering or in a private placement, may merge, acquire other corporations, or be acquired by another corporation, and may undertake a refinancing, recapitalization, leveraged buy-out, or other economic or financial restructuring (collectively, a "Capital Event"), all without the consent or approval of Area Developer. In connection with any of the foregoing, at Franchisor's request, Area Developer shall deliver to Franchisor a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications that the Agreement as modified is in full force and effect and identifying the modifications); (b) that Area Developer is not in default under any provision of this Agreement, or if in default, describing the nature thereof in detail; and (c) as to such other matters as Franchisor may reasonably request; and Area Developer agrees that any such statements may be relied upon by Franchisor and any prospective purchaser, assignee or lender of Franchisor.

9.1.2 Upon the occurrence of a Capital Event, Franchisor shall have the right (the "Take-Along Right") to compel Area Developer to sell and, in such event, Area Developer shall sell the assets of any or all of the Dog Haus Restaurants, regardless of whether such Dog Haus Restaurants are under construction or are Open and operating (collectively the "Take-Along Assets") at the same value attributable to Dog Haus Restaurants owned and operated by Franchisor or its Affiliates at the closing of a Capital Event. Franchisor shall exercise this Take-Along Right to compel the sale of the Take-Along Assets by Area Developer by providing Area Developer with written notice (the "Take-Along Notice") setting forth the time and place of the closing of the Capital Event, which time and place shall not be less than thirty (30) days after the date of the Take-Along Notice, and the expected price and form of consideration to be paid for the Take-Along Assets at the closing.

9.2 Assignment by Area Developer. Area Developer acknowledges and agrees that the rights granted to Area Developer under this Agreement are personal and are granted in reliance upon, among other considerations, the individual or collective character, skill, aptitude, attitude, experience, business ability and financial condition and capacity of Area Developer and, if Area Developer is an Entity, that of the Owners. Accordingly, to protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, Area Developer shall not offer, sell, or negotiate the sale of its rights under this Agreement to any third party, either in Area Developer's own name or in the name and/or on behalf of Franchisor, except as otherwise provided in this Agreement. Area Developer acknowledges and agrees that Area Developer has no right, by operation of law or otherwise, to sell, assign, transfer, pledge, donate, encumber or otherwise deal with, directly or indirectly, (i) any

interest in this Agreement; or (ii) the right to use the Dog Haus System or the Dog Haus Marks granted pursuant to this Agreement (an "Assignment") without Franchisor's prior written consent. Franchisor shall not unreasonably withhold its consent to an Assignment if, in Franchisor's judgment, Area Developer satisfies the conditions to the Assignment identified in this Agreement.

9.2.1 Unless the Parties otherwise agree in writing, Area Developer shall not make any Assignment of this Agreement except in conjunction with a concurrent Assignment to the same approved assignee of all Dog Haus Restaurants then owned and operated by Area Developer in the Development Area. As a condition to Franchisor's consent to such an Assignment, the assignee must execute Franchisor's Then-Current form of Franchise Agreement for each Dog Haus Restaurant sold to the assignee. Further, without Franchisor's prior written consent, which may be withheld by Franchisor in its discretion (i) Area Developer shall not offer for sale or transfer at public or private auction any of the rights of Area Developer under this Agreement; and (ii) Area Developer shall not, directly or indirectly, pledge, encumber, hypothecate or otherwise grant any third party a security interest in this Agreement in any manner whatsoever. To the extent that the foregoing prohibition may be ineffective under Applicable Law, Area Developer shall provide not less than ten (10) days' prior written notice (which notice shall contain the name and address of the secured party and the terms of such pledge, encumbrance, hypothecation or security interest) of any pledge, encumbrance, hypothecation or security interest in this Agreement.

9.2.2 For purposes of this Agreement, each of the following events is an Assignment subject to the conditions to transfer identified in this Agreement: (i) the death or incapacity of any Owner; (ii) the offer or sale of securities of Area Developer pursuant to a transaction subject to registration under applicable securities laws or by private placement pursuant to a written offering memorandum; (iii) the sale, assignment, transfer, conveyance, gift, pledge, mortgage, or other encumbrance of more than twenty percent (20%) in the aggregate, whether in one or more transactions, of the equity or voting power of Area Developer, by operation of law or otherwise or any other events or transactions which, directly or indirectly, effectively changes control of Area Developer; (iv) the issuance of any securities by Area Developer which itself or in combination with any other transactions results in the Owners, as constituted on the Execution Date, owning less than forty percent (40%) of the outstanding Equity or voting power of Area Developer; and (v) any merger, stock redemption, consolidation, reorganization, recapitalization or other transfer of control of the Area Developer, however effected. Area Developer shall promptly provide Franchisor with written notice (stating such information as Franchisor may from time to time require) of each and every transfer, assignment and encumbrance by any Area Developer Owner of any direct or indirect Equity or voting rights in Area Developer, notwithstanding that the same may not constitute an "Assignment" as defined under this Article 9.

9.2.3 Neither Franchisor's right of first refusal nor the other conditions of Assignment shall apply to a transfer by Area Developer of all of Area Developer's rights under this Agreement to a newly-formed corporation, limited liability company or other business Entity provided all of the Equity or voting interests of the new business Entity are owned by the same Owners (a "Qualified Assignment"). Any attempted or purported Assignment which fails to comply with the requirements of this Article 9 shall be null and void and shall constitute a Default under this Agreement.

9.3. Right of First Refusal. Except with respect to a "Qualified Assignment", if Area Developer or an Owner receive a bona fide written offer ("Third Party Offer") from a third party (the "Proposed Buyer") to purchase or otherwise acquire any interest in Area Developer which will result in an Assignment within the meaning of this Agreement, Area Developer or the Proposed Buyer, shall, within five (5) days after receiving the Third Party Offer and before accepting it, apply to Franchisor in writing for Franchisor's consent to the proposed Assignment. To constitute a bona fide written offer, the Third Party Offer must also apply to all of the Dog Haus Restaurants then owned and operated by Area Developer in the Development Area.

9.3.1 Area Developer, or the Proposed Buyer, shall attach to its application for consent to complete the

transfer a copy of the Third Party Offer together with (i) information relating to the proposed transferee's experience and qualifications; (ii) a copy of the proposed transferee's current financial statement; and (iii) any other information material to the Third Party Offer, proposed transferee and proposed assignment or that Franchisor requests.

9.3.2 Franchisor or its nominee shall have the right, exercisable by written notice ("Purchase Notice") given to Area Developer or the Proposed Buyer, within thirty (30) days following receipt of the Third Party Offer, all supporting information, and the application for consent, to notify Area Developer or the Proposed Buyer that it will purchase or acquire the rights, assets, equity or interests proposed to be assigned on the same terms and conditions set forth in the Third Party Offer, except that Franchisor may (i) substitute cash for any form of payment proposed in the offer discounted to present value based upon the rate of interest stated in the Third Party Offer; and (ii) deduct from the purchase price the amount of all amounts then due and owing from Area Developer to Franchisor under this Agreement or otherwise.

9.3.3 If Franchisor or its nominee elects to purchase or acquire the rights, assets, equity or interests proposed to be assigned to the Proposed Buyer, the closing shall take no later than sixty (60) days following the date that the Purchase Notice was issued by Franchisor.

9.3.4 If Franchisor does not elect to purchase or acquire the rights, assets, equity or interests proposed to be assigned to the Proposed Buyer, the closing of the sale to the Proposed Buyer shall take no later than ninety (90) days following the date that the Third Party Offer was received by Area Developer. If there is any material change in the terms of the Third Party Offer before the closing of the sale, Franchisor shall have a right of first refusal to accept the new terms subject to the conditions stated in this Section 9.3.

9.4 Conditions of Assignment to Third Party. As a condition to obtaining Franchisor's consent to an Assignment, all of the following conditions must be satisfied:

9.4.1 The Proposed Buyer must submit a completed franchise application to Franchisor and meet Franchisor's Then-Current qualifications for new Dog Haus Area Developers, including qualifications pertaining to financial condition, credit rating, experience, moral character and reputation.

9.4.2 Area Developer must be in Good Standing on the date consent is requested and until the date of closing of the Assignment.

9.4.3 The sales price of the interest to be conveyed must not be so high, or the terms of the sale so onerous, that, in the judgment of Franchisor, the Proposed Buyer will be unlikely to meet the Proposed Buyer's financial and other obligations to Franchisor, third party suppliers and creditors following the closing. Franchisor shall have no liability to either Area Developer or the Proposed Buyer if Franchisor approves the Assignment and the Proposed Buyer thereafter experiences financial difficulties.

9.4.4 The Proposed Buyer must sign Franchisor's Then-Current form of Area Development Agreement, the terms of which may differ materially from any and all of the terms contained in this Agreement, and which shall supersede this Agreement in all respects. In exchange for signing the Then-Current Area Development Agreement, the Proposed Buyer shall receive the rights provided for in this Agreement, as modified by the terms of the Then-Current form of Area Development Agreement. If Franchisor is not offering new area development franchises, is in the process of revising, amending or renewing Franchisor's form of Area Development Agreement or Disclosure Document or is not lawfully able to offer Franchisor's Then-Current form of Area Development Agreement at the time of an Assignment, Franchisor may offer to amend this Agreement, upon terms and conditions that will be established by Franchisor and the Proposed Buyer at that time, or may offer to amend the term of this Agreement on substantially the terms and conditions set forth in this Agreement on a month-to-month basis for as long as

Franchisor deems necessary or appropriate so that Franchisor may subsequently offer and utilize a Then-Current form of Area Development Agreement.

9.4.5 Area Developer will remain subject to all obligations stated in this Agreement that expressly, or by implication due to their nature, survive the transfer, termination or expiration of this Agreement, including, without limitation, the provisions prohibiting competition, non-interference and non-disclosure of Dog Haus Confidential Information.

9.4.6 Area Developer and the Proposed Buyer shall execute a General Release in a form acceptable to Franchisor.

9.4.7 Area Developer shall pay Franchisor the Transfer Fee to apply against Franchisor's administrative and other costs to process the Assignment.

9.4.8 Area Developer must simultaneously transfer its rights all contracts for which continuation is necessary for operation of the Dog Haus Restaurants to the Proposed Buyer and satisfy any separate conditions to obtain any third party consents required for the transfer of Area Developer's rights to the Proposed Buyer. The Proposed Buyer must execute all other documents and agreements required by Franchisor to consummate the Assignment. All required third party consents to the Assignment must be obtained. If the Proposed Buyer is a corporation, limited liability company or other business Entity, each person who at the time of the Assignment, or later, owns or acquires, either legally or beneficially, twenty percent (20%) or more of the equity or voting interests of the Proposed Buyer must execute a Guarantee in a form acceptable to Franchisor.

9.4.9 Area Developer's right to receive the sales proceeds from the Proposed Buyer in consideration of the Assignment shall be subordinate to the obligations of the Proposed Buyer owed to Franchisor and its Affiliates under, or pursuant to, this Agreement or any other agreement. All contracts by and between Area Developer and the Proposed Buyer shall expressly include a subordination provision permitting payment of the sales proceeds to Area Developer only after any outstanding obligations owed to Franchisor and its Affiliates are fully satisfied.

9.4.10 Except when the transferee is an existing Area Developer or franchisee of Franchisor, the Proposed Buyer, and a supervisory or managerial employee of the Proposed Buyer who will have general management and supervisory responsibilities for the Dog Haus Restaurants who is acceptable to Franchisor, must complete to Franchisor's sole satisfaction Franchisor's Initial Training Program prior to the effective date of the Assignment.

9.4.11 The Proposed Buyer must conform the Dog Haus Restaurants with Franchisor's Then-Current appearance and design standards and equipment specifications applicable to new Dog Haus Restaurants.

9.4.12 Area Developer must sign a guarantee personally guaranteeing the Proposed Buyer's obligations under the new Area Development Agreement in favor of Franchisor.

9.5 Death or Incapacity. In the event of the death or incapacity of an Owner, the spouse, heirs or personal representative of the deceased or incapacitated person, or the remaining shareholders, members, partners or owners (the "Successor") shall have one hundred eighty (180) days from the date of death or incapacity in which to (i) purchase the interest of the deceased or incapacitated person; or (ii) complete an Assignment of the interest of the deceased or incapacitated person to a qualified, approved third party, subject to the provisions of this Article 9. If a Successor has not purchased the interest of the deceased or incapacitated person or completed an Assignment of the interest of the deceased or incapacitated person to a qualified, approved third party within one hundred eighty (180) days from the date of death or incapacity, Franchisor may terminate this Agreement.

9.6 Restriction on Publicly Traded and Private Securities. Securities, partnership or other ownership interests in Area Developer may not be offered to the public under the Securities Act of 1933, as amended, nor may they be registered under the Securities Exchange Act of 1934, as amended, or any comparable federal, state or foreign law, rule or regulation. Such interests may be offered by private offering or otherwise only with the prior written consent of Franchisor, which consent shall not be unreasonably withheld. All materials required for any private offering by federal or state law shall be submitted to Franchisor for a limited review as discussed below prior to being filed with any governmental agency; and any materials to be used in any exempt offering shall be submitted to Franchisor for such review prior to their use. No offering by Area Developer shall imply that Franchisor is participating in an underwriting, issuance or offering of securities of Area Developer or Franchisor, and Franchisor's review of any offering materials shall be limited solely to the subject of the relationship between Area Developer and Franchisor, and its Affiliates. Franchisor may, at its option, require Area Developer's offering materials to contain a written statement prescribed by Franchisor concerning the limitations described in the preceding sentence. Area Developer, its Owners and other participants in the offering must fully agree in writing to defend and indemnify Franchisor, its Affiliates, their respective partners and the officers, directors, manager(s) (if a limited liability company), shareholders, members, partners, agents, representatives, independent contractors, servants and employees of each of them, from and against any and all losses, costs and liability in connection with the offering and shall execute any documentation required by Franchisor to further evidence this indemnity. For each proposed offering, Area Developer shall pay to Franchisor a non-refundable fee of \$10,000, which shall be in addition to any Transfer Fee under any Franchise Agreement and/or Development Agreement or such greater amount as is necessary to reimburse Franchisor for its reasonable costs and expenses associated with reviewing the proposed offering, including without limitation, legal and accounting fees. Area Developer shall give Franchisor written notice at least thirty (30) days prior to the date of commencement of any offering or other transaction covered by this Article 9.

10. TRANSFER BY AREA DEVELOPER IN BANKRUPTCY

If, for any reason, this Agreement is not terminated pursuant to Section 11.1 and this Agreement is assumed, or Assignment of the same to any person or Entity who has made a bona fide offer to accept an Assignment of this Agreement is contemplated, pursuant to the United States Bankruptcy Code, then notice of the proposed Assignment or assumption, setting forth (a) the name and address of the proposed assignee, and (b) all of the terms and conditions of the proposed Assignment and assumption, shall be given to Franchisor within twenty (20) days after receipt of the proposed assignee's offer to accept Assignment of this Agreement, and, in any event, within ten (10) days prior to the date application is made to a court of competent jurisdiction for authority and approval to enter into the Assignment and assumption, and Franchisor shall thereupon have the prior right and option, to be exercised by notice given at any time prior to the effective date of the proposed Assignment and assumption, to accept an Assignment of this Agreement to Franchisor itself upon the same terms and conditions and for the same consideration, if any, as in the bona fide offer made by the proposed assignee, less any brokerage commissions which may be payable by Area Developer out of the consideration to be paid by the assignee for the Assignment of this Agreement.

11. DEFAULT AND TERMINATION

11.1 Termination On Area Developer's Bankruptcy or Insolvency. Area Developer shall be deemed to be in Default under this Agreement, and all rights granted to Area Developer of this Agreement shall automatically terminate without notice to Area Developer, (i) if Area Developer or its Principal Owner becomes insolvent or makes a general assignment for the benefit of creditors; (ii) if a petition in bankruptcy is filed under the United States Bankruptcy Act by Area Developer or its Principal Owner or such a petition is filed against and not opposed by Area Developer or its Principal Owner; (iii) if Area Developer or its Principal Owner is adjudicated as bankrupt or insolvent; (iv) if a bill in equity or other proceeding for the appointment of a receiver of Area Developer or its Principal Owner or other custodian for any Dog Haus Restaurant is filed and consented to by Area Developer or its

Principal Owner; (v) if a receiver or other custodian (permanent or temporary) of Area Developer's assets or property, or any part thereof, is appointed by any court of competent jurisdiction; (vi) if proceedings for a composition with creditors under any Applicable Law is instituted by or against Area Developer or its Principal Owner; (vii) if a final judgment in excess of \$100,000 against any Dog Haus Restaurants remains unsatisfied or of record for thirty (30) days or longer (unless a supersedeas bond is filed); (viii) if Area Developer or its Principal Owner admits Area Developer or its Principal Owner is unable to generally pay Area Developer's or its Principal Owner's debts as they become due; (ix) if execution is levied against any Dog Haus Restaurant or property; (x) if suit to foreclose any lien or mortgage against any Dog Haus Restaurant or the equipment of any Dog Haus Restaurant is instituted against Area Developer or its Principal Owner and not dismissed within thirty (30) days; or (xi) if any Dog Haus Restaurant shall be sold after levy thereupon by any sheriff, marshal, or constable.

11.2 Termination With Notice and Without Opportunity to Cure. Area Developer shall be in Default under this Agreement, and Franchisor may, at its option, terminate this Agreement and all rights granted under this Agreement, without affording Area Developer any opportunity to cure the Default, effective immediately upon receipt of notice by Area Developer (i) if Area Developer or an Owner is convicted of a felony, a crime involving moral turpitude, or any other crime or offense that Franchisor believes is reasonably likely to have an adverse effect on the Dog Haus System, the Dog Haus Marks, the goodwill associated therewith, or Franchisor's interest therein; (ii) if Area Developer fails to comply with the Development Schedule; (iii) if any of the Franchise Agreements or any other agreement between Area Developer and Franchisor or its Affiliates are terminated due to a Default by Area Developer; (iv) if any purported assignment or transfer of any direct or indirect interest in this Agreement, in the Dog Haus Restaurants, or in all or substantially all of Area Developer's assets is made to any third party by Area Developer or an Owner without Franchisor's prior written consent; (v) if any transfer of the equity ownership interests of Area Developer or an Owner is made to any third party without Franchisor's prior written consent; (vi) if Area Developer or an Owner discloses or divulges the contents of Franchisor's Manuals, Dog Haus Trade Secrets or other Dog Haus Confidential Information provided to Area Developer by Franchisor; (vii) if an approved Assignment, as required by Section 9.5, is not effected within the time provided following death or incapacity of an Owner; (viii) if Area Developer or an Owner fails to comply with the covenants in Article 13 or fails to obtain execution of and deliver the covenants required under Section 13.7; (ix) if Area Developer or an Owner has made any material misrepresentations in connection with their application to Franchisor for the development rights granted by this Agreement; (x) if Area Developer or an Owner, after curing a Default pursuant to Section 11.3, commits the same, similar, or different Default, whether or not cured after notice; (xi) if any Owner fails or refuses to deliver to Franchisor, within ten (10) days after Franchisor's written request, a Guarantee in substantially the form attached to this Agreement as Exhibit C and current financial statements as may from time to time be requested by Franchisor; (xii) if Area Developer, an Owner or an Affiliate fails to comply with any or all of the terms of this Agreement, or any other agreement between Franchisor, or its Affiliates, and Area Developer or an Owner beyond the applicable cure period; (xiii) upon a Default of Area Developer's obligations under this Agreement or any other agreement between Area Developer and Franchisor, which by its nature is not capable of being cured by Area Developer; (xiv) if funding promised or otherwise represented to be made available to Area Developer or its Owners on the condition that Area Developer sign this Agreement is not made available to Area Developer or its Owners within ten (10) business days after Area Developer signs this Agreement; (xv) if, in Franchisor's Business Judgment, Franchisor has grounds to believe that Area Developer or any of its Owners, officers, directors, or key employees has engaged or attempted to engage, through one or more affirmative acts or a failure to act, in any fraudulent, dishonest, unethical, immoral, or similar conduct in connection with Area Developer's development of Dog Haus Restaurants, whether such conduct is directed at or reasonably expected to impact Area Developer's development of Dog Haus Restaurants, the System, the Franchisor or its Affiliates, suppliers, other area developers, or another third party; or (xvi) if, in Franchisor's Business Judgment, Franchisor has grounds to believe that Area Developer or any of its Owners, officers, or directors has engaged in any lewd or immoral conduct, whether or not in connection with Area Developer's development of Dog Haus Restaurants.

11.3 Termination With Notice and Opportunity to Cure. Except as provided in Section 11.1 and Section 11.2, Area Developer shall have thirty (30) days after its receipt of written notice from Franchisor within which to remedy any Default under this Agreement and to provide evidence thereof to Franchisor. If any such Default is not cured within the specified time, or such longer period as Applicable Law may require, this Agreement shall terminate without further notice to Area Developer effective immediately upon expiration of the thirty (30) day period or such longer period as Applicable Law may require. Area Developer shall be in Default pursuant to this Section 11.3 for failure to substantially comply with any of the requirements imposed by this Agreement, as it may from time to time reasonably be modified or supplemented by the Manuals, or for failure to carry out the terms of this Agreement in good faith.

11.4 Options At Termination. Upon any Default under Sections 11.2 or 11.3, Franchisor may immediately take any one or more of the following actions, by written notice to Area Developer: (i) terminate this Agreement and all rights granted to Area Developer under this Agreement; (ii) accelerate or decelerate the Development Schedule; (iii) reduce the Minimum Development Obligation; (iv) eliminate or diminish Area Developer's rights with respect to the Development Area or the size of the Development Area; or (v) increase the fees to be paid by Area Developer to Franchisor.

11.5 Cross-Default. Any Default by Area Developer under the terms and conditions of this Agreement, any Franchise Agreement, or any other agreement between Franchisor, or its Affiliates, and Area Developer, shall be deemed to be a Default of each and every other such agreement. In the event of the termination of this Agreement for any cause, or the termination of any other agreement between Franchisor, or its Affiliates, and Area Developer, Franchisor may, at its option, terminate any or all of such other agreements.

12. OBLIGATIONS UPON TERMINATION OR EXPIRATION

Upon termination or expiration of this Agreement, all rights granted under this Agreement to Area Developer shall forthwith terminate, and the following provisions shall apply:

12.1 No Right to Open Additional Restaurants. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, upon termination or expiration of this Agreement: (i) Area Developer shall have no further right to develop any Dog Haus Restaurants; (ii) Area Developer shall have no further rights or obligations under this Agreement or the Dog Haus Franchise Agreements that were terminated; (iii) Area Developer shall have the right to continue to own and operate all Dog Haus Restaurants Opened by Area Developer prior to the termination date under Franchise Agreements with Franchisor that remain in full force and effect on the termination date; and (iv) Franchisor may thereafter develop, open and operate, and grant franchises to third parties to develop, open and operate Dog Haus Restaurants at any location within or outside of the Development Area, without restriction.

12.2 Payment of Monies Due. Upon expiration or termination of this Agreement, Area Developer shall promptly pay all sums owing to Franchisor and its Affiliates. If this Agreement is terminated because of a Default by Area Developer, such sums also shall include all damages, costs, and expenses, including attorneys' fees, incurred by Franchisor as a result of the Default. Franchisor shall have the right to set off any amounts which Franchisor deems are payable to Franchisor by Area Developer.

12.3 Return of Materials and Information. Upon termination or expiration of this Agreement, Area Developer shall immediately deliver to Franchisor the Manuals and all other records, files, and any instructions containing Dog Haus Confidential Information which are in Area Developer's possession and all copies thereof (all of which are acknowledged to be the property of Franchisor).

13. COVENANTS

13.1 No Prior Experience, Information or Knowledge. Area Developer specifically acknowledges and agrees that prior to becoming an area developer of Franchisor, Area Developer had no experience, information or knowledge whatsoever about restaurants that offer any combination of freshly prepared, cooked to order, high quality gourmet hot dogs, sausages, hamburgers, chicken or plant-based food products or a Dog Haus Restaurant and that Area Developer's knowledge of the Dog Haus Confidential Information was obtained solely from Franchisor, following Area Developer's training by Franchisor and Area Developer's subsequent operation of the Dog Haus Restaurant under the Franchise Agreement. Area Developer specifically acknowledges that, pursuant to this Agreement, Area Developer will receive valuable specialized training and Dog Haus Confidential Information, including, without limitation, Dog Haus Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Dog Haus System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy.

13.2 Non-Competition During Term of Agreement. Area Developer and each Owner covenants that during the Term, except as otherwise approved in writing by Franchisor, Area Developer and each Owner shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, or legal Entity (i) divert or attempt to divert any present or prospective Dog Haus customer to any Competitive Business, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Dog Haus Marks and the Dog Haus System; or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business, provided, however, the restrictions stated in this Section 13.2 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Area Developer.

13.3 Non-Competition After Expiration or Termination of Agreement. Except as Franchisor otherwise approves in writing, commencing upon the date of: (i) an Assignment permitted under Article 9; (ii) the Expiration Date of this Agreement; (iii) the termination of this Agreement (regardless of the cause for termination); or (iv) a final court order (after all appeals have been taken) with respect to any of the foregoing events or with respect to enforcement of this Section 13.3, and continuing for an uninterrupted period of two (2) years thereafter, Area Developer and each Owner shall not, own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any Competitive Business located at a location designated as a "Franchised Location" in a Franchise Agreement between Franchisor, as franchisor, and Area Developer, or an Affiliate or Owner of Area Developer, as franchisee, except in accordance with the terms of an effective Franchise Agreement between Franchisor, as franchisor, and Area Developer, or an Affiliate or Owner of Area Developer, as franchisee, or any location within a two (2) mile radius of any Dog Haus Restaurant or a Franchised Location as defined above; provided, however, the restrictions stated in this Section 13.3 shall not apply to any Owner after two (2) years from the date the Owner ceases to be an officer, director, shareholder, member, manager, trustee, owner, general partner, employee or otherwise associated in any capacity with Area Developer in the Development Area.

13.4 Exceptions to Non-Compete Covenants. Sections 13.2 and 13.3 shall not apply to ownership by Area Developer or an Owner of a less than five percent (5%) beneficial interest in the outstanding equity securities of any Competitive Business registered under the Securities Act of 1833 or the Securities Exchange Act of 1834.

13.5 Reducing Scope of Covenants. Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant set forth in Section 13.2 and Section 13.3, or any portion thereof, without Area Developer's consent,

effective immediately upon receipt by Area Developer of written notice thereof, and Area Developer agrees that it shall comply forthwith with any covenant as so modified, which shall be fully enforceable.

13.6 Enforceability of Covenants Not Affected by Area Developer Claims. The existence of any claims Area Developer may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Article 13. Area Developer shall pay all costs and expenses (including reasonable attorneys' fees) incurred by Franchisor in connection with the enforcement of this Article 13.

13.7 Covenants from Individuals. Area Developer shall obtain and furnish to Franchisor executed covenants similar in substance to those set forth in this Article 13 (including covenants applicable upon the termination of a person's relationship with Area Developer) from all Owners. Every covenant required by this Section 13.7 shall be in a form acceptable to Franchisor, and shall include, without limitation, a designation of Franchisor as a third party beneficiary of the covenants with the independent right to enforce them.

13.8 Breach of Covenants Causes Irreparable Injury. Area Developer acknowledges that the violation of any covenant in this Article 13 would result in irreparable injury to Franchisor for which no adequate remedy at law may be available, and Area Developer consents to the issuance of, and agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining, without the posting of any bond, an ex parte or other order for injunctive or other legal or equitable relief with respect to such conduct or action.

13.9 Effect of Applicable Law. In the event any portion of the covenants in this Article 13 violates laws affecting Area Developer, or is held invalid or unenforceable in a final judgment to which Franchisor and Area Developer are parties, then the maximum legally allowable restriction permitted by Applicable Law shall control and bind Area Developer. The provisions of this Article 13 shall be in addition to and not in lieu of any other confidentiality obligation of Area Developer, or any other person, whether pursuant to another agreement or pursuant to Applicable Law.

13.10 Survival. The provisions of this Article 13 shall survive the expiration and termination of this Agreement and shall not limit, restrain or otherwise affect any right or cause of action which may accrue to Franchisor for any infringement of, violation of, or interference with, this Agreement, or the Dog Haus Marks, the Dog Haus System, the Dog Haus Confidential Information, the Dog Haus Trade Secrets, or any other proprietary aspects of Franchisor's business.

14. INDEPENDENT CONTRACTOR AND INDEMNIFICATION

14.1 No Fiduciary Relationship. This Agreement does not create a fiduciary relationship between the Parties. Area Developer shall be an independent contractor, and nothing in this Agreement is intended to constitute or appoint either Party an agent, legal representative, subsidiary, joint venturer, partner, employee, or servant of the other for any purpose whatsoever.

14.2 Public Notice of Independent Status. Area Developer shall conspicuously identify itself in all dealings with its customers, contractors, suppliers, public officials, and others, as an independent Area Developer of Franchisor, and shall place such notice of independent ownership on all forms. Franchisor shall have the right to specify the language of any such notice.

14.3 Independent Contractor. Area Developer acknowledges and agrees that it is not authorized to make any contract, agreement, warranty, or representation on Franchisor's behalf, or to incur any debt or other obligations in Franchisor's name, and that Franchisor shall in no event assume liability for, or be deemed liable under this Agreement as a result of, any such action, nor shall Franchisor be liable by reason of any act or omission of Area

Developer in its conduct of the operation of the Dog Haus Restaurants or for any claim or judgment arising therefrom against Area Developer or Franchisor.

14.4 Indemnification. Area Developer and its Owners and Affiliates (collectively, the "Indemnitors") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor, its Affiliates and their respective directors, officers, employees, shareholders and agents (collectively, the "Indemnitees"), from any and all "Losses and Expenses" incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, and regardless of whether the same is between Indemnitors and Indemnitees (collectively, an "Indemnifiable Claim") which arises directly or indirectly from, as a result of, or in connection with Area Developer's operation of a Dog Haus Restaurant and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Area Developer; provided, however, that this indemnity shall not apply to any liability arising from the gross negligence of Franchisor (except to the extent that joint liability is involved, in which event the indemnification provided for in this Section 14.4 shall extend to any finding of comparative negligence or contributory negligence attributable to Area Developer). For the purpose of this Section 14.4, the term "Losses and Expenses" means and include compensatory, exemplary, or punitive damages, fines and penalties, attorneys' fees, experts' fees, court costs, costs associated with investigating and defending against claims, settlement amounts, judgments, compensation for damages to a Party's reputation and goodwill, and all other costs associated with any of the foregoing Losses and Expenses.

14.4.1 The Indemnitees shall give the Indemnitors prompt notice of any Indemnifiable Claim of which the Indemnitees are aware for which indemnification is required under this Section 14.4. The notice shall specify whether the Indemnifiable Claim arises as a result of an Indemnifiable Claim by a third party against the Indemnitees (a "Third Party Claim") or whether the Indemnifiable Claim does not result from an Indemnifiable Claim by a third party against the Indemnitees (a "Direct Claim"), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Indemnifiable Claim and the amount of the Indemnifiable Claim, if known. If, through the fault of the Indemnitees, the Indemnitors do not receive notice of any Indemnifiable Claim in time to effectively contest the determination of any Losses and Expenses susceptible of being contested, the Indemnitors shall be entitled to set off against the amount claimed by the Indemnitees the amount of any Losses and Expenses incurred by the Indemnitors resulting from the Indemnitees' failure to give such notice on a timely basis.

14.4.2 With respect to Third Party Claims, the Indemnitors shall have the right, at their expense and at their election, to assume control of the negotiation, settlement and defense of Third Party Claims through counsel of their choice. The election of the Indemnitors to assume such control shall be made within thirty (30) days after the Indemnitors' receipt of notice of a Third Party Claim. If the Indemnitors elect to assume control, the Indemnitors shall do so at the Indemnitors' sole expense. The Indemnitees shall have the right to be informed and consulted with respect to the negotiation, settlement or defenses of the Third Party Claim and to retain counsel to act on the Indemnitees' behalf, at the Indemnitees' sole expense, unless the Indemnitors consent to the retention of the Indemnitees' counsel at the Indemnitors' expense or unless the Indemnitors and the Indemnitees are both named in any action or proceeding and the representation of both the Indemnitors and the Indemnitees by the same counsel would be appropriate because of the absence of any actual or potential differing interests between them (such as the availability of different defenses).

14.4.3 If the Indemnitors elect to assume control, but thereafter fail to defend the Third Party Claim within a reasonable time, the Indemnitees shall be entitled to assume control and the Indemnitors shall be bound by the results obtained by the Indemnitees with respect to the Third Party Claim. If any Third Party Claim is of a nature that the Indemnitees are required by Applicable Law to make a payment to any claimant with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnitees may make such payment and the Indemnitors shall, within thirty (30) days after demand by the Indemnitees, reimburse the

Indemnitees for the amount of the payment. If the Indemnitees' liability under the Third Party Claim, as finally determined, is less than the amount paid by the Indemnitors to the Indemnitees, the Indemnitees shall, within thirty (30) days after receipt of the difference from the claimant, pay the difference to the Indemnitors.

14.4.4 If the Indemnitors fail to assume control of the defense of any Third Party Claim, the Indemnitees shall have the exclusive right to consent, settle or pay the amount claimed. Whether or not the Indemnitors assume control of the negotiation, settlement or defenses of any Third Party Claim, the Indemnitors shall not settle any Third Party Claim without the written consent of the Indemnitees, which consent shall not be unreasonably withheld or delayed. The Indemnitees and the Indemnitors shall cooperate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect to Third Party Claims (including supplying copies of all relevant documentation promptly as they become available).

14.4.5 With respect to Direct Claims, following receipt of notice from the Indemnitees of the Direct Claim, the Indemnitors shall have thirty (30) days to make such investigation of the Direct Claim as is considered necessary or desirable. For the purpose of the investigation, the Indemnitees shall make available to the Indemnitors the information relied upon by the Indemnitees to substantiate the Direct Claim, together with all other information that the Indemnitors may reasonably request. If the Indemnitors and the Indemnitees agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of a Direct Claim, the Indemnitors shall immediately pay the Indemnitees the full agreed upon amount of the Direct Claim. If the Indemnitors fails to pay the same, the matter shall be resolved in the manner described in Article 15.

14.4.6 The Indemnitees shall exert commercially reasonable efforts to mitigate the Losses and Expenses upon and after becoming aware of any Indemnifiable Claim which could reasonably be expected to give rise to the payment of Losses and Expenses.

15. DISPUTE RESOLUTION

15.1 Mediation. Except as set forth in Sections 15.2.5 and 15.5, the Parties pledge to attempt first to resolve any dispute pursuant to mediation. Within fifteen (15) days after either Party first gives notice of mediation, the Parties shall promptly agree on a mediator, whose qualifications must include at least ten (10) years of experience in franchise law. Mediation shall take place in Los Angeles, California and be conducted in accordance with the Commercial Mediation Rules of the American Arbitration Association ("AAA") unless Franchisor and Area Developer agree on alternative rules or to proceed on a virtual platform. Mediation shall be completed within forty-five (45) days following the date either Party first gives notice of mediation unless otherwise agreed to in writing by Franchisor and Area Developer. The fees and expenses of the mediator shall be shared equally by Franchisor and Area Developer. The mediator shall be disqualified as a witness, expert or counsel for any Party with respect to the dispute and any related matter. Mediation is a compromise negotiation and shall constitute privileged communications under California and other Applicable Laws. The entire mediation process shall be confidential and the conduct, statements, promises, offers, views and opinions of the mediator and Franchisor and Area Developer shall not be discoverable or admissible in any legal proceeding for any purpose; provided, however, that evidence which is otherwise discoverable or admissible shall not be excluded from discovery or admission as a result of its use in the mediation. Notwithstanding anything to the contrary set forth in this Agreement, any Party that fails to reasonably cooperate in scheduling and completing a mediation within forty-five (45) days after giving or receiving notice thereof shall be precluded from recovering costs, expenses, and/or prevailing party attorneys' fees in any subsequent legal action.

15.2 Arbitration. Except as set forth in Sections 15.2.5 and 15.5, if the Parties cannot fully resolve and settle a dispute through mediation as set forth in Section 15.1, all unresolved claims between Franchisor and Area

Developer arising out of or relating to this Agreement, the rights and obligations of the Parties to this Agreement, any alleged breach of this Agreement, any issues pertaining to the arbitrability of such controversy or claim, and any claims or causes of action related to the making, interpretation, or performance of either Party under this Agreement, shall be submitted to binding arbitration. Arbitration shall be conducted before one arbitrator in accordance with the then-current rules of the AAA unless Franchisor and Area Developer agree on another arbitration organization to conduct the arbitration proceeding. The arbitration shall be conducted in Los Angeles, California.

15.2.1 In no event may the material provisions of this Agreement including, without limitation, the method of operation, authorized product line sold or monetary obligations specified in this Agreement, amendments to this Agreement or in the Manuals, be modified or changed by the arbitrator. The arbitration and the Parties' agreement for the arbitration shall be deemed to be self-executing, and if either Party fails to appear at any properly noticed arbitration proceeding, an award may be entered against such Party despite its failure to appear. All issues relating to arbitrability or the enforcement of the agreement to arbitrate contained in this Agreement shall be governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.), notwithstanding any provision of this Agreement specifying the state law under which this Agreement shall be governed and construed.

15.2.2 The fees of, and authorized costs incurred by, the arbitrator will be shared equally by the Parties, and each Party will bear all of its own costs of arbitration; provided, however, that the arbitration decision will provide that the substantially prevailing Party will recover from the other Party its actual costs and expenses (including arbitrator's fees and expenses, and attorney fees and expenses) incurred in connection with the dispute. The provisions of §1283.05 of the California Code of Civil Procedure related to depositions and discovery (including any successor provisions) are hereby incorporated by this reference and made a part of this Agreement.

15.2.3 Except as required by Applicable Law, including the required disclosure in Franchisor's franchise disclosure document, the entire arbitration proceedings and related documents are confidential. These matters will not be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the Parties, and will not be disclosed to anyone who is not an agent, employee, expert witness, or representative for any of the Parties; however, evidence otherwise discoverable or admissible is not excluded from discovery or admission as a result of its use in the arbitration.

15.2.4 Judgment upon any award rendered may be entered in any Court having jurisdiction thereof. The arbitrator will have the right to award or include in the award any relief which it deems proper in the circumstances, including money damages (with interest on unpaid amounts from the date due), specific performance, injunctive relief and attorneys' fees and costs, provided that the arbitrator will not have the authority to award exemplary or punitive damages. To the extent permitted by Applicable Law, no issue of fact or law shall be given preclusive or collateral estoppel effect in any arbitration under this Agreement, except to the extent such issue may be determined in another proceeding between Franchisor and Area Developer. The award and decision of the arbitrator will be conclusive and binding upon all Parties and judgment upon the award may be entered in any court of competent jurisdiction. Each Party waives any right to contest the validity or enforceability of the award. The Parties shall be bound by the provisions of any limitation on the period of time by which claims must be brought. Each Party must submit or file any claim which would constitute a compulsory counterclaim (as defined by Rule 13 of the Federal Rules of Civil Procedure) within the same proceedings as the claim to which it relates. Any claim which is not submitted or filed in the proceeding will be barred.

15.2.5 Area Developer acknowledges and agrees that irreparable harm could be caused to Franchisor by Area Developer's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items,

the provisions of this Agreement relating to: (i) Area Developer's use of the Dog Haus Marks and Confidential Information; (ii) the restrictive covenants set forth in this Agreement; (iii) Area Developer's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based on or arising under the Lanham Act, or otherwise involving the Dog Haus Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) disputes involving acts or omissions by Area Developer or its employees that constitute a violation of Applicable Law, threatens the Dog Haus System or other franchisees of Franchisor. Area Developer's only remedy if such an injunction is entered will be the dissolution of the injunction.

~~15.1 — Judicial Relief. The Parties agree that all disputes arising out of or relating to this Agreement shall be brought in the Superior Court of California, County of Los Angeles, or the United States District Court of the Central District of California. To the fullest extent that the Parties may do so under Applicable Law, the Parties waive the defense of inconvenient forum to the maintenance of an action in these Courts and agree not to commence any action of any kind except in these Courts. California law shall govern the construction, interpretation, validity and enforcement of this Agreement, except to the extent the subject matter of the dispute arises exclusively under federal law, in which event federal law shall govern. In the event of any conflict of law, the laws of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Agreement would not be enforceable under the laws of California, and if the Dog Haus Restaurants are located outside of California and such provision would be enforceable under the laws of the state in which the Dog Haus Restaurants are located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this Section 15.1 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of any state to which it would not otherwise be subject.~~

15.32 Waivers. The Parties agree, to the extent permitted by Applicable Law, that any legal action of any kind by either Party arising out of or relating to this Agreement or a Default under this Agreement must be commenced by no later than the last to occur of the following: (i) one hundred eighty (180) days after obtaining knowledge of the facts which constituted or gave rise to the alleged violation or liability; or (ii) one year after the act, event, occurrence or transaction which constituted or gave rise to the alleged violation or liability. Franchisor and Area Developer, for themselves, and for and on behalf of the Franchisor Owners and the Owners, respectively, hereby waive to the fullest extent permitted by Applicable Law, any right to, or claim for, punitive or exemplary damages against the other and agree that, in the event of a dispute between them, Franchisor and Area Developer shall each be limited to recovering only the actual damages proven to have been sustained by that Party, except as provided in Section 15.54.

15.43 Specific Performance. Franchisor and Area Developer acknowledge that each Party would be irreparably damaged if the provisions of this Agreement were not capable of being specifically enforced, and for this reason, Franchisor and Area Developer agree that the provisions of this Agreement shall be specifically enforceable. Franchisor and Area Developer further agree that any act or failure to act which does not strictly comply with the provisions and conditions of this Agreement may be specifically restrained, and that the equitable relief provided for in this Agreement shall not in any way limit or deny any other remedy at law or in equity that either Franchisor or Area Developer might otherwise have.

15.54 Injunctive Relief. Area Developer acknowledges and agrees that irreparable harm could be caused to Franchisor by Area Developer's violation of certain provisions of this Agreement and, as such, in addition to any other relief available at law or equity, Franchisor shall be entitled to obtain in any court of competent jurisdiction, without bond, restraining orders or temporary or permanent injunctions in order to enforce, among other items, the provisions of this Agreement relating to: (i) Area Developer's use of the Dog Haus Marks and Confidential Information (including any proprietary software used in connection with the Franchised Restaurant); (ii) the in-term covenant not to compete, as well as any other violations of the restrictive covenants set forth in this Agreement; (iii) Area Developer's obligations on termination or expiration of this Agreement; (iv) disputes and controversies based

on or arising under the Lanham Act, or otherwise involving the Dog Haus Marks, as now or hereafter amended; (v) disputes and controversies involving enforcement of the Franchisor's rights with respect to confidentiality under this Agreement; and (vi) prohibit any act or omission by Area Developer or its employees that constitutes a violation of Applicable Law, threatens Franchisor's franchise system or threatens other franchisees of Franchisor. Area Developer's only remedy if such an injunction is entered will be the dissolution of the injunction, if appropriate, and Area Developer waives all damage claims if the injunction is wrongfully issued.

15.65 Attorneys' Fees. In any legal action or proceeding brought to enforce any provision of this Agreement or arising out of, or in connection with, this Agreement, the prevailing Party shall be entitled to recover from the other Party its reasonable attorneys' fees and costs in addition to any other relief that may be awarded by a Court.

15.76 Exclusive Remedy. In no event shall either Party make or have any claim for money damages based on any claim or assertion that the other Party has unreasonably withheld, conditioned or delayed any consent, approval or authorization required under this Agreement. Each Party waives any such claim for damages. Neither Party may claim any such damages by way of setoff, counterclaim or defense. Each Party's sole remedy for such a claim shall be an action or proceeding to enforce the provisions of this Agreement, for specific performance or for declaratory judgment.

15.87 No Withholding of Payments. Area Developer shall not withhold all or any part of any payment to Franchisor or any of its Affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's Affiliates allegedly may owe Area Developer under this Agreement or any related agreements.

15.98 WAIVER OF JURY TRIAL. THE PARTIES HEREBY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER AT LAW OR EQUITY, REGARDLESS OF WHICH PARTY BRINGS SUIT. THIS WAIVER SHALL APPLY TO ANY MATTER WHATSOEVER BETWEEN THE PARTIES WHICH ARISES OUT OF OR IS RELATED IN ANY WAY TO THIS AGREEMENT, THE PERFORMANCE OF EITHER PARTY, AND/OR AREA DEVELOPER'S PURCHASE FROM FRANCHISOR OF THE FRANCHISE AND/OR ANY GOODS OR SERVICES.

15.109 WAIVER OF CLASS ACTIONS OR OTHER COLLECTIVE ACTIONS. THE PARTIES AGREE THAT ALL PROCEEDINGS ARISING OUT OF OR RELATED TO THIS AGREEMENT, OR THE SALE OF THE FRANCHISED RESTAURANT, WILL BE CONDUCTED ON AN INDIVIDUAL, NOT A CLASS-WIDE BASIS, AND THAT ANY PROCEEDING BETWEEN AREA DEVELOPER, AREA DEVELOPER'S GUARANTORS AND FRANCHISOR OR ITS AFFILIATES/OFFICERS/EMPLOYEES MAY NOT BE CONSOLIDATED WITH ANY OTHER PROCEEDING BETWEEN FRANCHISOR AND ANY OTHER THIRD PARTY.

15.110 Waiver of Punitive Damages. Area Developer hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, that Area Developer's recovery is limited to actual damages. Except for any damages or losses incurred by Franchisor as a result of or arising out of any of Area Developer's (i) breach of its non-compete or confidentiality obligations under the Franchise Agreement, (ii) misuse or breach of its obligations under the Franchise Agreement as it relates to or arises out of the Marks or the System, (iii) fraud or willful misconduct, or (iv) any other illegal conduct or bad faith actions, Franchisor hereby waives to the fullest extent permitted by law, any right to claim for any punitive damages (and only punitive damages) against Area Developer arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise). If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions shall continue in full

force and effect, including, without limitation, Area Developer's waiver of any right to claim any consequential damages. Nothing in this Section 15.110 or any other provision of this Agreement shall be construed to prevent Franchisor from claiming and obtaining expectation or consequential damages, including lost future royalties for the balance of the term of this Agreement if it is terminated due to Area Developer's default, which the Parties agree and acknowledge Franchisor may claim under this Agreement.

15.124 Survival. The provisions of this Article 15 shall survive the expiration, termination or non-renewal of this Agreement.

16. ANTI-TERRORISM LAWS

Area Developer shall comply with and/or assist Franchisor to the fullest extent possible in Franchisor's efforts to comply with Executive Order 13224 issued by the President of the United States, the USA Patriot Act, and all other present and future federal, state and local laws, ordinances, regulations, policies, lists and any other requirements of any Governmental Authority addressing or in any way relating to terrorist acts and acts of war (the "Anti-Terrorism Laws"). In connection with its compliance, Area Developer certifies, represents and warrants that none of Area Developer's property or interests are subject to being "blocked" under any of the Anti-Terrorism Laws and that Area Developer is not otherwise in violation of any of the Anti-Terrorism Laws. Any violation of the Anti-Terrorism Laws by Area Developer or Area Developer's employees or any "blocking" of Area Developer's assets under the Anti-Terrorism Laws constitute grounds for immediate termination of this Agreement and any other agreements Area Developer has entered into with Franchisor or any of its Affiliates, in accordance with the provisions of Section 11.2.

17. NOTICES

All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail, by facsimile transmission or by electronic transmission (email). Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the Party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid; (iv) on the day of facsimile transmission to the facsimile number given below if confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission; and (v) on the day of electronic transmission to the email address given below if confirmation of receipt is obtained by the sender promptly after completion of electronic transmission. Notices and demands shall be given 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 Franchisor:

Dog Haus Worldwide, LLC
22 Central Court
Pasadena, California 91105
Attention: Erik Hartung
Email: erik@doghaus.com

With a copy to (which shall not constitute notice):

Barry Kurtz, Esq.
Lewitt, Hackman, Shapiro, Marshall and Harlan
16633 Ventura Boulevard, 11th Floor
Encino, California 91436
Fax: (818) 981-4764
Email: bkurtz@lewitthackman.com

Notices to Area Developer:

See Exhibit A

Either Party may change its address for the purpose of receiving notices, demands and other communications provided by a written notice given in the manner aforesaid to the other Party.

18. ACKNOWLEDGMENTS

18.1 Waiver and Delay. No waiver by Franchisor of any Default, or series of Defaults in performance by Area Developer, and no failure, refusal or neglect of Franchisor to exercise any right, power or option given to it under this Agreement or under any agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution of this Agreement, or to insist upon strict compliance with or performance of Area Developer's obligations under this Agreement or any Franchise Agreement or other agreement between Franchisor and Area Developer, whether entered into before, after or contemporaneously with the execution of this Agreement, shall constitute a waiver of the provisions of this Agreement with respect to any continuing or subsequent Default or a waiver by Franchisor of its right at any time thereafter to require exact and strict compliance with the provisions thereof.

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

18.3 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Area Developer and its or their respective, heirs, executors, administrators, and its successors and assigns, subject to the prohibitions and restrictions against Assignment contained in this Agreement.

18.4 Joint and Several Liability. If Area Developer consists of more than one Owner, the obligations and liabilities of each person or Entity to Franchisor are joint and several.

18.5 Entire Agreement. This Agreement and the Exhibits contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Agreement. No other agreements concerning the subject matter of this Agreement, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Agreement and superseded by this Agreement. No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Agreement. This Agreement cannot be modified or changed except by written instrument signed by both of the Parties. Notwithstanding the foregoing, nothing in this Agreement is intended to disclaim any representation made in the franchise disclosure document previously furnished to Area Developer.

18.6 Titles and Recitals. Article and Section titles used in this Agreement are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Agreement. The Recitals set forth in Recitals A and B of this Agreement are true and correct and are hereby incorporated by reference into the body of this Agreement.

18.7 Gender and Construction. The terms of all Exhibits attached to this Agreement are hereby incorporated into and made a part of this Agreement as if the same had been set forth in full in this Agreement. All terms used in any one number or gender shall extend to mean and include any other number and gender as the facts, context, or sense of this Agreement or any Article or Section in this Agreement may require. As used in this Agreement, the words "include," "includes" or "including" are used in a non-exclusive sense. Unless otherwise expressly provided in this

Agreement to the contrary, any consent, approval, acceptance or authorization of Franchisor or Area Developer that may be required under this Agreement shall be in writing and shall not be unreasonably withheld, conditioned or delayed by the Party whose consent, approval, acceptance or authorization has been requested. To protect the Dog Haus System, the Dog Haus Marks, the Dog Haus Trade Secrets and the goodwill associated with the same, on any occasion where Franchisor is required or permitted to make any judgment, determination or use its discretion, including any decision as to whether any condition or circumstance meets Franchisor's standards or satisfaction, Franchisor may do so in its sole subjective judgment and discretion. Neither this Agreement nor any uncertainty or ambiguity in this Agreement shall be construed or resolved against the drafter of this Agreement, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of both Parties. Franchisor and Area Developer intend that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the provision shall be given the meaning that renders it enforceable.

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

18.9 Counterparts and Electronic Transmission. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement.

18.10 Electronic Execution and Copies. This Agreement and all Exhibits to this Agreement may be signed electronically by the Parties and Electronic Signatures appearing on this Agreement and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement and the Exhibits. An executed copy of this Agreement (or any portion of this Agreement) may be delivered by either of the Parties by facsimile, electrical, digital, magnetic, optical, electromagnetic, or similar capability regardless of the medium of transmission (collectively, "electronic"), and delivery will be effective and binding upon the Parties, and will not in any way diminish or affect the legal effectiveness, validity or enforceability of this Agreement. Area Developer acknowledges and agrees that Franchisor may create an electronic record of any or all agreements, correspondence or other communications between the Parties or involving third parties and may thereafter dispose of or destroy the original of any of the agreements, correspondence or other communications. Any such electronic record will be inscribed on a tangible medium or stored in an electronic or other medium and be retrievable in perceivable form, and will be maintained in and readable by hardware and software generally available. Notwithstanding any Applicable Law to the contrary, any electronic version of this Agreement or any other agreements, correspondence or other communications between the Parties will have the same legal effect, validity and enforceability as an original of any document, even if the original of the document has been disposed of or intentionally destroyed.

18.11 Time of the Essence. Time is of the essence of this Agreement with respect to each and every provision of

this Agreement in which time is a factor.

18.12 Business Judgment. Notwithstanding any provision in this Agreement to the contrary, Area Developer and the Owners acknowledge and agree that:

18.12.1 This Agreement (and the relationship of the Parties which arises from this Agreement) grants Franchisor the discretion to make decisions, take actions or refrain from taking actions not inconsistent with the explicit rights and obligations of Area Developer and the Owners hereunder that may affect Area Developer and the Owners' interests favorably or adversely. Franchisor shall use its Business Judgment in exercising such discretion based on its assessment of its own interests and balancing those interests against the interests, promotion, and benefit of the Dog Haus System and other Dog Haus Area Developers, Dog Haus Restaurants generally, and specifically without considering the individual interests of Area Developer or the Owners or the individual interests of any other Dog Haus Area Developer. Area Developer and the Owners acknowledge and agree that Franchisor shall have no liability to Area Developer or the Owners for the exercise of its discretion in this manner; and even if Franchisor has numerous motives for a particular action or decision, so long as at least one motive is a reasonable business justification, no trier of fact in any legal action shall substitute his or her judgment for Franchisor's judgment so exercised and no such action or decision shall be subject to challenge for abuse of discretion. If Franchisor takes any action or Franchisor chooses not to take any action in its discretion with regard to any matter related to this Agreement and its actions or inaction are challenged for any reason, the Parties expressly direct the trier of fact to find that Franchisor's reliance on a business reason in the exercise of its discretion is to be viewed as a reasonable and proper exercise of its discretion, without regard to whether other reasons for its decision may exist and without regard to whether the trier of fact would independently accord the same weight to the business reason.

18.12.2 In granting its approval of the Franchised Locations, designating suppliers, setting standards and the like, Franchisor shall exercise its Business Judgment. However, in the exercise of its Business Judgment, Franchisor shall not be liable to Area Developer or the Owners or anyone else, if Franchisor's exercise of its Business Judgment results in a business loss or if the products or services provided fail to meet the expectations of Franchisor, Area Developer, the Owners or other parties. Franchisor disclaims all warranties and liability for the acts or omissions of any contractors, vendors, suppliers, products or employees which Area Developer uses, purchases, retains or hires pursuant to Franchisor's exercise of its Business Judgment.

18.12.3. If Applicable Law implies a covenant of good faith and fair dealing in this Agreement, the Parties agree that the covenant shall not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement. Additionally, if Applicable Law shall imply the covenant, Area Developer agrees that: (i) this Agreement (and the relationship of the Parties that is inherent in this Agreement) grants Franchisor the discretion to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisor's explicit rights and obligations under this Agreement that may affect favorably or adversely Area Developer's interests; (ii) Franchisor will use its judgment in exercising the discretion based on Franchisor's assessment of its own interests and balancing those interests against the interests of the Dog Haus Area Developers generally (including Franchisor and its Affiliates if applicable), and specifically without considering Area Developer's individual interests or the individual interests of any other particular Dog Haus Area Developer; (iii) Franchisor will have no liability to Area Developer for the exercise of Franchisor's discretion in this manner, so long as the discretion is not exercised in bad faith; and (iv) in the absence of bad faith, no trier of fact in any arbitration or litigation shall substitute its judgment for Franchisor's judgment so exercised.

18.13 No Third-Party Beneficiaries. Except as expressly provided to the contrary in this Agreement, nothing in this Agreement is intended, nor shall be deemed, to confer on any Person or legal entity other than Area Developer, Franchisor, Franchisor's officers, directors and personnel and such of Area Developer's and Franchisor's respective successors and assigns that may have any rights or remedies under or as a result of this Agreement.

18.14 Atypical Arrangements. Area Developer acknowledges and agrees that Franchisor may modify the offer of its franchises to other Dog Haus area developers and franchisees in any manner and at any time, which offers have or may have terms, conditions and obligations which may differ from the terms, conditions, and obligations in this Agreement. Area Developer further acknowledges and agrees that Franchisor has made no warranty or representation that area development agreements or franchise agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Agreements previously executed or executed after the date of this Agreement with other Dog Haus area developers and franchisees in a non-uniform manner.

18.15 Conflict with Franchise Agreements. Area Developer acknowledges and agrees that all individual Franchise Agreements executed by Area Developer and Franchisor for Franchised Restaurants within the Development Area are independent of this Agreement. The continued effectiveness of any Franchise Agreement does not depend on the continued effectiveness of this Agreement. If any conflict arises with this Agreement and any Franchise Agreement, the Franchise Agreement controls and has precedence and superiority (except with respect to the Opening Date for each Franchised Restaurant Area Developer is granted the right to open under this Agreement).

18.16 Copy of Agreement. Area Developer acknowledges that it received a copy of this Agreement, the Exhibits attached to this Agreement and all other agreements relating to this Agreement, if any, with all of the blank lines filled in, at least seven (7) days prior to the Effective Date.

18.17 Franchise Disclosure Document. Area Developer acknowledges that it has received a copy of the complete Dog Haus Franchise Disclosure Document which contains a copy of this Agreement, at least fourteen (14) calendar days prior to the date on which this Agreement was executed.

18.18 Acceptance. The submission of this Agreement does not constitute an offer and this Agreement shall become effective only upon its execution by both Franchisor and Area Developer. This Agreement shall not be binding on Franchisor unless and until accepted and signed on its behalf by an authorized officer of Franchisor.

(Signature Page Follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

AREA DEVELOPER:

(IF AREA DEVELOPER IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of ~~Franchisee~~ Area Developer Entity]

By: _____
Name: _____
Title: _____

OR

(IF AREA DEVELOPER IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
DEVELOPMENT INFORMATION

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT A
DEVELOPMENT INFORMATION

EFFECTIVE DATE: _____.

AREA DEVELOPER: _____.

The DEVELOPMENT AREA is defined as the territory within the boundaries described below:

If the Development Area is defined by streets, highways, freeways or other roadways then the boundary of the Development Area shall extend to the center line of each street, highway, freeway or other roadway.

MINIMUM DEVELOPMENT OBLIGATION: _____ Dog Haus Restaurants.

TYPE OF DOG HAUS RESTAURANT (CHECK ONE):

- _____ DOG HAUS BIERGARTEN (NUMBER _____)
- _____ DOG HAUS FAST CASUAL RESTAURANT (NUMBER _____)
- _____ DOG HAUS REMOTE KITCHEN (NUMBER _____)

DEVELOPMENT SCHEDULE:

DEVELOPMENT PERIOD ENDING	CUMULATIVE NUMBER OF DOG HAUS RESTAURANTS TO BE IN OPERATION
TOTAL	

DEVELOPMENT FEE: \$_____ (@ \$20,000 for each Fast Casual Restaurant/Biergarten Restaurant/Remote Kitchen (except for Restaurant #1))

INITIAL FRANCHISE FEE: \$40,000 for the first Fast Casual Restaurant/Biergarten Restaurant/Remote Kitchen; \$20,000 for each subsequent Fast Casual Restaurant/Biergarten Restaurant/Remote Kitchen.

NOTICE ADDRESS FOR AREA DEVELOPER: _____

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

AREA DEVELOPER:

(IF AREA DEVELOPER IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Area Developer Entity]

By: _____
Name: _____
Title: _____

OR

(IF AREA DEVELOPER IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT B
ENTITY INFORMATION DISCLOSURE

Area Developer represents and warrants that the following information is accurate and complete in all material respects:

(1) Area Developer is a (check as applicable):

- corporation
- limited liability company
- general partnership
- limited partnership
- Other (specify): _____

State of incorporation/organization: _____
Area Developer name: _____
Federal Tax Identification Number: _____

(2) Area Developer shall provide to Franchisor concurrently with the execution of this Agreement true and accurate copies of its charter documents including Articles of Incorporation/Organization, Bylaws, Operating Agreement, Partnership Agreement, resolutions authorizing the execution of this Agreement and any amendments to the foregoing (the "Entity Documents").

(3) Area Developer promptly shall provide all additional information as Franchisor may from time to time request concerning all persons who may have any, direct or indirect, financial interest in Area Developer.

(4) The name and address of each Owner is:

NAME	ADDRESS	NUMBER OF SHARES OR PERCENTAGE INTEREST

(5) The names, addresses and titles of the Owners who will be devoting their full time to the development of Dog Haus Restaurants are:

NAME	ADDRESS	TITLE

(6) The address where Area Developer's financial records and Entity Documents are maintained is:

_____.

(7) The Principal Owner is _____.

(8) Area Developer represents and warrants to Franchisor, as an inducement to Franchisor's execution of the Area Development Agreement, that the information set forth in this Entity Information Disclosure is true, accurate and complete in all material respects on the Effective Date and that Area Developer shall provide Franchisor with all additional information Franchisor may request with respect to the Owners and the ownership of Area Developer. In addition, Area Developer shall notify Franchisor within ten (10) days of any change in the information set forth in this Entity Information Disclosure and shall provide Franchisor with a revised Entity Information Disclosure certified by Area Developer to be true, correct and complete in all material respects. Franchisor grants Area Developer the rights in the Area Development Agreement in reliance upon each and all of the terms of this Entity Information Disclosure.

IN WITNESS WHEREOF, the Parties have executed this Exhibit B on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

AREA DEVELOPER:

(IF AREA DEVELOPER IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Area Developer Entity]

By: _____
Name: _____
Title: _____

OR

(IF AREA DEVELOPER IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

DOG HAUS WORLDWIDE, LLC
AREA DEVELOPMENT AGREEMENT

EXHIBIT C
GUARANTEE OF AREA DEVELOPMENT AGREEMENT

The undersigned (collectively, "Guarantors") have requested DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), to enter into an Area Development Agreement dated _____ (the "Area Development Agreement") with _____, a _____ ("Area Developer"). In consideration for, and as an inducement to, Franchisor's execution of the Area Development Agreement, Guarantors hereby grant this guarantee (this "Guarantee") agree as follows:

1. "Obligations" means and includes any and all obligations of Area Developer arising under or pursuant to the Area Development Agreement and all other obligations, whether now existing or hereafter arising, of Area Developer to Franchisor of whatever nature.

2. Guarantors irrevocably and unconditionally, fully guarantee to Franchisor the prompt, full and complete payment of any and all Obligations of Area Developer to Franchisor and the performance of any and all obligations of Area Developer including, without limitation, obligations under the Area Development Agreement or any other agreement, instrument or document relating to, evidencing or securing any Obligations.

3. If Area Developer fails to pay any of the Obligations, Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, pay all of the Obligations in like manner as if the Obligations constituted the direct and primary obligation of Guarantors. Guarantors agree that if any obligation, covenant or agreement contained in the Area Development Agreement is not observed, performed or discharged as required by the Area Development Agreement (taking into consideration any applicable cure periods), Guarantors shall, within five (5) days after a written demand therefore has been given to Guarantors by Franchisor, observe, perform or discharge such obligation, covenant or agreement in like manner as if the same constituted the direct and primary obligation of Guarantors.

4. No exercise or non-exercise by Franchisor of any right under this Guarantee, no dealing by Franchisor with Area Developer or any other person and no change, impairment or suspension of any right or remedy of Franchisor shall in any way affect any Obligations of Guarantors under this Guarantee or give Guarantors any recourse against Franchisor. Without limiting the generality of the foregoing, Guarantors agree that, regardless of whether Franchisor gives notice thereof or obtains the consent of Guarantors thereto, Guarantors' liability under this Guarantee shall not be released, extinguished or otherwise reduced in any way by reason of (i) any amendment, modification, renewal, extension, substitution or replacement of the Area Development Agreement or of any of the Obligations, in whole or in part; (ii) any acceptance, enforcement or release by Franchisor of any security for the Area Development Agreement or of any of the Obligations, any addition, substitution or release of any of the Guarantors, or any enforcement, waiver, surrender, impairment, release, compromise or settlement of any matter with respect to the Area Development Agreement or the Obligations or any security therefore; (iii) any assignment of this Guarantee, in whole or in part by Franchisor, or any assignment or transfer of the Area Development Agreement (or any of them) by Franchisor or Area Developer; (iv) the invalidity or unenforceability of any provision of the Area Development Agreement or any of the Obligations; or (v) any failure, omission or delay of Franchisor in enforcing the Area Development Agreement, the Obligations or this Guarantee.

5. Guarantors waive and agree not to assert or take advantage of (i) any right to require Franchisor to proceed against Area Developer or any other person, firm or corporation or to proceed against or exhaust any security held by Franchisor at any time or to pursue any other remedy in Franchisor's power; (ii) any statute of limitations in any action under this Guarantee to collect any Obligations guaranteed hereby; (iii) any defense that may arise by reason of Area Developer's incapacity, lack of authority, insolvency or bankruptcy or Franchisor's failure to file or enforce a claim against the estate (either in bankruptcy or other proceeding) of Area Developer, any other or others; (iv) any defense arising out of any alteration of the Area Development Agreement or the Obligations; (v) notice of Area Developer's default in the payment or performance of any of the Obligations; (vi) demand, protest and notice of any kind including, without limitation, notice of acceptance, notice of the existence, creation or incurring of new or additional Obligations or obligations or of any action or non-action on the part of Area Developer, Franchisor, any endorser, creditor of Area Developer or Guarantors under this or any other instrument, or any other person, in connection with any obligation or evidence of Obligations held by Franchisor or in connection with any Obligations hereby guaranteed; (vii) all rights and defenses arising out of an election of remedies by Franchisor, even though that election of remedies, such as non-judicial foreclosure with respect to security for a guaranteed obligation, has destroyed Guarantors' rights of subrogation and reimbursement against Area Developer by operation of Applicable Law or otherwise; (viii) any duty of Franchisor to disclose to Guarantors any facts that Franchisor may now or hereafter know about Area Developer, regardless of whether Franchisor has reason to believe that any such facts materially increase the risk beyond that which Guarantors intends to assume or has reason to believe that such facts are unknown to Guarantors or has a reasonable opportunity to communicate such facts to Guarantors, it being understood and agreed that Guarantors is responsible to be and to keep informed of Area Developer's financial condition and of all circumstances bearing on the risk of nonpayment of any Obligations hereby guaranteed; and (ix) any right to the benefit of or to direct the application of any security held by Franchisor.

6. Until all Obligations to Franchisor are paid in full and fully performed, Guarantors shall have no right of subrogation and waive any right to enforce any remedy that Franchisor now has or may hereafter have against Area Developer. All existing or future indebtedness of Area Developer to Guarantors and any right to withdraw capital invested in Area Developer by Guarantors are hereby subordinated to all Obligations.

7. Guarantors' liabilities and all rights, powers and remedies of Franchisor under this Guarantee and under any other agreement now or at any time hereafter in force between Franchisor and Guarantors shall be cumulative and not alternative and such rights, powers and remedies shall be additional to all rights, powers and remedies given to Franchisor by Applicable Law. Without limiting the generality of anything contained in this Guarantee, Guarantors waive and agree not to assert or take advantage of (i) all rights described in California Civil Code Section 2856(a)(1) through 2856(a)(3), inclusive, including, without limitation, any rights or defenses which are or may become available to Guarantors by reason of California Civil Code Sections 2787 through 2855, inclusive; and (ii) California Civil Code Section 2899.

8. The liability of Guarantors under this Guarantee shall be an absolute, direct, immediate and unconditional continuing guarantee of payment and performance and not of collection. Guarantors' obligations under this Guarantee are independent of Area Developer's obligations. This is a continuing Guarantee. It shall be irrevocable during the initial term and each renewal term and through any extensions, amendments, modifications, substitutions or replacements of the Area Development Agreement and until all Obligations has been fully paid and the Obligations have been fully performed. In the event of any default under this Guarantee, a separate action and/or successive actions may be brought and prosecuted against Guarantors regardless of whether action is brought against Area Developer or whether Area Developer is joined in any such action or actions. Franchisor may maintain successive actions for other defaults. Franchisor's rights under this Guarantee

shall not be exhausted by Franchisor's exercise of any rights or remedies or by any such action or by any number of successive actions until and unless all Obligations have fully been paid and performed. The obligations of Guarantors shall be primary and are independent of the obligations of Area Developer and Franchisor may directly enforce its rights under this Guarantee without proceeding against or joining Area Developer or any other person or entity, or applying or enforcing any security of the Area Development Agreement. Guarantors acknowledge and agree that Guarantors shall, and hereby are, bound by each and all of the confidentiality and non-competition provisions of the Area Development Agreement.

9. Neither any provision of this Guarantee nor right of Franchisor under this Guarantee can be waived, nor can Guarantors be released from Guarantors' obligations under this Guarantee except by a written agreement executed by Franchisor. If any provision or portion of any provision of this Guarantee is found by a court of competent jurisdiction to be illegal or unenforceable, all other provisions shall, nevertheless, remain enforceable and effective. This Guarantee constitutes the entire agreement of Guarantors and Franchisor with respect to the subject matter of this Guarantee and no representation, understanding, promise or condition concerning the subject matter of this Guarantee shall bind Franchisor unless expressed in this Guarantee.

10. All written notices permitted or required under this Guarantee shall be deemed given and delivered in accordance with Article 17 of the Area Development Agreement. Notices to Guarantors shall be sent to the address set forth below each Guarantors' signature below.

11. This Guarantee may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Guarantee with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Guarantee for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Guarantee. In addition, this Guarantee may be signed electronically by Guarantors and electronic signatures appearing on this Guarantee shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Guarantee.

12. This Guarantee shall be governed by and construed in accordance with the laws of the State of California. In the event of any conflict of law, the laws of California shall prevail, without regard to the application of California conflict of law rules. Nothing in this Paragraph 12 is intended by the Parties to subject this Agreement to any franchise or similar law, rules, or regulation of the state of California to which it would not otherwise be subject. Venue for purposes of any legal proceedings brought in connection with or arising out of this Guarantee shall be conclusively presumed to be in the State of California, County of Los Angeles. Guarantors hereby submit to the jurisdiction of the United States District Court for the Central District of California.

(Signature Page Follows)

Executed by or on behalf of Guarantors on the date set forth below.

Date: _____

Address:

Date: _____

Address:

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT C
REMOTE KITCHEN ADDENDUM TO
FRANCHISE AGREEMENT

DOG HAUS WORLDWIDE, LLC
REMOTE KITCHEN ADDENDUM TO FRANCHISE AGREEMENT

THIS REMOTE KITCHEN ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") is made and entered into as of _____ (the "Effective Date") and is intended to be a part of, and by this reference is incorporated into, that certain Franchise Agreement dated _____, 20__ (the "Franchise Agreement"), by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor") on the one hand, and the individuals or Entity identified as "Franchisee" on Exhibit A attached to the Franchise Agreement, on the other hand, who are individually referred to in this Agreement as a "Party", and collectively referred to in this Agreement as the "Parties", with reference to the following facts:

A. Franchisor, its predecessor and affiliate have developed the "Dog Haus System" for the establishment and operation of "Dog Haus Restaurants", including Dog Haus Remote Kitchens

B. On _____, Franchisee and _____ ("Remote Kitchen Landlord"), entered into a _____ (the "Remote Kitchen Agreement"), under which the Remote Kitchen Landlord granted Franchisee the right to operate one (1) Dog Haus Remote Kitchen at the Remote Kitchen Landlord's partially equipped commercial kitchen within a multi-kitchen facility (the "Remote Kitchen Premises") located at the address set forth on Exhibit A.

C. Franchisor and Franchisee desire to amend the Franchise Agreement to grant Franchisee a nonexclusive license to use the Dog Haus Marks and the Dog Haus System to operate the Remote Kitchen at the Remote Kitchen Premises under the terms of the Franchise Agreement and this Addendum.

D. All provisions of the Franchise Agreement shall apply to a Remote Kitchen unless otherwise stated in this Addendum or unless the context of its use indicates otherwise. All references to a "Franchised Restaurant" in the Franchise Agreement include a Remote Kitchen unless the context of its use indicates otherwise. This Addendum shall replace and supplement the corresponding provisions in the Franchise Agreement that may not apply to a Remote Kitchen unless the context of its use indicates otherwise. Capitalized terms used but not defined in this Addendum shall have the meaning ascribed to those terms in the Franchise Agreement.

NOW, THEREFORE, IT IS AGREED:

1. DEFINITIONS.

Capitalized terms in this Addendum that are not defined elsewhere in the text of this Addendum are assigned these definitions:

"Grand Opening Marketing Expenditure" means the \$10,000 to \$15,000 that Franchisee must spend for a promotional campaign for the grand opening of the Remote Kitchen for fourteen (14) days before and thirty (30) days after opening of the Remote Kitchen.

"Marketing, Creative & Technology Fees" means the fees that Franchisee shall pay Franchisor each week equal to one-half percent (0.5%) of the Gross Sales of the Remote Kitchen. Franchisor shall have the right to adjust the amount of the Marketing, Creative & Technology Fees at any time and from time to time during

the Term upon ninety (90) days' prior written notice from Franchisor to Franchisee, to an amount not to exceed two and one-half percent (2.5%) of Gross Sales.

"Remote Kitchen" (also known as a delivery-only restaurant or an online-only restaurant) means a food service business used for the production of delivery and take-away food products located in a partially equipped commercial kitchen within a multi-kitchen facility with other restaurants that only serves customers through online food ordering through third-party Food Delivery Services, usually on a computer application or through a website that is downloaded by the customer to a mobile device. Customers may place their orders for food products online with the Food Delivery Service they choose for the food they want delivered. The Food Delivery Service then transmits the order to the Remote Kitchen for preparation, picks up the order at the Remote Kitchen Facility and delivers the food to the customer for a fee established by the Food Delivery Service. Alternatively, customers may place their orders directly with the Remote Kitchen and pick up their order at the Remote Kitchen Facility.

"Remote Kitchen Facility" means the facility in which the Remote Kitchen Premises are located.

"Royalty Fees" means the fees that Franchisee shall pay Franchisor on Tuesday of each week during the Term equal to four percent (4%) of the Gross Sales of the Remote Kitchen during the immediately preceding week.

2. GRANT.

2.1 Grant. Franchisor hereby awards Franchisee, and Franchisee hereby accepts, the nonexclusive right, license and obligation to use and display the Dog Haus Marks and use the Dog Haus System to continually operate one (1) Remote Kitchen at, and only at, the Remote Kitchen Premises during the term of the Franchise Agreement and this Addendum, upon the terms and subject to the provisions of the Franchise Agreement, this Addendum, the Remote Kitchen Agreement, and all ancillary documents related to the use of the Remote Kitchen. Franchisee shall utilize the Remote Kitchen Premises only for the operation of the Remote Kitchen. Franchisee shall not sublicense, sublease or subcontract providing for the right to operate the Remote Kitchen or to use the Dog Haus System granted pursuant to the Franchise Agreement and this Addendum. Franchisee may enter into a management agreement for right to operate the Remote Kitchen granted pursuant to the Franchise Agreement and this Addendum only with Franchisor's prior written consent. Franchisee shall, within fifteen (15) days after the Effective Date, locate one or more proposed sites that meet Franchisor's then-current standards and specifications. Franchisee shall obtain a fully executed Remote Kitchen Agreement no later than thirty (30) days after the Effective Date. The Remote Kitchen shall Open For Business no later than thirty (30) days after the Effective Date, unless Franchisor extends the required Opening Date in writing.

2.2 Protected Area. Unless Franchisor agrees otherwise in writing, Franchisee may only accept and fulfill orders from Food Delivery Service customers in its Protected Area. With Franchisor's prior written consent, Franchisor may grant Franchisee the non-exclusive right to fulfill orders from Food Delivery Service customers in geographic areas immediately adjacent to the Protected Area who are not located within the protected area of another Dog Haus Restaurant. Franchisor may revoke this grant for any reason or no reason upon 30 days' prior written notice to Franchisee. Franchisee must advise all Food Delivery Services of these delivery restrictions imposed on Franchisee.

2.3 Area Development Agreement. If Franchisee has executed an Area Development Agreement with Franchisor, the opening of a Remote Kitchen shall count towards satisfaction of Franchisee's Minimum Development Obligation or Development Schedule.

3. TERM AND RENEWAL.

3.1 Term and Renewal. The rights granted to Franchisee under this Addendum shall become effective as of the Effective Date and shall extend for the period of time set forth in the Remote Kitchen Agreement. If the Remote Kitchen Agreement provides for a right to renew or extend the term of the Remote Kitchen Agreement, Franchisee shall have the right and option to renew or extend the term of the Franchise Agreement and this Addendum for an additional period of time equal to the time permitted under the Remote Kitchen Agreement. The Franchise Agreement and this Addendum are not otherwise renewable. If Franchisee is not in Good Standing under the Franchise Agreement, this Addendum or the Remote Kitchen Agreement on the expiration date of a term then in effect, the Franchise Agreement and this Addendum shall terminate on the scheduled expiration date and Franchisor shall be free to (i) exercise the renewal or extension rights itself; (ii) assign the rights granted to Franchisee under the Franchise Agreement and this Addendum to a third party; (iii) occupy and conduct business from the Remote Kitchen Premises itself; or (iv) terminate the Remote Kitchen Agreement or permit it to lapse.

3.2 Conditions to Renewal. If Franchisee desires to renew the term of the Franchise Agreement and this Addendum, the Remote Kitchen Landlord must waive any rights it may have to terminate the Remote Kitchen Agreement upon the expiration of the term then in effect. In addition, Franchisee must (i) be in Good Standing under the Franchise Agreement, this Addendum and the Remote Kitchen Agreement and any other agreements between Franchisee and Franchisor or its Affiliates; (ii) execute a General Release in favor of Franchisor and its Affiliates; (iii) pay Franchisor a renewal fee for each renewal term in the amount set forth on Exhibit A; and (iv) execute Franchisor's Then-Current Rider to be attached to this Addendum setting forth the commencement date and expiration date of each renewal term and other provisions that may not be present in the Franchise Agreement or this Addendum.

3.3 Rights of Franchisor. If the Remote Kitchen Agreement provides that the Remote Kitchen Agreement automatically renews for period of time unless either party provides the other party with thirty (30) days' prior written notice of its desire to terminate before the expiration date of the term then in effect, then in order to provide Franchisor with the opportunity to maintain the Remote Kitchen Agreement in full force and effect, Franchisee shall provide Franchisor with prior written notice of its desire to terminate the Remote Kitchen Agreement sixty (60) days before the expiration date of the term then in effect. In that event, Franchisor shall be free to (i) occupy and conduct business from the Remote Kitchen Premises itself; or (ii) terminate the Remote Kitchen Agreement or permit it to lapse.

4. OBLIGATIONS OF FRANCHISEE

4.1 Responsibility for Food Orders. Franchisee shall have full responsibility for all food orders sent to the Remote Kitchen for fulfillment, including, without limitation, the preparation and packaging of all food orders on a timely basis in compliance with all requirements of the Franchise Agreement, including, without limitation, Articles 7, 8, 9 and 12 of the Franchise Agreement, that are applicable to a Remote Kitchen, the Manuals and the Dog Haus System and in compliance with the fulfillment requirements of each order and Applicable Law.

4.2 Compliance with Remote Kitchen Agreement. Franchisee shall comply with each and all of the terms and conditions of the Remote Kitchen Agreement and shall perform each and all of the acts required to be performed under the Remote Kitchen Agreement during the term of the Franchise Agreement and this Addendum. If the Remote Kitchen Agreement provides for additional or more onerous terms than this Addendum places on Franchisee, those additional or more onerous terms of the Remote Kitchen Agreement shall apply and be binding upon Franchisee as if each and all of such terms were contained in this Addendum.

4.3 Initial Franchise Fee. The definition of "Initial Franchise Fee" in Article 1 of the Franchise Agreement is deleted in its entirety and is replaced with the following:

"Initial Franchise Fee" means the \$40,000 initial fee that Franchisee must pay Franchisor for the right to operate the Franchised Restaurant under this Agreement."

4.4 Remote Kitchen Local Marketing Expenditure. The definition of "Local Store Marketing Expenditure" in Article 1 of the Franchise Agreement is deleted in its entirety and is replaced with the following:

"Remote Kitchen Local Marketing Expenditure" means the amount that Franchisee shall spend each calendar quarter, if required, during the Term for local promotion and marketing for the Remote Kitchen equal to five percent (5%) of the Gross Sales of the Remote Kitchen or \$6,000 per calendar quarter, whichever is greater."

4.5 Grand Opening Marketing Expenditure. Franchisee must conduct a promotional campaign for the grand opening of the Remote Kitchen in compliance with Section 10.4 of the Franchise Agreement and spend the Grand Opening Marketing Expenditure as required by this Addendum.

4.6 Remote Kitchen Local Marketing Expenditure. Section 10.2 of the Franchise Agreement is deleted in its entirety and is replaced with the following:

"Remote Kitchen Local Marketing Expenditure. Franchisor may, upon ninety (90) days' notice to Franchisee, require Franchisee to make Remote Kitchen Local Marketing Expenditures on local marketing and promotion of the Remote Kitchen as required by Franchisor. If and when Franchisor requires a Remote Kitchen Local Marketing Expenditure, Franchisee shall conduct all local marketing and promotion in accordance with the policies and provisions with respect to format, content, media, geographic coverage and other criteria as are from time to time contained in the Manuals, or as otherwise directed by Franchisor, and shall not use or publish any marketing material or in any way use or display any of the Dog Haus Marks except in accordance with said policies and provisions and with Franchisor's prior written approval. Franchisee shall submit samples of all marketing and promotional plans and materials to Franchisor for Franchisor's approval and may only commence use of the materials after they have been approved, in writing, by Franchisor. Franchisor shall have the right at any time after Franchisee commences use of any materials to prohibit further use, effective upon written notice to Franchisee. On the tenth (10th) day of each calendar month during the Term, Franchisee shall provide Franchisor with a report summarizing Franchisee's Remote Kitchen Local Marketing Expenditures for the preceding month. Within fifteen (15) days of the end of each calendar quarter, Franchisee shall provide Franchisor with copies of all invoices, statements, canceled checks or other forms of payment that have been issued by Franchisee during the preceding calendar quarter which evidence the expenditure and payment by Franchisee of the required Remote Kitchen Local Marketing Expenditure. If Franchisee fails to do so, or fails to spend the required

Remote Kitchen Local Marketing Expenditure during any calendar quarter, at the end of each calendar quarter Franchisee shall pay the Marketing, Creative & Technology Fund the difference between the amount that Franchisee actually spent on local marketing and the required Remote Kitchen Local Marketing Expenditure.”

4.7 Royalty Fee. Franchisee shall pay Franchisor a weekly Royalty Fee in the manner provided in Sections 4.2 and 4.6 of the Franchise Agreement and in the amount required by this Addendum.

4.8 Marketing, Creative & Technology Fees. Franchisee shall pay a weekly Marketing, Creative & Technology Fee to the Marketing, Creative & Technology Fund in the manner provided in Sections 4.3 and 4.6 of the Franchise Agreement and in the amount required by this Addendum.

5. PAYMENTS TO FRANCHISOR

On the Effective Date, Franchisee shall pay Franchisor an Initial Franchise Fee for the rights granted under the Franchise Agreement and this Addendum. The Initial Franchise Fee shall be non-refundable, in whole or in part, when paid. Following the Effective Date, Franchisee shall pay Franchisor all fees due to Franchisor under the Franchise Agreement that are applicable to a Remote Kitchen including, without limitation, Royalty Fees, and Marketing, Creative & Technology Fees based upon the Gross Sales of the Remote Kitchen in accordance with Article 4 of the Franchise Agreement, in the amount required under this Addendum. Each payment shall be accompanied by a statement of Gross Sales for the preceding calendar week, certified as complete and accurate by the Principal Owner. Franchisee authorizes the Remote Kitchen Landlord to share the Remote Kitchen’s Gross Sales information directly with Franchisor.

6. INSURANCE

Franchisee shall, at its own cost and expense, maintain the insurance required by the Remote Kitchen Landlord under the Remote Kitchen Agreement and by Franchisor under the Franchise Agreement with insurance carriers acceptable to the Remote Kitchen Landlord and Franchisor. The coverage shall commence when possession of the Remote Kitchen Premises is delivered to Franchisee. Franchisor shall be named as an additional named insured on all of such policies and shall be provided with certificates of insurance evidencing such coverage upon the issuance and each renewal of such policies. All policies shall provide Franchisor with at least thirty (30) days prior written notice to Franchisor of cancellation, lapse, material changes in or notice of cancellation or termination of coverage. Franchisee shall provide Franchisor with a certificate of insurance as evidence of the Franchisee’s insurance prior to, or as soon as practicable after, the execution of the Franchise Agreement and this Addendum. Coverage shall be effective as of the Effective Date. Franchisor reserves the right to change the insurance requirements during the term of the Franchise Agreement and this Addendum, including the types of coverage and the amounts of coverage. Franchisee shall comply with any changes to these requirements.

7. TERMINATION

7.1 Effect of Expiration or Termination. Upon the expiration or termination of the Franchise Agreement and this Addendum, all rights granted to Franchisee thereunder shall cease and all obligations of Franchisor under this the Franchise Agreement and this Addendum shall terminate. Articles 16 and 17 of the Franchise Agreement shall apply to all Defaults and the expiration or termination of this Addendum.

7.2 Provisions in Remote Kitchen Agreement. Franchisee acknowledges and agrees that Franchisee has been advised that (i) defaults under the Remote Kitchen Agreement must be cured, if capable of cure, within seven (7) days after a party's receipt of written notice of termination from the other party or the Remote Kitchen Agreement may be terminated; (ii) the Remote Kitchen Agreement will automatically terminate if the "Head Lease" between the Remote Kitchen Landlord and the landlord of the Remote Kitchen Facility terminates; (iii) under the Remote Kitchen Agreement, upon any termination of the Remote Kitchen Agreement other than for the reason stated in Section 7.2(ii), Franchisor shall have a right of first refusal under the Remote Kitchen Agreement to thereafter assign the rights previously granted to Franchisee under the Franchise Agreement and this Addendum to a third party, occupy the Remote Kitchen Premises itself or permit the expiration or termination of the Remote Kitchen Agreement to occur.

8. INDEMNIFICATION.

Franchisee and its Owners and Affiliates (collectively, the "Indemnitors") shall indemnify, defend and hold harmless to the fullest extent permitted by Applicable Law, Franchisor and its Constituents (collectively, the "Indemnitees"), from any and all "Losses and Expenses" incurred in connection with any litigation or other form of adjudicatory procedure, claim, demand, investigation, or formal or informal inquiry (regardless of whether same is reduced to judgment) or any settlement thereof, and regardless of whether the same is between Indemnitors and Indemnitees (collectively, an "Indemnifiable Claim") which arises directly or indirectly from, as a result of, or in connection with (i) Franchisee's operation of the Remote Kitchen; (ii) the Remote Kitchen Agreement, and regardless of whether the Indemnifiable Claim or the Losses and Expenses resulted from any strict or vicarious liability imposed by law on Franchisee. Article 18 of the Franchise Agreement shall apply to all Indemnifiable Claims under this Addendum.

9. MISCELLANEOUS PROVISIONS

9.1 Successors and Assigns. This Addendum shall be binding upon and inure to the benefit of the successors and assigns of Franchisor and shall be binding upon and inure to the benefit of Franchisee and his or their respective, heirs, executors, administrators, and its successors and assigns.

9.2 Entire Agreement. This Addendum and the Exhibits to this Addendum contain all of the terms and conditions agreed upon by the Parties concerning the subject matter of this Addendum. No other agreements concerning the subject matter of this Addendum, written or oral, shall be deemed to exist or to bind either of the Parties and all prior agreements, understandings and representations are merged into this Addendum and superseded by this Addendum. No officer or employee or agent of Franchisor has any authority to make any representation or promise not included in this Addendum and Franchisee agrees that it has executed this Addendum without reliance upon any representation or promise not included in this Addendum. This Addendum cannot be modified or changed except by written instrument signed by all of the Parties. Notwithstanding the foregoing, nothing in this Addendum is intended to disclaim any representations made in the Dog Haus Franchise Disclosure Document.

9.3 Titles and Recitals. Article and Section titles used in this Addendum are for convenience only and shall not be deemed to affect the meaning or construction of any of the terms, provisions, covenants, or conditions of this Addendum. Recitals A through D are true and correct and are hereby incorporated by reference into the body of this Addendum.

9.4 Conflict With Franchise Agreement. Where and to the extent that any provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control with respect to the Remote Kitchen. However, Franchisor and Franchisee agree that they shall work in good faith to resolve any disputes arising as a result of any provision of this Addendum that is contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement. Should a dispute arise as to the application or intent of the Franchise Agreement as it pertains to this Addendum, the Parties shall resolve the dispute in accordance with Article 19 of the Franchise Agreement.

9.5 Counterparts and Electronic Transmission. This Addendum may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Addendum with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Addendum for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Addendum. In addition, this Addendum and all Exhibits to this Addendum may be signed electronically by the Parties and electronic signatures appearing on this Addendum and the Exhibits shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Addendum and the Exhibits.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Addendum on the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

(IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
Name: _____
Title: _____

AND

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
REMOTE KITCHEN ADDENDUM TO FRANCHISE AGREEMENT

EXHIBIT A
FRANCHISE INFORMATION

EFFECTIVE DATE: _____
NAME OF FRANCHISEE: _____
TERM OF REMOTE KITCHEN AGREEMENT: _____
TERM OF ADDENDUM: _____
REMOTE KITCHEN PREMISES: _____
RENEWAL FEE: _____
OTHER: _____

IN WITNESS WHEREOF, the Parties have executed this Exhibit A on the Effective Date.

FRANCHISOR:
DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:
(IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
Name: _____
Title: _____

AND

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT D
OPTION TO OBTAIN LEASE ASSIGNMENT

DOG HAUS WORLDWIDE, LLC
OPTION TO OBTAIN LEASE ASSIGNMENT

THIS OPTION TO OBTAIN LEASE ASSIGNMENT (this "Agreement") is made and entered into as of _____ (the "Effective Date"), by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), and _____, a _____ ("Franchisee"), and _____, a _____ ("Landlord"), with reference to the following facts:

A. On _____, Landlord, as lessor, and Franchisee, as tenant, entered into a Lease (the "Lease") for the premises located at _____ (the "Franchised Location") pursuant to which Franchisee leased the Franchised Location from Landlord for the purpose of operating a franchised Dog Haus Restaurant (the "Dog Haus Restaurant") at the Franchised Location.

B. On _____, Franchisor, as franchisor, and Franchisee, as franchisee, entered into a Franchise Agreement (the "Franchise Agreement") pursuant to which Franchisee agreed to operate the Dog Haus Restaurant at the Franchised Location as a franchisee of Franchisor in accordance with the terms and conditions of the Franchise Agreement.

C. Franchisee, Franchisor and Landlord desire to enter into this Agreement to define the rights of Franchisor in and to the Franchised Location and to protect the interests of Franchisor with respect to the continued operation of a Dog Haus Restaurant at the Franchised Location during the entire term of the Lease and any renewals and extensions of the Lease on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IT IS AGREED:

1. INCORPORATION OF RECITALS.

The Recitals set forth in Paragraphs A through C of this Agreement are true and correct and are incorporated into this Agreement as part of this Agreement.

2. OPTION.

Franchisee does hereby grant to Franchisor an option, exercisable at any time within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the events described in Section 3.1 through Section 3.7 (the "Option"), to succeed to Franchisee's rights under the Lease and to obtain an assignment of the rights and obligations of Franchisee under the Lease to Franchisor (the "Assignment"). This Agreement shall remain in full force and effect, and the Option granted in this Section 2 shall remain exercisable by Franchisor, during the entire term of the Franchise Agreement and the Lease, including all extension terms and/or renewal terms of the Franchise Agreement and the Lease.

3. REQUIRED NOTICE: ASSIGNMENT ONLY EFFECTIVE UPON EXERCISE OF OPTION.

This Agreement shall be effective upon the Effective Date; however, the Assignment shall only become effective if, and when, Franchisor expressly exercises the Option in writing after the occurrence of one or more of the following events:

3.1 Franchise Agreement. The occurrence of (i) any acts which would result in the immediate termination of the Franchise Agreement; or (ii) the default by Franchisee in the performance of any of the terms or

obligations of the Franchise Agreement, which default is not cured within the applicable cure period set forth in the Franchise Agreement.

3.2 Lease. The occurrence of (i) any acts which would result in the termination or merger of the Lease; or (ii) the default by Franchisee in the performance of any of the terms or obligations of the Lease which default is not cured within the applicable cure period set forth in the Lease.

3.3 Sale of Restaurant. If Franchisee, without the prior written consent of Franchisor, either (i) sells, transfers, assigns, sublets or enters into any agreement to sell, transfer, assign or sublet any of its right, title or interest in and to the Dog Haus Restaurant, including any transfer, assignment or sublet of the Franchise Agreement, the Lease or any of the operating assets of the Dog Haus Restaurant; or (ii) amends the Lease in any manner which would impair the value of the security granted by this Agreement or which would materially affect the rights of Franchisor under this Agreement.

3.4 Failure to Exercise Option to Renew or Extend. If Franchisee shall fail to exercise any option to renew or extend the term of the Lease.

3.5 Insolvency. If Franchisee (i) is adjudicated insolvent or makes an assignment for the benefit of creditors; or (ii) Franchisee applies for or consents to the appointment of a custodian, receiver, trustee or similar officer for it or for all or any substantial part of its property; or (iii) if such a custodian, receiver, trustee or similar officer is appointed without the application or consent of Franchisee, and such appointment continues undischarged for a period of sixty (60) days.

3.6 Bankruptcy. If Franchisee (i) is adjudicated bankrupt or institutes (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, moratorium, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or (ii) any such proceeding is instituted (by petition, application or otherwise) against Franchisee and remains undismissed for a period of sixty (60) days.

3.7 Purchase of Franchised Location. If Franchisee or any entity with which Franchisee has any financial interest enters into any agreement to purchase the Franchised Location from Landlord. Franchisee and Landlord shall each provide Franchisor with independent and separate written notice of the occurrence of any of the events described in Section 3.1 through Section 3.7 no later than fifteen (15) days after the occurrence of any of the events described in Section 3.1 through Section 3.7.

4. CONSENT TO ASSIGNMENT.

Landlord hereby consents to the Assignment and agrees that its consent to the Assignment shall remain in effect during the entire term of the Lease and any and all renewals and extensions of the Lease. The Lease shall not be amended, modified, altered, assigned, extended, renewed or terminated by Landlord, nor shall the Franchised Location be sublet by Franchisee with the consent of Landlord, without the prior written consent of Franchisor.

5. EXERCISE OF OPTION BY FRANCHISOR.

Franchisor shall exercise the Option by giving written notice to Franchisee and Landlord of its affirmative election to do so within thirty (30) days after Franchisor's receipt of actual notice of the occurrence of any of the events described in Section 3.1 through Section 3.7.

5.1 Cure Defaults. If Franchisor exercises the Option, Franchisee, Franchisor or its franchisee-designee, shall have the right to cure all uncured defaults of Franchisee under the Lease which exist as of the date of the exercise

of the Option when Franchisor or its franchisee-designee is put into actual possession of the Dog Haus Restaurant. The period of time to cure all defaults of Franchisee under the Lease shall be reasonably and appropriately extended by Landlord beyond the cure period provided to Franchisee under the Lease.

5.2 Assignment of Rights. Franchisor shall have the right, concurrently with or subsequent to Franchisor's exercise of the Option, to assign and transfer its rights under this Agreement to an affiliate or a franchisee of Franchisor without the prior consent of Landlord. In the event of such an assignment or transfer, the Franchisor's affiliate-designee or franchisee-designee shall obtain the Assignment in place and instead of Franchisor.

5.3 Indemnification by Assignor. Franchisee agrees to pay and reimburse Franchisor and to hold Franchisor harmless from and against any and all costs, damages, attorneys' fees, liabilities or other expenses of any nature whatsoever incurred by Franchisor in connection with the enforcement of Franchisor's rights and/or the performance of Franchisor's rights or obligations under this Agreement. Franchisor's exercise of the Option shall not release Franchisee from any liability to Landlord or Franchisor for any rents, costs, damages, attorneys' fees, liabilities or other expenses incurred by Franchisor or Landlord as a result of Franchisee's defaults or actions under Section 3.1 through Section 3.7.

6. TERM OF AGREEMENT.

This Agreement shall terminate upon the termination of the Lease with the written consent of Franchisor.

7. TERMINATION OF LEASE AND FRANCHISE AGREEMENT.

7.1 Termination of Lease. If, and only if, Franchisor exercises the Option, upon any termination of the Lease prior to the expiration date of the Lease or upon expiration of the term of the Lease in violation of Section 3.4 of this Agreement, following Franchisor's exercise of the Option, Franchisor shall, in Franchisor's discretion, either succeed to Franchisee's rights under the Lease or Landlord shall enter into a substitute lease for the Franchised Location with Franchisor, or its designee, on the identical terms and conditions as contained in the Lease, for the remaining term of the Lease, with identical extension or renewal options, within ten (10) business days of the termination or expiration of the Lease.

7.2 Termination of Franchise Agreement. Upon Franchisor's exercise of the Option, Franchisee shall surrender possession of the Franchised Location to Franchisor and Franchisor shall be entitled to, and Franchisee shall provide Franchisor with, immediate possession of the Franchised Location and Franchisee shall no longer be entitled to the use or occupancy of the Dog Haus Restaurant or the Franchised Location, including all of Franchisee's rights in and to the same, including all improvements, buildings and fixtures which are a part of the same will, in all respects, be deemed to have been terminated and, under the terms of this Agreement and the applicable provisions of the Franchise Agreement, assigned to Franchisor. Franchisor shall have the right to manage and operate the Dog Haus Restaurant at the Franchised Location immediately upon its exercise of the Option.

7.3 De-Identification of Restaurant. If Franchisor does not exercise the Option upon a termination of the Franchise Agreement and/or Lease, Franchisor shall have the right to enter the Dog Haus Restaurant and the Franchised Location to remove and modify to Franchisor's satisfaction, all distinctive design features and characteristics of the Dog Haus Restaurant and the Franchised Location, including distinctive interior designs and surface materials and refrigeration equipment, display fixtures, color décor and interior and exterior signs and all other items identifying the Dog Haus Restaurant and the Franchised Location as a Dog Haus Restaurant.

8. RESTRICTIONS ON TRANSFER.

This Agreement may not be assigned by Franchisee without the prior written consent of Franchisor. Franchisee shall not sell, transfer, assign, sublet or otherwise encumber any or all of its right, title or interest in and to the Dog Haus Restaurant, the Franchise Agreement or the Lease, except in accordance with the applicable terms and conditions of the Franchise Agreement. Franchisee shall not amend, modify or alter the Lease during the term of this Agreement without the prior written consent of Franchisor and shall provide Franchisor with at least thirty (30) days' prior written notice of any proposed amendment, modification, alteration, extension or renewal of the Lease.

9. POWER OF ATTORNEY.

Franchisee hereby irrevocably appoints Franchisor as its attorney-in-fact to exercise any and all of Franchisee's rights in, to and under the Lease and in and to the Franchised Location upon the occurrence of a default or an event of default under the Lease or Franchise Agreement. Landlord acknowledges this appointment and agrees to recognize and accept the rights and actions of Franchisor under this appointment.

10. GENERAL PROVISIONS.

10.1 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State in which the Franchised Location is located.

10.2 Notices. All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail, by facsimile transmission or by electronic transmission (email). Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid; (iv) on the day of facsimile transmission to the facsimile number given below if confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission; and (v) on the day of electronic transmission to the email address given below if confirmation of receipt is obtained by the sender promptly after completion of electronic transmission. Notices and demands shall be given 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 Franchisor:

Dog Haus Worldwide, LLC
22 Central Court
Pasadena, California 91105
Attention: Erik Hartung
Email: erik@doghaus.com

With a copy to (which shall not constitute notice):

Barry Kurtz, Esq.
Lewitt, Hackman, Shapiro, Marshall and Harlan
16633 Ventura Boulevard, 11th Floor
Encino, California 91436
Fax: (818) 981-4764
Email: bkurtz@lewitthackman.com

If to Franchisee: _____

Attention: _____
Facsimile No.: _____
Email: _____

If to Landlord: _____

Attention: _____
Facsimile No.: _____
Email: _____

Any party may change his or its address by giving ten (10) days prior written notice of such change to all other parties.

10.3 Waivers. The delay, omission or forbearance by Franchisor to take action to remedy or seek damages for the breach or default of any term, covenant or condition of this Agreement or to exercise any right, power or duty arising from such breach or default shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach or default of the same or any other term, covenant or condition of this Agreement. The subsequent acceptance of performance by Franchisor shall not be deemed to be a waiver of any preceding breach or default by Franchisee other than its failure to pay the particular payment so accepted, regardless of Franchisor's knowledge of such preceding breach or default at the time of acceptance of such payment.

10.4 Attorneys' Fees. If any legal action is brought to enforce the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, and any and all costs of collection, in addition to any other relief to which that party may be entitled.

10.5 Modification. This Agreement may be modified only by a writing executed by the party sought to be bound.

10.6 Entire Agreement. This Agreement, and the other agreements referred to in this Agreement, and any other agreement that may be executed by the parties concurrently with the execution of this Agreement, set forth the entire agreement and understanding of the parties with regard to the subject matter of this Agreement and any agreement, representation or understanding, express or implied, heretofore made by either party or exchanged between the parties are hereby waived and canceled.

10.7 Cumulative Remedies. Any specific right or remedy set forth in this Agreement, legal, equitable or otherwise shall not be exclusive, but shall be cumulative with all other rights or remedies set forth in this Agreement or allowed or allowable by law.

10.8 Captions. The various titles of the Sections in this Agreement are used solely for convenience and shall not be used in interpreting or construing any word, clause, Section or subparagraph of this Agreement.

10.9 Gender. All words used in this Agreement in the singular shall include the plural and the masculine gender shall include the feminine and neuter and the neuter shall include the masculine and feminine.

10.10 Successors. This Agreement shall be binding upon all of the parties to this Agreement, their respective heirs, executors, administrators, personal representatives, successors and assigns.

10.11 Severability. The invalidity of any one or more of the provisions contained in this Agreement, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

10.12 Additional Documents. Each of the parties agrees to execute, acknowledge and deliver to the other party and to procure the execution, acknowledgment and delivery to the other party of any additional documents or instruments which either party may reasonably require to fully effectuate and carry out the provisions of this Agreement.

10.13 Counterparts and Electronic Transmission; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

~~10.14 General. Franchisee acknowledges that Franchisee has carefully read this Agreement and all other related documents to be executed concurrently or in conjunction with the execution hereof, that Franchisee has obtained the advice of counsel in connection with entering into this Agreement, that Franchisee understands the nature of this Agreement and that Franchisee intends to comply herewith and be bound hereby. Franchisee further acknowledges that it has read and understood this Agreement and that Franchisor has accorded Franchisee ample time and opportunity to consult with advisors of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement.~~

10.14⁵ Atypical Terms. Franchisee acknowledges and agrees that Franchisor has made no warranty or representation that all Option to Obtain Lease Assignment Agreements previously issued or issued after this Agreement by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Franchisor may, in its reasonable business judgment and its sole and absolute discretion, due to local business conditions or otherwise, waive or modify comparable provisions of other Option to Obtain Lease Assignment Agreements previously executed or executed after the date of this Agreement with other Dog Haus franchisees in a non-uniform manner.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____

Name: _____

Title: _____

LANDLORD:

A _____

By: _____

Name: _____

Title: _____

FRANCHISEE:

(IF FRANCHISEE IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____

Name: _____

Title: _____

AND

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT E
CONFIDENTIALITY AGREEMENT FOR PROSPECTIVE FRANCHISEES

DOG HAUS WORLDWIDE, LLC
CONFIDENTIALITY AGREEMENT

THIS CONFIDENTIALITY AGREEMENT (this "Agreement") is made this ___ day of _____, 20___, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), on the one hand, and _____, a _____ ("Candidate"), on the other hand, with reference to the following facts:

A. Franchisor and its predecessor and affiliate have developed the "Dog Haus System" for the establishment and operation of quick-service restaurants ("Dog Haus Restaurants") that offer freshly prepared, cooked to order, high quality, proprietary gourmet hot dogs, sausages, hamburgers, chicken and plant-based food products accompanied by Franchisor's proprietary sauces and a variety of other related food products, side dishes and alcoholic and non-alcoholic beverages for both on-premises and off-premises consumption under the trade name and service mark "Dog Haus" and other related trademarks, service marks, logos and commercial symbols, and the trade dress used to identify Dog Haus Restaurants, including the unique and distinctive interior and exterior building designs, color schemes, furniture, fixtures and accessories present in Dog Haus Restaurants (collectively, the "Dog Haus Marks"). The "Dog Haus System" means the unique system developed by Franchisor and Franchisor's affiliate that includes operating methods and business practices related to Dog Haus Restaurants, the relationship between Franchisor and its franchisees, interior and exterior Dog Haus Restaurant design, other items of trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor's website, all as Franchisor may modify the same from time to time.

B. Franchisor has the right to use, and to license others to use, the Dog Haus Marks and the Dog Haus System, and has, as a result of its expenditure of time, skill, effort, and money, developed a distinctive franchise model for qualified franchisees to obtain the right to operate a Dog Haus Restaurant using the Dog Haus Marks and the Dog Haus System.

C. Franchisor may provide Candidate with confidential, proprietary and/or trade secret information regarding the Dog Haus System prior to granting or declining to grant Candidate a franchise or entering into a Franchise Agreement with Candidate. Franchisor desires that Candidate maintain the confidentiality of all such confidential, proprietary and/or trade secret information on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, IT IS AGREED:

1. INCORPORATION OF RECITALS.

The recitals set forth in Paragraphs A through Paragraph C above are true and correct and are hereby incorporated by reference into the body of this Agreement.

2. CONFIDENTIALITY.

Candidate acknowledges and agrees that:

2.1. Confidential Information. Candidate's knowledge of the elements of the Dog Haus System and any other proprietary data that may be disclosed to Candidate by Franchisor, or any affiliate of Franchisor, including, without limitation, any and all confidential and/or proprietary knowledge, data or information of a party and any and all confidential and/or proprietary knowledge, data or information which a party has obtained or obtains from another

person or entity and which a party treats as proprietary or designates (whether or not in writing or electronic form) as “Confidential Information”. By way of illustration, but not limitation, “Confidential Information” includes tangible and intangible information (whether or not in electronic form) relating to Franchisor’s business operations, styles, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, the Dog Haus System, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential. Confidential Information also includes the manner in which any of the above described items may be combined with any other information or products or synthesized or used by Candidate. Confidential Information does not include any information that was in the lawful and unrestricted possession of Candidate prior to its disclosure by Franchisor; is or becomes generally available to the public by acts other than those of Candidate after receiving it; has been received lawfully and in good faith by Candidate from a third party who did not derive it from Franchisor or Candidate; or is shown by acceptable evidence to have been independently developed by Candidate.

2.2. Value. The Confidential Information has been developed by Franchisor, its predecessor and affiliate by the investment of time, skill, effort and money and is widely recognized by the public and is of substantial value.

2.3. Proprietary. The Confidential Information is proprietary, confidential and constitutes a trade secret of Franchisor and its affiliates.

2.4. Maintain Confidentiality. Candidate will fully and strictly maintain the confidentiality of the Confidential Information, will exercise the highest degree of diligence in safeguarding the Confidential Information and will not disclose or reveal the Confidential Information to any person other than another person who is actively and directly participating in the acquisition of the franchise with Candidate, but only after first disclosing the identity of such person to Franchisor in writing and obtaining such person’s signature on a Non-Disclosure Agreement similar to this Agreement, unless covered by attorney-client privilege.

2.5. Reproduction and Use. Candidate will not directly or indirectly reproduce or copy any Confidential Information or any part thereof and will make no use of any Confidential Information for any purpose whatsoever unless and until Candidate becomes a franchisee of Franchisor, and then only in accordance with the provisions of Candidate’s Franchise Agreement.

2.6 No Prior Experience. Candidate specifically acknowledges and agrees that prior to the execution of this Agreement, Candidate had no experience, information or knowledge whatsoever about restaurants that serve gourmet hot dogs, sausages or hamburgers or Dog Haus Restaurants and that Candidate’s knowledge of the Dog

Haus Confidential Information was obtained solely from Franchisor pursuant to this Agreement. In addition, Candidate specifically acknowledges that, pursuant to this Agreement, Candidate will receive valuable Dog Haus Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Dog Haus System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy.

3. GENERAL.

3.1. Injunction. Candidate recognizes the unique value and secondary meaning attached to the Confidential Information and the elements of the Dog Haus System and agrees that any noncompliance with the terms of this Agreement or any unauthorized or improper use of the Confidential Information will cause irreparable damage to Franchisor and its franchisees. Candidate therefore agrees that if Candidate should engage in any such unauthorized or improper use of the Confidential Information, Franchisor shall be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, in addition to any other remedies prescribed by law.

3.2. Heirs and Successors. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns.

3.3. Entire Agreement. This Agreement represents the entire understanding between the parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written. This Agreement may not be modified except by a written instrument signed by Franchisor and Candidate that expressly modifies this Agreement. The parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties.

~~3.4. No Warranties. Candidate acknowledges and agrees that Franchisor has made no promises, representations or warranties to Candidate that are inconsistent with the terms of this Agreement or Franchisor's Franchise Disclosure Document concerning the profitability or likelihood of success of the Dog Haus Restaurant, that Candidate has been informed by Franchisor that there can be no guaranty of success in the Dog Haus Restaurant and that Candidate's business ability and aptitude are primary in determining his success.~~

3.4.5. No Right to Use the Dog Haus System or the Dog Haus Marks. This Agreement is not a Franchise Agreement or a license of any sort, and does not grant Candidate any right to use or to franchise or license the use of, the Confidential Information, which right is expressly reserved by Franchisor.

3.5.6. Waiver. Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including a waiver of default, in any one instance shall not constitute a continuing waiver or a waiver in any other instance.

3.6.7. Validity. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect.

3.7.8. Headings and Gender. The headings herein are for purposes of convenience only and shall not be used in construing the provisions hereof. As used herein, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

3.89. Attorneys' Fees. If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Candidate or its authorized representatives, Candidate shall be liable to Franchisor for the reasonable attorneys' fees and court costs incurred by Franchisor in the legal proceedings. If either party commences a legal proceeding against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to have and recover from the other party its reasonable attorneys' fees and costs of suit.

3.910. Cumulative Remedies. Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law.

3.1011. Notices. All notices or demands to be given under this Agreement shall be in writing and shall be served in person, by air courier delivery with a guaranteed tracking facility, by certified mail, by facsimile transmission or by electronic transmission (email). Service shall be deemed conclusively made (i) at the time of service, if personally served; (ii) three (3) business days after delivery by the party giving the notice, statement or demand if by air courier with a guaranteed tracking facility; (iii) three (3) business days after placement in the United States mail by Certified Mail, Return Receipt Requested, with postage prepaid; (iv) on the day of facsimile transmission to the facsimile number given below if confirmation of receipt is obtained by the sender promptly after completion of facsimile transmission; and (v) on the day of electronic transmission to the email address given below if confirmation of receipt is obtained by the sender promptly after completion of electronic transmission. Notices and demands shall be given 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 Franchisor:

Dog Haus Worldwide, LLC
22 Central Court
Pasadena, California 91105
Attention: Erik Hartung
Email: erik@doghaus.com

With a copy to (which shall not constitute notice):

Barry Kurtz, Esq.
Lewitt, Hackman, Shapiro, Marshall and Harlan
16633 Ventura Boulevard, 11th Floor
Encino, California 91436
Fax: (818) 981-4764
Email: bkurtz@lewitthackman.com

Notices to Candidate:

Attention: _____
Email: _____

Either party may change its address for the purpose of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other party.

3.1142. Governing Law. This Agreement takes effect upon its acceptance and execution by Franchisor in California, and shall be interpreted and construed under the laws of California.

3.123 Venue. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought within the city and county in which Franchisor has its principal place of business at the time the action is initiated, and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

3.134. Counterparts and Electronic Transmission; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the Parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

FRANCHISOR:

CANDIDATE:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT F
NON - DISCLOSURE AND CONFIDENTIALITY AGREEMENT FOR EMPLOYEES OF
FRANCHISEE

NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT

THIS NON-DISCLOSURE AND CONFIDENTIALITY AGREEMENT (this "Agreement") is made this ___ day of _____, 20__ (the "Effective Date"), by and between _____ ("Franchisee"), on the one hand, and _____ ("Recipient"), on the other hand, with reference to the following facts:

A. Dog Haus Worldwide, LLC, a California limited liability company ("Franchisor") and its predecessor and affiliate, have developed the "Dog Haus System" for the establishment and operation of quick-service restaurants that offer freshly prepared, cooked to order, high quality, proprietary gourmet hot dogs, sausages, hamburgers, chicken and plant-based food products accompanied by Franchisor's proprietary sauces and a variety of other related food products, side dishes and alcoholic and non-alcoholic beverages for both on-premises and off-premises consumption under the trade name and service mark "Dog Haus" and other related trademarks, service marks, logos and commercial symbols, and the trade dress used to identify Dog Haus Restaurants, including the unique and distinctive interior and exterior building designs, color schemes, furniture, fixtures and accessories present in Dog Haus Restaurants (collectively, the "Dog Haus Marks").

B. The Dog Haus System includes, without limitation, the operations and training manuals and any other written directives related to the Dog Haus System (the "Manuals"), the operating methods and business practices related to Dog Haus Restaurants, the relationship between Franchisor and its franchisees, interior and exterior Dog Haus Restaurant design, other items of trade dress, specifications for equipment, fixtures and uniforms, defined product offerings, recipes and preparation methods, Franchisor specified pricing and promotions, restrictions on ownership, standard operating and administrative procedures, management and technical training programs, marketing and public relations programs, and Franchisor's website (collectively, the "Confidential Information"), all of which may be modified by Franchisor from time to time and may be disclosed to Recipient by Franchisee.

C. Franchisor has and continues to protect the confidentiality of the Confidential Information by, among other things, (i) not revealing the confidential contents of the Confidential Information to unauthorized parties; (ii) requiring Dog Haus franchisees to acknowledge and agree in writing that the Confidential Information is confidential; (iii) requiring Dog Haus franchisees to agree in writing to maintain the confidentiality of the Confidential Information; (iv) monitoring electronic access to the Confidential Information by the use of passwords and other restrictions so that electronic access to the Confidential Information is limited to authorized parties; and (v) requiring its franchisees to return all Confidential Information to Franchisor upon the expiration and termination of their Franchise Agreements.

D. Franchisor and Franchisee have entered into a Franchise Agreement under which Franchisor has granted Franchisee the right to own and operate a Dog Haus Restaurant (the "Dog Haus Restaurant") and to use the Dog Haus System, the Dog Haus Marks, the Manuals, and the Confidential Information in the operation of the Dog Haus Restaurant.

E. Franchisee is obligated under its Franchise Agreement with Franchisor to obtain a written agreement from all supervisory or managerial personnel employed by Franchisee and each independent contractor engaged by Franchisee who may have access to the Confidential Information and who may be the recipient of the disclosure of the Confidential Information to maintain the confidentiality of the Confidential Information, to obtain the written agreement from all supervisory or managerial personnel employed by

Franchisee and each independent contractor to not use the Confidential Information other than in the course of his or her employment or engagement by Franchisee and to not disclose any of the Confidential Information to any unauthorized parties during the period of time that he or she is providing services for Franchisee and forever after his or her employment or engagement by Franchisee ends.

NOW, THEREFORE, IT IS AGREED:

1. ACKNOWLEDGMENTS OF RECIPIENT.

1.1 No Prior Experience, Information or Knowledge. Prior to his or her employment or engagement by Franchisee, Recipient had no experience, information or knowledge whatsoever about restaurants that offer gourmet hot dogs, sausages and hamburgers Recipient's knowledge of the Confidential Information was obtained only from Franchisee following the Effective Date and only in the course of Recipient's employment or engagement by Franchisee.

1.2 Confidential Information. The Confidential Information includes all of the items included elsewhere in this Agreement and, in addition, without limitation, all tangible and intangible information (whether or not in electronic form) relating to Franchisor's business operations, styles, products and services, recipes, sources of materials and equipment, client management and other software, data, other content, formulations, patterns, compilations, programs, devices and processes, business relationships, contact information for industry professionals, developmental or experimental work and services, improvements, discoveries, plans for research, potential new or supplemental products and services, websites, advertisements or ancillary products and services, marketing and selling methods and/or plans, business plans, budgets and unpublished financial statements, licenses, prices and costs, vendors, collaborators, current customer and prospective customer names and addresses, information regarding credit extensions to customers, customer service purchasing histories and prices charged to customers, customer lists and other customer data, information regarding the skills and compensation of employees and contractors of Franchisor, designs, drawings, specifications, source code, object code, documentation, diagrams, flowcharts, research, development, marketing techniques and materials, trademarks, trade secrets, sales/license techniques, inventions, copyrightable material, trademarkable material, databases, relationships between Franchisor and other companies, persons or entities, the Dog Haus System, and any other information or material considered proprietary by Franchisor whether or not designated as confidential information by Franchisor, that is not generally known by the public, or which derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or its affiliates and which is the subject of efforts by Franchisor that are reasonable under the circumstances to maintain its secrecy, and any other information in oral, written, graphic or electronic form which, given the circumstances surrounding its disclosure, would be considered confidential. Confidential Information also includes the manner in which any of the above described items may be combined with any other information or products or synthesized or used by Recipient. Confidential Information does not include any information that was in the lawful and unrestricted possession of Recipient prior to its disclosure by Franchisee to Recipient; is or becomes generally available to the public by acts other than those of Recipient after receiving it; has been received lawfully and in good faith by Recipient from a third party who did not derive it from Franchisor, Franchisee or Recipient; or is shown by acceptable evidence to have been independently developed by Recipient.

1.3 Independent Value. The Confidential Information (i) is not generally known by the public or parties other than Franchisor, its affiliates, its franchisees and Franchisee; (ii) derives independent economic value (actual or potential) from not being generally known to the public or persons unaffiliated with Franchisor or

Franchisee; and (iii) is the subject of extensive efforts by Franchisor that are reasonable under the circumstances to maintain the secrecy of the Confidential Information.

1.4 Valuable and Proprietary. The Confidential Information has been developed by Franchisor, its founder and their affiliates by the investment of time, skill, effort and money and is widely recognized by the public, of substantial value, and is proprietary, confidential and constitutes trade secrets of Franchisor, its founder and their affiliates.

2. COVENANTS OF RECIPIENT.

Recipient agrees that so long as Recipient is employed or engaged by Franchisee and forever after his or her employment or engagement by Franchisee ends:

2.1 Maintain Confidentiality. Recipient will fully and strictly maintain the confidentiality of the Confidential Information, will exercise the highest degree of diligence in safeguarding the Confidential Information and will not disclose or reveal the Confidential Information to any person other than Franchisee or other personnel employed by Franchisee or independent contractors engaged by Franchisee while a supervisory or managerial employee or independent contractor of Franchisee and will then do so only to the degree necessary to carry out Recipient's duties as a supervisory or managerial employee or independent contractor of Franchisee.

2.2 No Reproduction or Use. Recipient will not directly or indirectly reproduce or copy any Confidential Information and will make no use of any Confidential Information for any purpose whatsoever except as may be required while Recipient is employed or engaged by Franchisee and will then do so only in accordance with the provisions of this Agreement and only to the degree necessary to carry out Recipient's duties as an employee or independent contractor of Franchisee.

2.3 Restrictions. Recipient specifically acknowledges and agrees Recipient may receive valuable specialized training and Confidential Information, including, without limitation, Confidential Information regarding the operational, sales, promotional, and marketing methods and techniques of Franchisor and the Dog Haus System, which are unique and proprietary to Franchisor, derive independent economic value from not being generally known to the public and are the subject of Franchisor's efforts and that are reasonable under the circumstances to maintain their secrecy. Recipient therefore covenants that while employed or engaged by Franchisee, Recipient shall not, either directly or indirectly, for himself or herself, or through, on behalf of, or in conjunction with any person, or legal entity (i) divert or attempt to divert any present or prospective Dog Haus client to any competitor, by direct or indirect inducement or otherwise, or do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Dog Haus Marks and the Dog Haus System; or (ii) own (either beneficially or of record), engage in or render services to, whether as an investor, partner, lender, director, officer, manager, employee, consultant, representative or agent, any restaurant business that prepares, offers and sells gourmet hot dogs, sausages and hamburgers as its primary menu item as its primary menu items and any business that looks like, copies, imitates, or operates with similar trade dress or décor to the Dog Haus Restaurant.

2.4 Third Party Beneficiary. Franchisor is, and shall be and remain, a third party beneficiary of this Agreement and will have the independent right to enforce the terms of this Agreement.

2.5 No Restriction. Nothing in this Article 2 is intended to prohibit or restrict any activity which prohibition or restriction violates Recipient's rights to engage in protected concerted activity under the National Labor Relations Act.

3. GENERAL TERMS.

3.1 Injunction. Recipient recognizes the unique value and secondary meaning attached to the Confidential Information and the elements of the Dog Haus System and agrees that Recipient's noncompliance with the terms of this Agreement or any unauthorized or improper use of the Confidential Information by Recipient will cause irreparable damage to Franchisor and its franchisees. Recipient therefore agrees that if Recipient should engage in any unauthorized or improper use or disclosure of the Confidential Information, Franchisor and Franchisee, independently, will be entitled to both permanent and temporary injunctive relief from any court of competent jurisdiction without notice or the posting of any bond, to prevent any unauthorized or improper use or disclosure of the Confidential Information in addition to any other remedies prescribed by law. Due to the irreparable damage that would result to Franchisor and Franchisee from any violation of this Agreement, Recipient acknowledges and agrees that any claim Recipient believes he or she may have against Franchisor or Franchisee will be deemed to be a matter separate and apart from Recipient's obligations under this Agreement and will not entitle Recipient to violate or justify any violation of the provisions of this Agreement.

3.2 Heirs and Successors; Entire Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns. This Agreement represents the entire understanding between the parties regarding the subject matter of this Agreement and supersedes all other negotiations, agreements, representations and covenants, oral or written. This Agreement may not be modified except by a written instrument signed by Franchisor and Recipient that expressly modifies this Agreement. The parties intend this Agreement to be the entire integration of all of their agreements on this subject of any nature regarding the subject matter of this Agreement. No other agreements, representations, promises, commitments or the like, of any nature, exist between the parties.

3.3 No Right to Use Dog Haus Marks or Dog Haus System. This Agreement is not a license of any sort, and does not grant Recipient any right to use or to license the use of, the Confidential Information, which right is expressly reserved by Franchisor.

3.4 Waiver and Validity. Failure by Franchisor to enforce any rights under this Agreement shall not be construed as a waiver of such rights. Any waiver, including a waiver of default in any one instance, shall not constitute a continuing waiver or a waiver in any other instance. Any invalidity of any portion of this Agreement shall not affect the validity of the remaining portions and unless substantial performance of this Agreement is frustrated by any such invalidity, this Agreement shall continue in full force and effect.

3.5 Headings and Gender. The headings in this Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Agreement. As used in this Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

3.6 Attorneys' Fees. If Franchisor becomes a party to any legal proceedings concerning this Agreement by reason of any act or omission of Recipient, Recipient shall be liable to Franchisor for the reasonable attorneys' fees and court costs incurred by Franchisor in the legal proceedings. If any party to this Agreement

commences any legal proceeding against another party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover from the other party its reasonable attorneys' fees and costs of suit.

3.7 Cumulative Remedies. Any specific right or remedy set forth in this Agreement, legal, equitable, or otherwise, shall not be exclusive, but shall be cumulative with all other rights or remedies set forth herein or allowed or allowable by law.

3.8 Notices. Except as otherwise expressly provided herein, all written notices and reports permitted or required to be delivered by the parties under this Agreement shall be deemed delivered at the time delivered by hand, one (1) business day after transmission by fax or email (with a confirmation copy sent by regular United States mail), or three (3) days after placement in the United States mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed as follows:

Any notice or demand to Franchisee shall be given to:

Fax: _____

With a copy to:

Dog Haus Worldwide, LLC
22 Central Court
Pasadena, California 91105
Attention: Erik Hartung

Any notice or demand to Recipient shall be given to:

Fax: _____

Any party may change its address for the purpose of receiving notices, demands and other communications by a written notice given in the manner set forth above to the other party.

3.9 Counterparts and Electronic Transmission; Electronic Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Agreement. In addition, this Agreement may be signed electronically by the parties and electronic signatures appearing on this Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the Effective Date.

FRANCHISEE:

RECIPIENT:

A _____

By: _____
Name: _____
Title: _____

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT G
GENERAL RELEASE

DOG HAUS WORLDWIDE, LLC
GENERAL RELEASE AGREEMENT

THIS GENERAL RELEASE AGREEMENT (this "Release Agreement") is made and entered into as of _____ (the "Effective Date"), by and among DOG HAUS WORLDWIDE, LLC, a California limited liability company ("Franchisor"), on the one hand, and _____ a _____ ("Franchisee"), and _____ ("Owner"), on the other hand, who are collectively referred to in this Release Agreement as the "Releasing Parties", with reference to the following facts:

A. Franchisor and Franchisee are parties to that certain Franchise Agreement and related ancillary agreements dated _____ (collectively, the "Franchise Agreement") pursuant to which Franchisor granted Franchisee a license (the "License") to use the service mark and trade name "Dog Haus" and other related trademarks, service marks, logos and commercial symbols, and the trade dress used to identify Dog Haus Restaurants, including the unique and distinctive interior and exterior building designs, color schemes, furniture, fixtures and accessories present in Dog Haus Restaurants (the "Dog Haus Marks") and the "Dog Haus System" (the "System") in connection with the operation of a Dog Haus Restaurant (the "Restaurant") located at _____ (the "Franchised Location").

B. Franchisee desires to enter into a _____.

C. This Release Agreement has been requested at a juncture in the relationship of the parties where Franchisor is considering either a change or an expansion of the relationship between the parties and/or their affiliates. Franchisor is unwilling to make the anticipated change or expansion in the relationship of the parties unless it is certain that it is proceeding with a "clean slate" and that there are no outstanding grievances or Claims against it. Releasing Parties, therefore, gives this Release Agreement as consideration for receiving the agreement of Franchisor to an anticipated change or expansion of the relationship between the parties. Releasing Parties acknowledges that this Release Agreement is intended to wipe the slate clean.

NOW, THEREFORE, IT IS AGREED:

1. **DEFINITIONS.** As used in this Release Agreement, the following capitalized terms have the meanings ascribed to them.

1.1 "Claims" means all actual and alleged claims, demands, Losses, charges, agreements (whether written or oral), covenants, responsibilities, warranties, obligations, contracts (whether oral or written), debts, violations, suits, counterclaims, cross claims, third party claims, accounts, liabilities, costs, expenses (including attorneys' fees and court costs), rights to terminate and rescind, rights of action and causes of action of any kind or nature, whatsoever, whether known or unknown, matured or unmatured, accrued or unaccrued, suspected or unsuspected, contingent or non-contingent, liquidated or unliquidated, choate or inchoate, and whether or not asserted, threatened, alleged, or litigated, at law, equity, or otherwise.

1.2 "Constituents" means past, present and future affiliates, subsidiaries, divisions, partners, members, trustees, receivers, executors, representatives, administrators, owners, shareholders, distributors, parents, predecessors, officers, directors, agents, managers, principals, employees, insurers, successors, assigns, representatives and attorneys and the past, present and future officers, directors, agents, managers, principals, members, employees, insurers, successors, assigns, representatives and attorneys of each of the foregoing.

1.3 "Excluded Matters" means Franchisor's continuing contractual obligations which arise or continue under and pursuant to the Franchise Agreement on and after the date of this Release Agreement.

1.4 “Franchisor Released Parties” means Franchisor, Dog Haus International, LLC, a Delaware limited liability company, Dog Haus, LLC, a California limited liability company, and each of their Constituents.

1.5 “Losses” means all damages, debts, liabilities, accounts, suits, awards, judgments, payments, diminutions in value and other losses, costs and expenses, however suffered or characterized, all interest thereon, all costs and expenses of investigating any Claim, reference proceeding, lawsuit or arbitration and any appeal therefrom, all actual attorneys’ fees incurred in connection therewith, whether or not such Claim, reference proceeding, lawsuit or arbitration is ultimately defeated and, all amounts paid incident to any compromise or settlement of any such Claim, reference proceeding, lawsuit or arbitration.

2. GENERAL RELEASE AGREEMENT. Releasing Parties, for themselves and their Constituents, hereby release and forever discharge Franchisor Released Parties from any and all Claims, whether known or unknown, based upon anything that has occurred or existed, or failed to occur or exist, from the beginning of time to the Effective Date, including, without limitation any and all Claims which relate to the Franchise Agreement, the Restaurant, the System, the License, the Dog Haus Marks, and the Franchised Location, or to any other agreement entered into prior to the Effective Date between Franchisor Released Parties, on the one hand, and Releasing Parties, on the other hand, except for the Excluded Matters and obligations under this Release Agreement. This waiver, release and discharge is effective immediately in its fullest and most comprehensive sense. This Release Agreement does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

3. WAIVER OF SECTION 1542 OF THE CALIFORNIA CIVIL CODE.

3.1 Section 1542 of the California Civil Code. Releasing Parties, for themselves and their Constituents, acknowledge that they are familiar with Section 1542 of the California Civil Code, which reads 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.

3.2 Waiver. With respect to those Claims being released pursuant to Section 2, Releasing Parties, for themselves and their Constituents, acknowledge that they are releasing unknown Claims and waive all rights they have or may have under Section 1542 of the California Civil Code or any other statute or common law principle of similar effect. For purposes of this Section 3, Releasing Parties shall be considered to be creditors of the Franchisor Released Parties, and each of them.

4. UNKNOWN CLAIMS. Releasing Parties acknowledge and agree that among the wide and comprehensive range of Claims being waived, released, and discharged by this Release Agreement, they are waiving, releasing, and discharging unknown and unsuspected Claims which, if known or suspected by Releasing Parties to exist in their favor at the time of executing this Release Agreement, may have materially affected Releasing Parties’ decision to enter into this Release Agreement. It is understood by Releasing Parties that, after the Effective Date, the facts under which this Release Agreement is entered into may turn out to be other than or different from the facts Releasing Parties knew or believed to be true on the Effective Date. Releasing Parties, therefore, expressly assume the risk of the facts turning out to be so different and agree that this Release Agreement shall be in all respects final and effective and not subject to termination or rescission by any such difference in facts.

5. REPRESENTATIONS AND WARRANTIES. Releasing Parties hereby represent and warrant that, in entering into this Release Agreement, Releasing Parties: (i) are doing so freely and voluntarily, either upon the advice of counsel and business advisors of Releasing Parties’ own choosing, or without such advice because Releasing

Parties, free from coercion, duress or fraud, declined to obtain such advice; (ii) have read and fully understand the terms and scope of this Release Agreement; (iii) understand that this Release Agreement is final and conclusive, and intends to be final and conclusive, as to the matters set forth in this Release Agreement; and (iv) have not assigned, transferred, or conveyed to any third party all or any part of their interest, or any contingent interest, in any of the Claims released by this Release Agreement now or in the future, and are aware of no third party who contends or claims otherwise, and shall not purport to assign, transfer, or convey any interest in any such Claim after the Effective Date.

6. COVENANTS NOT TO SUE. Releasing Parties hereby irrevocably covenant that they will not, directly or indirectly: (i) commence, initiate, or cause to be commenced or initiated any proceeding, claim, or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement; or (ii) assist or encourage any person or entity to investigate, inquire into, commence, initiate, or cause to be commenced or initiated any proceeding, claim, or demand of any kind against Franchisor Released Parties based upon any Claims released under this Release Agreement.

7. INDEMNITY. Without in any way limiting any of the rights and remedies otherwise available to the Franchisor Released Parties, Releasing Parties shall defend, indemnify and hold harmless each Franchisor Released Party from and against all Claims whether or not involving third-party Claims, arising directly or indirectly from or in connection with: (i) the assertion by or on behalf of Releasing Parties or their Constituents of any Claim or other matter released pursuant to this Release Agreement; (ii) the assertion by any third party of any Claim or demand against any Franchisor Released Party which Claim or demand arises directly or indirectly from, or in connection with, any Claims or other matters released pursuant to this Release Agreement; (iii) any breach of representations, warranties or covenants hereunder by Releasing Parties or its Constituents; or (iv) the Franchise Agreement, the Restaurant, the Franchised Location, and/or any and all claims of creditors, customers, vendors, suppliers or invitees of the Restaurant, or other third parties, for obligations incurred and/or acts or omissions to act by Franchisee, both prior to and following the Effective Date.

8. GENERAL PROVISIONS.

8.1 Amendment. This Release Agreement cannot be modified, altered or otherwise amended except by an agreement in writing signed by all of the parties.

8.2 Entire Agreement. This Release Agreement, together with the agreements referenced in this Release Agreement, constitute the entire understanding between and among the parties with respect to the subject matter of this Release Agreement and supersedes any prior negotiations and agreements, oral or written, with respect to the subject matter of this Release Agreement. The Recitals set forth in Paragraphs A through C of this Release Agreement are true and correct and are incorporated into this Release Agreement as part of this Release Agreement.

8.3 Counterparts and Electronic Transmission; Electronic Signatures. This Release Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Copies of this Release Agreement with signatures that have been transmitted by email or by facsimile shall constitute and be deemed original copies of this Release Agreement for all purposes, provided that the copies are fully executed, dated and identical in form to the original hard copy version of this Release Agreement. In addition, this Release Agreement may be signed electronically by the parties and electronic signatures appearing on this Release Agreement shall be deemed to be the same as handwritten signatures for the purposes of the validity, enforceability and admissibility of this Release Agreement.

8.4 Heirs, Successors and Assigns. This Release Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, successors and permitted assigns. In addition, each of Franchisor Released Parties that is not a party shall be a third party beneficiary of this Release Agreement, with the right to

enforce this Release Agreement for his, her, or its benefit, whether acting alone or in combination with any other Franchisor Released Party.

8.5 Interpretation. The rule that an agreement is to be construed against the party drafting the agreement is hereby waived by the parties, and shall have no applicability in construing this Release Agreement or any of its terms. The headings used in this Release Agreement are for purposes of convenience only and shall not be used in construing the provisions of this Release Agreement. As used in this Release Agreement, the male gender shall include the female and neuter genders, the singular shall include the plural and the plural, the singular.

8.6 Severability and Validity. Any provision of this Release Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions of this Release Agreement or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

8.7 Governing Law and Venue. This Release Agreement shall be interpreted and construed under the laws of California. In the event of any conflict of law, the law of California shall prevail, without regard to the application of California conflict of law rules. If, however, any provision of this Release Agreement would not be enforceable under the laws of California, and if the Restaurant is located outside of California and such provision would be enforceable under the laws of the state in which the Restaurant is located, then such provision shall be interpreted and construed under the laws of that state. Nothing in this Section 8.7 is intended by the parties to subject this Release Agreement to any franchise or similar law, rules, or regulation of the state of California to which it would not otherwise be subject. The parties agree that any action brought by either party against the other in any court, whether federal or state, shall be brought in the Superior Court of California, County of Los Angeles, or the United States District Court for the Central District of California, and the parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

8.8 Authority of Franchisor. Franchisor represents and warrants that (i) Franchisor has the power and authority to enter into this Release Agreement and to perform its obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individual who executes this Release Agreement on Franchisor's behalf is duly authorized to do so without the approval or consent of any other person or entity.

8.9 Authority of Releasing Parties. Releasing Parties represent and warrant that (i) they have the power and authority to enter into this Release Agreement and to perform their obligations under this Release Agreement without the approval or consent of any other person or entity, and (ii) the individuals who execute this Release Agreement on Releasing Parties' behalves are duly authorized to do so without the approval or consent of any other person or entity.

8.10 No Waiver. No delay, waiver, omission, or forbearance on the part of any party to exercise any right, option, duty, or power arising out of any breach or default by any other party of any of the terms, provisions, or covenants of this Release Agreement, and no custom or practice by the parties at variance with the terms of this Release Agreement, shall constitute a waiver by any party to enforce any such right, option, or power as against the other parties, or as to a subsequent breach or default by the other parties.

8.11 Attorneys' Fees. If any legal action is brought to enforce the terms of this Release Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs, and any and all costs of collection, in addition to any other relief to which that party may be entitled.

8.12 Further Acts. The parties agree to execute, acknowledge and deliver to any requesting party, and to procure the execution, acknowledgment and delivery to any requesting party, of any additional documents or

instruments which the requesting party may reasonably require to fully effectuate and carry out the provisions of this Release Agreement.

IN WITNESS WHEREOF, the parties to this Release Agreement have executed this Release Agreement as of the Effective Date.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC,
A California limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

A _____

By: _____

Name: _____

Title: _____

OWNER:

_____, an individual

_____, an individual

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT H
STATE ADDENDA

HAWAII
ADDENDUM TO DISCLOSURE DOCUMENT

The Disclosure Document is amended as follows:

1. THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.
2. 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.
3. 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.

4. The Special Risks Page is amended to include the following:

Initial Investment. The franchisee will be required to make an estimated initial investment that exceeds the franchisor's stockholder's equity, which is a deficit of \$1,619,826 as of December 31, 2022. This means that the franchisor may not have the financial resources to provide services or support to you.

5. Item 5 of the Franchise Disclosure Document is amended as follows:

"Despite the payment provisions in this Item 5, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Franchise Agreement or Area Development Agreement and you begin to conduct business at the first Dog Haus Restaurant, at which time all initial fees and payments will become immediately due and payable. The Hawaii Department of Commerce and Consumer Affairs has imposed the fee deferral requirement because of our financial condition."

6. 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

HAWAII
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "Franchise Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Franchisee. Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Paragraph 4.1 of the Franchise Agreement is amended to include the following:

"All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor has completed all of Franchisor's material initial obligations to Franchise Owner under the Franchise Agreement, and Franchise Owner commences doing business at the Dog Haus Restaurant, at which time all initial fees and payments shall become immediately due and payable. The Hawaii Department of Commerce and Consumer Affairs has imposed the fee deferral requirement because of our financial condition."

2. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

FRANCHISEE:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

HAWAII
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Area Developer. Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

1. Paragraph 4.1 of the Area Development Agreement is amended to include the following:

"All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor shall have completed all of Franchisor's material initial obligations to Area Developer under the Area Development Agreement, and Area Developer commences doing business at the first Dog Haus Restaurant under the Area Development Agreement, at which time all initial fees and payments shall become immediately due and payable. The Hawaii Department of Commerce and Consumer Affairs has imposed the fee deferral requirement because of our financial condition. "

2. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

ILLINOIS
ADDENDUM TO DISCLOSURE DOCUMENT

By reading this disclosure document, you are not agreeing to, acknowledging, or making any representations whatsoever to the Franchisor and its affiliates.

In recognition of the requirements of the Illinois Franchise Disclosure Act of 1987, as amended (the "Act"), the Franchise Disclosure Document is amended as follows:

1. Illinois law governs the agreements between the parties to the Franchise Agreement.
2. Section 4 of the Act provides that any provision in the Franchise Agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a Franchise Agreement may provide for arbitration outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Protection Act provides that any condition, stipulation or provision that purports to bind a person acquiring any franchise to waive compliance with the Act or any other law of Illinois is void.
4. Your rights upon termination and non-renewal of the Franchise Agreement are set forth in sections 19 and 20 of the Act.
5. The following language is added to the end of Item 5 of the Disclosure Document:

We maintain a surety bond with Atlantic Specialty Insurance Company in the amount of \$40,000 as a condition of registration in Illinois. The bond will expire when the surety is released from liability by the Illinois Attorney General or until the bond is cancelled.

6. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

ILLINOIS
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "Franchise Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Franchisee. ~~Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control.~~ Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Illinois law governs the agreements between the parties to the Franchise Agreement.
2. Section 705/4 of the Illinois Franchise Disclosure Act of 1987 (the "Act") provides that any provision in the Franchise Agreement which designates jurisdiction or venue outside the State of Illinois is void. However, a Franchise Agreement may provide for arbitration outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Protection Act provides that any condition, stipulation or provision that purports to bind a person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Franchisee's rights upon termination and non-renewal of the Franchise Agreement 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 franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

A _____

By: _____
Name: _____
Title: _____

ILLINOIS
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Area Developer. ~~Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control.~~ Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

1. Illinois law governs the agreements between the parties to the Area Development Agreement.
2. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in the Area Development Agreement that designates jurisdiction or venue outside the State of Illinois is void. However, an Area Development Agreement may provide for arbitration outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Protection Act provides that any condition, stipulation or provision that purports to bind a person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Your rights upon termination and non-renewal of the Area Development Agreement 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 franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

INDIANA
ADDENDUM TO DISCLOSURE DOCUMENT

1. The risk factors listed on the cover page of the Uniform Franchise Disclosure Document are void under Indiana law.

2. It is unlawful for any franchise agreement entered into between any franchisor and a franchisee who is either a resident of Indiana or a nonresident who will be operating a franchise in Indiana to contain any of the following provisions:

a. Requiring goods, supplies, inventories, or services to be purchased exclusively from the franchisor or sources designated by the franchisor where such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by the franchisor. However, the publication by the franchisor of a list of approved suppliers of goods, supplies, inventories, or service or the requirement that such goods, supplies, inventories, or services comply with specifications and standards prescribed by the franchisor does not constitute designation of a source nor does a reasonable right of the franchisor to disapprove a supplier constitute a designation. This paragraph does not apply to the principal goods, supplies, inventories, or services manufactured or trademarked by the franchisor.

b. Allowing the franchisor to establish a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee in the exclusive territory granted the franchisee by the franchise agreement; or, if no exclusive territory is designated, permitting the franchisor to compete unfairly with the franchisee in a reasonable area.

c. Allowing substantial modification of the franchise agreement by the franchisor without the consent in writing of the franchisee.

d. Allowing the franchisor to obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

e. Requiring the franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability to be imposed by Indiana law or requiring any controversy between the franchisee and the franchisor to be referred to any person, if referral would be binding on the franchisee. This paragraph does not apply to arbitration before an independent arbitrator.

f. Allowing for an increase in prices of goods provided by the franchisor which the franchisee had ordered for private retail consumers prior to the franchisee's receipt of an official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each order. Price changes applicable to new models of a product at the time of introduction of such new models shall not be considered a price increase. Price increases caused by conformity to state or federal law, or the revaluation of the United States dollar in the case of foreign-made goods, are not subject to this paragraph.

g. Permitting unilateral termination of the franchise if such termination is without good cause or in bad faith. Good cause within the meaning of this paragraph includes any material violation of the franchise agreement.

h. Permitting the franchisor to fail to renew a franchise without good cause or in bad faith. This paragraph shall not prohibit a franchise agreement from providing that the agreement is not renewable upon expiration or that the agreement is renewable if the franchisee meets certain conditions specified in the agreement.

i. Requiring a franchisee to covenant not to compete with the franchisor for a period longer than three (3) years or in an area greater than the exclusive area granted by the franchise agreement or, in absence of such a provision in the agreement, an area of reasonable size, upon termination of or failure to renew the franchise.

j. Limiting litigation brought for breach of the agreement in any manner whatsoever. A choice of forum or law other than that of Indiana is prohibited.

k. Requiring the franchisee to participate in any:

- (i) Advertising campaign or contest;
- (ii) Promotional campaigns;
- (iii) Promotional materials; or
- (iv) Display decorations or materials;

at any expense to the franchisee that is indeterminate, determined by a third party, or determined by a formula, unless the franchise agreement specifies the maximum percentage of gross monthly sales or the maximum absolute sum that the franchisee may be required to pay.

l. Requiring a franchisee to enter into an agreement providing the franchisor with any indemnification for liability caused by the franchisee's proper reliance on or use of procedures or materials provided by the franchisor or by the franchisor's negligence.

m. Requiring a franchisee to enter into an agreement reserving the right to injunctive relief and any specific damages to the franchisor, limiting the remedies available to either party without benefit of appropriate process or recognizing the adequacy or inadequacy of any remedy under the agreement.

3. It is unlawful for any franchisor who has entered into any franchise agreement with a franchisee who is either a resident of Indiana or a nonresident operating a franchise in Indiana to engage in any of the following acts and practices in relation to the agreement:

a. Coercing the franchisee to:

(i) Order or accept delivery of any goods, supplies, inventories, or services which are neither necessary to the operation of the franchise, required by the franchise agreement, required by law, nor voluntarily ordered by the franchisee.

(ii) Order or accept delivery of any goods offered for sale by the franchisee which includes modifications or accessories which are not included in the base price of those goods as publicly advertised by the franchisor.

(iii) Participate in an advertising campaign or contest, any promotional campaign, promotional materials, display decorations, or materials at an expense to the franchisee over and above the maximum percentage of gross monthly sales or the maximum absolute sum required to be spent by the franchisee provided for in the franchise agreement, in the absence of such provision for required advertising expenditures in the franchise agreement, no such participation may be required; or

(iv) Enter into any agreement with the franchisor or any designee of the franchisor, or do any other act prejudicial to the franchisee, by threatening to cancel or fail to renew any agreement between the franchisee and the franchisor. Notice in good faith to any franchisee of the franchisee's violation of the terms or provisions of a franchise or agreement does not constitute a violation of this paragraph.

b. Refusing or failing to deliver in reasonable quantities and within a reasonable time after receipt of an order from a franchisee for any good, supplies, inventories, or services which the franchisor has agreed to supply to the franchisee, unless the failure is caused by acts or caused beyond the control of the franchisor.

c. Denying the surviving spouse, heirs, or estate of a deceased franchisee the opportunity to participate in the ownership of the franchise under a valid franchise agreement for a reasonable time after the death of the franchisee, provided that the surviving spouse, heirs, or estate maintains all standards and obligations of the franchise.

d. Establishing a franchisor-owned outlet engaged in a substantially identical business to that of the franchisee within the exclusive territory granted the franchisee by the franchise agreement, or if no exclusive territory is designated, competing unfairly with the franchisee within a reasonable area. However, a franchisor shall not be considered to be competing when operating a business either temporarily for a reasonable period of time, or in a bona fide retail operation which is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the business operation and can reasonably expect to acquire full ownership of such business on reasonable terms and conditions.

e. Discriminating unfairly among its franchisees or unreasonably failing or refusing to comply with any terms of a franchise agreement.

f. Obtaining money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted to the franchisee.

g. Increasing prices of goods provided by the franchisor which the franchisee had ordered for retail consumers prior to the franchisee's receipt of a written official price increase notification. Price increases caused by conformity to a state or federal law, the revaluation of the United States dollar in the case of foreign-made goods or pursuant to the franchise agreement are not subject to this paragraph.

h. Using deceptive advertising or engaging in deceptive acts in connection with the franchise or the franchisor's business.

4. The franchisee does not waive any right under Indiana statutes with regard to prior representations made in the Indiana Franchise Disclosure Document.

5. Each provision of the franchise documents which is unlawful pursuant to Indiana's franchise laws is amended to conform with said law.

6. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of Indiana law are met independently without reference to this Addendum to Franchise Disclosure Document.

7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

MARYLAND
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The "Summary" section of Item 17(c) entitled Requirements for Franchisee to renew or extend, and the Summary section of Item 17(l) entitled Franchisor's approval of transfer by Franchisee are amended by adding the following:

"Any general release you sign as a condition of renewal, sale and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

2. The "Summary" sections of Item 17(v) entitled Choice of Forum and Item 17(w) entitled Choice of Law, are amended by adding the following:

", except for claims arising under the Maryland Franchise Registration and Disclosure Law including the right to submit matters to the jurisdiction of the courts of Maryland. A Franchisee may bring any court litigation for claims arising under the Maryland Franchise Registration and Disclosure Law in Maryland."

3. The "Summary" sections of Item 17(v) entitled Choice of Forum are amended by adding the following:

"You may sue us in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise."

4. The "Summary" section of Item 17(h) entitled "Cause" defined - non-curable defaults is amended by adding the following:

The Franchise Agreement provides for termination upon your bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Sections 101 et seq.), but we will enforce it to the extent enforceable.

5. The following is added to the end of the chart in Item 17:

Despite any contradicting provision in the Franchise Agreement, you have 3 years from the date on which we grant you the franchise to bring a claim under the Maryland Franchise Registration and Disclosure Law.

6. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. All representations requiring prospective franchisees to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law or assent to a release, estoppel or waiver of liability in order to purchase a franchise 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.

7. Item 5 of the Franchise Disclosure Document is amended as follows:

“Despite the payment provisions in this Item 5, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Franchise Agreement and you begin to conduct business at the franchised location, at which time all initial fees and payments will become immediately due and payable.”

9. 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, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise. Any questionnaire and specific Acknowledgments shall not apply to prospective franchisees who are Maryland residents or who seek to purchase a franchise located in Maryland.

MARYLAND
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "Franchise Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Franchisee. Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

1. Section 14.4.6 of the Franchise Agreement is amended by the addition of the following language to the original language that appears therein:

"Any general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

2. Any provision requiring Franchisee to bring an action against Franchisor in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. Franchisee may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. All claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of a franchise.

3. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. All representations requiring prospective franchisees to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law or assent to a release, estoppel or waiver of liability in order to purchase a franchise 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.

4. Section 4.1 of the Franchise Agreement is amended to include the following: "Despite the payment provisions in this Section 4.1, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Franchise Agreement and you begin to conduct business at the franchised location, at which time all initial fees and payments will become immediately due and payable."

5. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall prevail.

6. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Addendum.

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, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise. Any questionnaire and specific Acknowledgments shall not apply to prospective franchisees who are Maryland residents or who seek to purchase a franchise located in Maryland.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____

Name: _____

Title: _____

FRANCHISEE:

A _____

By: _____

Name: _____

Title: _____

MARYLAND
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as Franchisor, and _____, as Area Developer. Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

1. Section 9.4.6 of the Area Development Agreement is amended by the addition of the following language to the original language that appears therein:

"Any general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

2. Any provision requiring Area Developer to bring an action against Franchisor in any state other than Maryland shall not apply to claims arising under the Maryland Franchise Registration and Disclosure Law. Area Developer may bring an action in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. All claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of a franchise.

3. The Maryland Franchise Registration and Disclosure Law prohibits a franchisor from requiring a prospective franchisee to assent to any release, estoppel or waiver of liability as a condition of purchasing a franchise. All representations requiring prospective franchisees to disclaim the occurrence and/or non-occurrence of acts that would constitute a violation of the Maryland Franchise Registration and Disclosure Law or assent to a release, estoppel or waiver of liability in order to purchase a franchise 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.

4. Notwithstanding anything to the contrary set forth in the Area Development Agreement, any general release the Area Developer is required to assent to is not intended to nor shall it act as a release, estoppel or waiver of any liability Franchisor may have incurred under the Maryland Franchise Registration and Disclosure Law.

5. Article 4 of the Area Development Agreement is amended to include the following: "Despite the payment provisions in this Article 4, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Area Development Agreement and you begin to conduct business at the first franchised location, at which time all initial fees and payments will become immediately due and payable."

6. In the event of any conflict between the terms of this Addendum and the terms of the Area Development Agreement, the terms of this Addendum shall prevail.

7. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Addendum.

8. 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, franchise seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise. Any questionnaire and specific Acknowledgments shall not apply to prospective franchisees who are Maryland residents or who seek to purchase a franchise located in Maryland.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

MICHIGAN
ADDENDUM TO DISCLOSURE DOCUMENT

The following disclosures are required by the State of Michigan:

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

Each of the following provisions is void and unenforceable if contained in any documents related to a franchise:

A. A prohibition on the right of a franchisee to join an association of franchisees.

B. A requirement that a franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a franchisee of rights and protections provided in the Michigan Franchise Investment Act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

C. A provision that permits a franchisor to terminate a franchise prior to the expiration of this 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 and a reasonable opportunity, which will not be more than 30 days, to cure such failure.

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

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

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

G. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. The 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:

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

2) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

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

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

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

2. If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00 the franchisor shall, at the request of a franchisee, arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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. This provision supersedes any other term of any document executed in connection with the franchise.

4. THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENFORCEMENT BY THE ATTORNEY GENERAL. Any questions regarding this notice should be direct to:

Michigan Department of Attorney General
Consumer Protection Division
Attention: Franchise Section
G. Mennen Williams Building
525 West Ottawa
Lansing, MI 48933
(517) 335-7567

MINNESOTA
ADDENDUM TO DISCLOSURE DOCUMENT

In accordance with the requirements of the state of Minnesota the following disclosure should be read in conjunction with the Disclosure Document. Any inconsistency with the information contained in the Disclosure Document will be resolved in favor of this Minnesota Addendum.

1. Item 13 "Trademarks" is amended by adding the following:

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any of your costs incurred in the defense of your right to use the Marks, so long as you were using the Marks in the manner authorized by us, and so long as we are timely notified of the claim and are given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

2. Item 17 "Renewal, Termination, Transfer and Dispute Resolution" is amended by adding the following:

A. Renewal and Termination

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Agreement.

B. Choice of Forum

Nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

C. Releases

A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.22.

3. Item 5 of the Franchise Disclosure Document is amended as follows:

"Despite the payment provisions in this Item 5, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Franchise Agreement and you begin to conduct business at the Franchised Restaurant, at which time all initial fees and payments will become immediately due and payable."

4. 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 franchisor.
This provision supersedes any other term of any document executed in connection with the franchise.

MINNESOTA
ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement is specifically amended as follows:

In recognition of the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Sections 80C.01 through 80C.22, and the Rules and Regulations promulgated pursuant thereto by the Minnesota Commission of Securities, Minnesota Rule 2860.4400, et seq., the parties to the attached Franchise Agreement ("Agreement") agree as follows:

1. Section 3.1 "Initial Term", shall be supplemented by the following new paragraph:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

2. Section 3.2 "Renewal Right", shall be supplemented by the following new paragraph:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

2. Section 9 "Dog Haus Marks" shall be supplemented by the following new paragraph:

As required by Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), Franchisor will reimburse Franchisee for any costs incurred by Franchisee in the defense of Franchisee's right to use the Marks, so long as Franchisee was using the Marks in the manner authorized by Franchisor, and so long as Franchisor is timely notified of the claim and is given the right to manage the defense of the claim including the right to compromise, settle or otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

3. Section 16 "Default and Termination" shall be supplemented by the following new paragraph:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that Franchisee be given 90 days notice of termination (with 60 days to cure) and 180 days notice of non-renewal of the Agreement.

4. Section 14.4 "Conditions of Assignment to Third Party" shall be supplemented by the following new sentence:

"A general release shall not relieve any person from liability imposed by the Minnesota Franchise Law, Minn. Stat., Chapter 80C, Section 80C.22."

5. Section 19.1 "Judicial Relief" (regarding choice of forum), shall be supplemented by the following:

"Nothing in the Disclosure Document or Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes 1984, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction."

"Minn. Stat. Sec. 80C.21 and Minnesota Rules 2860.4400(J) prohibit us from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring you to consent to liquidated damages, termination penalties, or judgment notes."

6. The following language is added at the end of Section 4.1 of the Franchise Agreement:

"All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor has completed all of Franchisor's material initial obligations to Franchisee under the Franchise Agreement, and Franchisee commences doing business at the Franchised Restaurant, at which time all initial fees and payments shall become immediately due and payable."

7. 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Amendment, understands and consents to be bound by all of its terms.

FRANCHISOR:

FRANCHISEE:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NEW YORK
ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT

1. The following information is added to the cover page of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS 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 Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (a) filed as debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. 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.

6. 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.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. 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.

9. 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NEW YORK
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "Franchise Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a Delaware limited liability company, ("Franchisor") and _____, as franchisee ("Franchisee"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

The parties to the Franchise Agreement hereby acknowledge and agree that:

1. 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.
2. The franchisee may terminate the Franchise Agreement on any grounds available by law.
3. Irrespective of any rights granted to the franchisor to assign the Franchise Agreement, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.
4. No choice of law or choice of forum provision in the Franchise Agreement should 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.
5. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall prevail.
6. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the General Business Law of the State of New York are met independently without reference to this Addendum.
6. 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. This provision supersedes any other term of any document executed in connection with the franchise.

(Signature Page Follows)

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

A _____

By: _____
Name: _____
Title: _____

NEW YORK
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as franchisor ("Franchisor"), and _____, as area developer ("Area Developer"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

The parties to the Area Development Agreement hereby acknowledge and agree that:

1. 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.
2. The area developer may terminate the Area Development Agreement on any grounds available by law.
3. Irrespective of any rights granted to the franchisor to assign the Area Development Agreement, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Area Development Agreement.
4. No choice of law or choice of forum provision in the Area Development Agreement should be considered a waiver of any right conferred upon the franchisor or upon the area developer by Article 33 of the General Business Law of the State of New York.
5. In the event of any conflict between the terms of this Addendum and the terms of the Area Development Agreement, the terms of this Addendum shall prevail.
6. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the General Business Law of the State of New York are met independently without reference to this Addendum.
7. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

NORTH DAKOTA
ADDENDUM TO DISCLOSURE DOCUMENT

Item 5 of the Franchise Disclosure Document is amended as follows:

“Despite the payment provisions in this Item 5, all initial fees and payments due to us will be deferred until the first business day following the date that we have completed all of our material initial obligations to you under the Franchise Agreement and you begin to conduct business at the Franchised Restaurant, at which time all initial fees and payments will become immediately due and payable.”

In North Dakota, the Disclosure Document is amended as follows to conform to North Dakota law:

1. Item 17 (c) “Requirements for Franchisee to Renew or Extend” of the Disclosure Document is amended as follows: “Any provision in the Franchise Agreement which requires the franchisee to sign a general release upon renewal of the Franchise Agreement is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.”

2. Item 17 (r) “Non-competition Covenants” of the Disclosure Document is amended as follows: “Any provision in the Franchise Agreement restricting competition is contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust or inequitable within the intent of Section 51-09-09 of the North Dakota Franchise Investment Law”.

3. Item 17 (u) “Dispute Resolution” of the Disclosure Document is amended as follows: “Any provision in the Franchise Agreement which provides that the parties agree to an arbitration or mediation of disputes which place at a location that is remote from the site of Franchisee’s business is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.”

4. Item 17 (v) “Venue” of the Disclosure Document is amended as follows: “Any provision in the Franchise Agreement which designates jurisdiction or venue or requires the Franchisee to agree to jurisdiction or venue in a forum outside of North Dakota is void with respect to any cause of action which is otherwise enforceable in North Dakota.”

5. Item 17 (w) “Governing Law” is amended as follows: “Any provision in the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.”

6. 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

NORTH DAKOTA
ADDENDUM TO FRANCHISE AGREEMENT

The Franchise Agreement is amended as follows:

1. Any provision in the Franchise Agreement requiring the Franchisee to consent to a waiver of exemplary and punitive damages is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
2. In North Dakota, provisions of the Franchise Agreement which unreasonably limit the statute of limitations or remedies under the North Dakota Franchise Investment Law, such as the right to jury trial, may not be enforceable.
3. Provisions of the Franchise Agreement requiring the Franchisee to consent to liquidated damages or termination penalties, requiring the Franchisee to consent to a limitation of claims or requiring the Franchisee to pay all of Franchisor's costs and expenses incurred in enforcing the agreement may not be enforceable under North Dakota law.
4. Provisions of the Franchise Agreement requiring that the Franchise Agreement be construed according to the laws of a state other than North Dakota are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
5. Provisions of the Franchise Agreement which provide that the parties agree to arbitration or mediation of disputes at a location that is remote from the site of Franchisee's business is unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
6. Provisions of the Franchise Agreement which designate jurisdiction or venue or require the Franchisee to agree to jurisdiction or venue in a forum outside of North Dakota are void with respect to any cause of action which is otherwise enforceable in North Dakota.
7. Provisions of the Franchise Agreement requiring a franchisee to sign a general release upon the renewal of the Franchise Agreement are unfair, unjust or inequitable within the intent of Section 51-19-09 of the North Dakota Franchise Investment Law.
8. Provisions of the Franchise Agreement restricting competition are contrary to Section 9-08-06 of the North Dakota Century Code, without further disclosing that such covenants may be subject to this statute, are unfair, unjust or inequitable within the intent of Section 51-09-09 of the North Dakota Franchise Investment Law.
9. The following language is added at the end of Section 4.1 of the Franchise Agreement:

"All initial fees and payments to be paid to Franchisor shall be deferred until the first business day following the date that Franchisor has completed all of Franchisor's material initial obligations to Franchisee under the Franchise Agreement, and Franchisee commences doing business at the Franchised Restaurant, at which time all initial fees and payments shall become immediately due and payable."

10. 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR:

FRANCHISEE:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

RHODE ISLAND
ADDENDUM TO DISCLOSURE DOCUMENT

The Disclosure Document is amended as follows:

1. The following language is added to Item 17(v) entitled "Choice of Forum":

"A provision of a franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of any state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act."

2. The following language is added to Item 17(w) entitled "Choice of Law":

"A provision of a franchise agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of any state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act."

3. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

RHODE ISLAND
ADDENDUM TO FRANCHISE AGREEMENT

THIS ADDENDUM TO FRANCHISE AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Franchise Agreement (the "Franchise Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as franchisor ("Franchisor") and _____, as franchisee ("Franchisee"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Franchise Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Franchise Agreement shall have the identical meanings in this Addendum.

In recognition of the requirements of the Rhode Island Franchise Investment Act (Section 19-28.1-14), the parties to the Franchise Agreement agree as follows:

1. Any provision of the Franchise Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of any state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
2. In the event of any conflict between the terms of this Addendum and the terms of the Franchise Agreement, the terms of this Addendum shall prevail.
3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.
4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

A _____

By: _____
Name: _____
Title: _____

RHODE ISLAND
ADDENDUM TO AREA DEVELOPMENT AGREEMENT

THIS ADDENDUM TO AREA DEVELOPMENT AGREEMENT (this "Addendum") dated _____, is intended to be a part of, and by this reference is incorporated into that certain Area Development Agreement (the "Area Development Agreement") dated _____, by and between DOG HAUS WORLDWIDE, LLC, a California limited liability company, as franchisor ("Franchisor") and _____, as area developer ("Area Developer"). Where and to the extent that any of the provisions of this Addendum are contrary to, in conflict with or inconsistent with any provision contained in the Area Development Agreement, the provisions contained in this Addendum shall control. Defined terms contained in the Area Development Agreement shall have the identical meanings in this Addendum.

In recognition of the requirements of the Rhode Island Franchise Investment Act (Section 19-28.1-14), the parties to the Area Development Agreement agree as follows:

1. Any provision of the Area Development Agreement restricting jurisdiction or venue to a forum outside Rhode Island or requiring the application of the laws of any state other than Rhode Island is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.
2. In the event of any conflict between the terms of this Addendum and the terms of the Area Development Agreement, the terms of this Addendum shall prevail.
3. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Rhode Island Franchise Investment Act are met independently without reference to this Addendum.
4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, each of the undersigned hereby acknowledges having read this Addendum, and understands and consents to be bound by all of its terms.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

A _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SOUTH DAKOTA
ADDENDUM TO DISCLOSURE DOCUMENT

The Franchise Agreement includes a covenant not to compete after termination of the Franchise Agreement. Covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of South Dakota, except in certain instances provided by law. The Franchise Agreement provides for arbitration in a state other than South Dakota. Under South Dakota law, arbitration must be conducted at a mutually agreed upon site in accordance with § 11 of the Commercial Arbitration Rules of the American Arbitration Association.

The Franchise Agreement designates the law of a state other than South Dakota as the governing law, except that the arbitration clause is to be construed under the Federal Arbitration Act and trademark issues are to be construed under the Lanham Act. Franchise registration, employment, covenants not to compete, and other matters of local concern will be governed by the laws of the State of South Dakota, but contractual and all other matters will be subject to application, construction, enforcement, and interpretation under the governing law specified by the Franchise Agreement.

Under South Dakota law, any provision in a Franchise Agreement which designates jurisdiction or venue or requires the franchisee to agree to jurisdiction or venue outside South Dakota is void with respect to any cause of action which is governed by the law of South Dakota.

Under South Dakota law, termination provisions covering breach of the Franchise Agreement, failure to meet performance and quality standards, and failure to make management service fee payments contained in the Disclosure Document and Franchise Agreement must afford a franchisee thirty (30) days written notice with an opportunity to cure the default prior to termination. Under SDL 37-5B-21, any condition, stipulation or provision purporting to waive compliance with any provision of this chapter or any rule or order under it is void.

Any acknowledgment, provision, disclaimer or integration clause or a provision having a similar effect in a Franchise Agreement does not negate or act to remove from judicial review any statement, misrepresentation or action that would violate the South Dakota franchise law or a rule or order under the South Dakota franchise law.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA
ADDENDUM TO DISCLOSURE DOCUMENT

The Disclosure Document is amended as follows:

1. All references in Items 5 and 17 of the Disclosure Document which provide that the Franchise Agreement may be terminated for any reason are in violation of Section 13.1-564 of the Virginia Retail Franchising Act and are unenforceable.
2. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or other agreements does not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.
3. 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 after the franchisor has completed its pre-opening obligations under the Franchise Agreement.
4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

VIRGINIA
ADDENDUM TO FRANCHISE AGREEMENT

The undersigned hereby acknowledge and agree that:

1. All references in the Franchise Agreement which provide that the Franchise Agreement may be terminated for any reason are in violation of Section 13.1-564 of the Virginia Retail Franchising Act and are unenforceable.

2. Each provision of this Addendum shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Act are met independently without reference to this Addendum.

3. 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 after the franchisor has completed its pre-opening obligations under the Franchise Agreement.

4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchise 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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

FRANCHISOR:

AREA DEVELOPER:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

A _____
By: _____
Name: _____
Title: _____

WASHINGTON
ADDENDUM TO DISCLOSURE DOCUMENT

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW (the "Act") will prevail.

The Act may supersede this Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the Agreement in your relationship with the Franchisor, including the areas of termination and renewal of your franchise.

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.

A release or waiver of rights executed by a franchisee shall not include rights under the Washington Franchise Investment Protection Act, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act or rights or remedies under the Act, such as a right to a jury trial, may not be enforceable.

Transfer fees are collectable to the extent that they reflect the Franchisor's reasonable estimated or actual costs in effecting a transfer.

If any of the provisions in this Disclosure Document or Franchise Agreement are inconsistent with the relationship provisions of Revised Code of Washington Section 19.100.180 or any other requirements of the Act, the provisions of the Act will prevail over the inconsistent terms of the Disclosure Document or Franchise Agreement.

Item 5 of the Franchise Disclosure Document is amended as follows:

"In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business."

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

WASHINGTON
ADDENDUM TO FRANCHISE AGREEMENT AND RELATED AGREEMENTS

In recognition of the requirements of the Washington Franchise Investment Protection Act (RCW 19.100, and the rules adopted thereunder), the parties to the attached Franchise Agreement agree as follows:

In the event of a conflict of laws the provisions of the Act, Chapter 19.100 RCW (the "Act"), will prevail.

The Act may supersede the Franchise Agreement in Franchisee's relationship with Franchisor, including the areas of termination and renewal of Franchisee's franchise. There might also be court decisions which supersede the Franchise Agreement in Franchisee's relationship with Franchisor, including termination and renewal of Franchisee's franchise.

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.

A release or waiver of rights executed by Franchisee shall not include rights under the Act, except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, such as a right to a jury trial, might not be enforceable.

Transfer fees are collectable to the extent that they reflect Franchisor's reasonable estimate or actual costs in effecting a transfer.

Section 4.1 of the Franchise Agreement is amended as follows:

"In lieu of an impound of franchise fees, the Franchisor will not require or accept the payment of any initial franchise fees until the franchisee has (a) received all initial training that it is entitled to under the franchise agreement or offering circular, and (b) is open for business."

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

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 franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The following is added to the definition of "Business Judgment" in Article 1 of the Franchise Agreement:

The definition of Business Judgment does not modify the Franchisor's duty to deal with Franchisee in good faith under RCW 19.100.180(1).

The following is added to the end of Section 3.3 of the Franchise Agreement:

Any release signed by a renewing Franchisee does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

The following is added to the end of Section 14.4.6 of the Franchise Agreement:

Any release signed by a transferring Franchisee does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

The following is added to the end of Section 18.4 of the Franchise Agreement:

Franchisee has no obligation to indemnify or hold harmless an indemnified party for losses caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

The following is added to the end of Section 21.17 of the Franchise Agreement:

This Section 21.17 does not modify the franchisor's duty to deal with franchisees in good faith under RCW 19.100.180(1).

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this ____ day of _____, 20__.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

FRANCHISEE:

(IF FRANCHISEE IS A CORPORATION, LIMITED LIABILITY COMPANY, OR PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
Name: _____
Title: _____

OR

(IF FRANCHISEE IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

WASHINGTON

ADDENDUM TO AREA DEVELOPMENT AGREEMENT AND RELATED AGREEMENTS

In recognition of the requirements of the Washington Franchise Investment Protection Act (RCW 19.100, and the rules adopted thereunder), the parties to the attached Area Development Agreement agree as follows:

In the event of a conflict of laws the provisions of the Act, Chapter 19.100 RCW (the "Act"), will prevail.

The Act may supersede this Agreement in Franchisee's relationship with Franchisor, including the areas of termination and renewal of Franchisee's franchise. There might also be court decisions which supersede the Agreement in Franchisee's relationship with Franchisor, including termination and renewal of Franchisee's franchise.

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.

A release or waiver of rights executed by Franchisee shall not include rights under the Act, except when executed pursuant to a negotiated settlement after the Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, such as a right to a jury trial, might not be enforceable.

Transfer fees are collectable to the extent that they reflect Franchisor's reasonable estimate or actual costs in effecting a transfer.

Section 4.1 of the Area Development Agreement is amended as follows:

"Because franchisor has material pre-opening obligations with respect to each franchised business Franchisee opens under the Area Development Agreement, payment of the franchise fee will be released proportionally with respect to each franchise outlet opened and is deferred until franchisor has met all its pre-opening obligations under the Agreement and Franchisee is open for business with respect to each such location."

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

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, franchisee, seller, or other person acting on behalf of franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The following is added to the definition of "Business Judgment" in Article 1 of the Area Development Agreement:

The definition of Business Judgment does not modify the Franchisor's duty to deal with Area Developer in good faith under RCW 19.100.180(1).

Section 9.1.2 of the Area Development Agreement does not apply in the state of Washington.

The following is added to the end of Section 9.4.6 of the Area Development Agreement:

Any release signed by a transferring Area Developer does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, or the rules adopted thereunder.

The following is added to the end of Section 14.4 of the Franchise Agreement:

Area Developer has no obligation to indemnify or hold harmless an indemnified party for losses caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

The following is added to the end of Section 18.7 of the Area Development Agreement:

This Section 18.7 does not modify the franchisor's duty to deal with area developers in good faith under RCW 19.100.180(1).

(Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Addendum dated this ____ day of _____, 20__.

FRANCHISOR:

DOG HAUS WORLDWIDE, LLC
A California limited liability company

By: _____
Name: _____
Title: _____

AREA DEVELOPER:

(IF AREA DEVELOPER IS A CORPORATION,
LIMITED LIABILITY COMPANY, OR
PARTNERSHIP):

[Print Name of Franchisee Entity]

By: _____
Name: _____
Title: _____

OR

(IF AREA DEVELOPER IS AN INDIVIDUAL):

Print Name

Signature

Print Name

Signature

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT I
FINANCIAL STATEMENTS

Dog Haus Worldwide, LLC

Financial Statements

December 31, 2024, 2023 and 2022

Dog Haus Worldwide, LLC

Table of Contents

December 31, 2024, 2023 and 2022

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Balance Sheets	3
Statements of Operations and Members' Deficit	4
Statements of Cash Flows	5
Notes to Financial Statements	6

Independent Auditors' Report

To the Members of
Dog Haus Worldwide, LLC

Opinion

We have audited the financial statements of Dog Haus Worldwide, LLC (the Company), which comprise the balance sheets as of December 31, 2024 and 2023, and the related statements of operations and members' deficit, and cash flows for the years ended December 31, 2024, 2023 and 2022, 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 the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years ended December 31, 2024, 2023 and 2022 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Baker Tilly US, LLP

Los Angeles, California
March 4, 2025

Dog Haus Worldwide, LLC

Balance Sheets

December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current Assets		
Cash	\$ 271,492	\$ 301,811
Restricted cash	120,949	181,682
Receivables from franchisees, net	508,617	133,515
Prepaid expenses and other current assets	200,308	78,114
Loans receivable, related parties	178,753	-
	<u>1,280,119</u>	<u>695,122</u>
Total current assets	<u>1,280,119</u>	<u>695,122</u>
Property, Plant and Equipment, Net	46,659	61,602
Operating Lease Right-of-Use Asset	32,345	158,656
Trademark	155,425	141,610
Due From Related Parties	649,780	-
Deposits	17,506	17,506
	<u>17,506</u>	<u>17,506</u>
Total assets	<u>\$ 2,181,834</u>	<u>\$ 1,074,496</u>
Liabilities and Members' Deficit		
Current Liabilities		
Accounts payable and accrued expenses	\$ 768,992	\$ 428,136
Deferred revenue	820,709	950,709
Operating lease liability, current	34,067	121,020
Accrued settlements, related party	140,000	260,000
	<u>140,000</u>	<u>260,000</u>
Total current liabilities	1,763,768	1,759,865
Operating Lease Liability, Net of Current Portion	-	42,442
Prepaid Credit Liability	578,629	-
Long-Term Debt	1,291,800	1,291,800
	<u>1,291,800</u>	<u>1,291,800</u>
Total liabilities	<u>3,634,197</u>	<u>3,094,107</u>
Members' Deficit	<u>(1,452,363)</u>	<u>(2,019,611)</u>
Total liabilities and members' deficit	<u>\$ 2,181,834</u>	<u>\$ 1,074,496</u>

See notes to financial statements

Dog Haus Worldwide, LLC

Statements of Operations and Members' Deficit Years Ended December 31, 2024, 2023 and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Revenues			
Royalties	\$ 4,931,770	\$ 4,515,559	\$ 4,349,874
Marketing, creative and technology fees	1,215,062	1,213,271	1,375,340
Franchise and development fees	740,000	1,019,346	281,068
Other fees	<u>248,323</u>	<u>156,630</u>	<u>190,264</u>
Total revenues	<u>7,135,155</u>	<u>6,904,806</u>	<u>6,196,546</u>
Operating Expenses			
Payroll	1,517,803	1,272,049	1,053,496
General and administrative	1,807,182	1,683,259	1,201,258
Marketing and advertising	1,470,843	1,487,295	1,554,304
Franchise related expenses	<u>517,705</u>	<u>75,490</u>	<u>125,441</u>
Total operating expenses	<u>5,313,533</u>	<u>4,518,093</u>	<u>3,934,499</u>
Total income from operations	<u>1,821,622</u>	<u>2,386,713</u>	<u>2,262,047</u>
Other Income (Expense)			
Interest	(48,575)	(49,106)	(63,929)
Other	<u>(4,686)</u>	<u>6,808</u>	<u>52,428</u>
Total other expense, net	<u>(53,261)</u>	<u>(42,298)</u>	<u>(11,501)</u>
Net income	\$ 1,768,361	\$ 2,344,415	\$ 2,250,546
Members' Deficit, Beginning	(2,019,611)	(1,619,826)	(857,616)
Distributions to members	<u>(1,201,113)</u>	<u>(2,744,200)</u>	<u>(3,012,756)</u>
Members' Deficit, Ending	<u>\$ (1,452,363)</u>	<u>\$ (2,019,611)</u>	<u>\$ (1,619,826)</u>

See notes to financial statements

Dog Haus Worldwide, LLC

Statements of Cash Flows

Years Ended December 31, 2024, 2023 and 2022

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Cash Flows From Operating Activities			
Net income	\$ 1,768,361	\$ 2,344,415	\$ 2,250,546
Adjustments to reconcile net income to cash provided by operations:			
Depreciation and amortization	14,943	21,833	5,274
Amortization of right of use asset	126,311	154,189	(312,844)
Bad debt expense	157,116	-	-
Loss on disposal on property, plant and equipment	-	37,550	-
Change in operating assets and liabilities:			
Receivables from franchisees	(426,427)	(38,514)	(18,206)
Prepaid expenses and other current assets	(122,194)	(52,476)	(2,029)
Accounts payable and accrued expenses	340,856	77,544	(16,416)
Prepaid credit liability	578,629	-	-
Operating lease liability	(129,395)	(121,021)	284,482
Deferred revenue	(130,000)	(694,346)	(40,264)
Accrued settlements, related party	(120,000)	105,000	-
	<u>2,058,200</u>	<u>1,834,174</u>	<u>2,150,543</u>
Net cash provided by operating activities			
Cash Flows From Investing Activities			
Additions to trademark	(13,815)	(23,975)	(42,207)
Due from related parties	(755,571)	-	21,233
Loans receivable, related parties	(178,753)	-	-
Purchase of property and equipment	-	(6,032)	(29,826)
	<u>(948,139)</u>	<u>(30,007)</u>	<u>(50,800)</u>
Net cash used in investing activities			
Cash Flows From Financing Activities			
Proceeds from surety bond	-	-	140,000
Due to members	-	-	(375,000)
Distributions to members	(1,201,113)	(2,744,200)	(3,012,756)
	<u>(1,201,113)</u>	<u>(2,744,200)</u>	<u>(3,247,756)</u>
Net cash used in financing activities			
Net decrease in cash	(91,052)	(940,033)	(1,148,013)
Cash and Restricted Cash, Beginning	<u>483,493</u>	<u>1,423,526</u>	<u>2,571,539</u>
Cash and Restricted Cash, Ending	<u>\$ 392,441</u>	<u>\$ 483,493</u>	<u>\$ 1,423,526</u>
Supplemental Disclosure of Cash Flow Information			
Cash paid for interest	<u>\$ 77,508</u>	<u>\$ 45,213</u>	<u>\$ 4,360</u>

See notes to financial statements

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

1. Nature of Operations

Dog Haus Worldwide, LLC (the Company), a California limited liability company, was formed on March 7, 2018 for the purpose of franchising an existing restaurant chain, known as Dog Haus, which offers lunch and dinner menus featuring and serving fresh, gourmet hot dogs, sausages, burgers, and a variety of other food products, side dishes and non-alcoholic and alcoholic beverages for dine-in or take-out.

On April 2, 2018, Dog Haus International, LLC (DHI), a related party Delaware limited liability company; Dog Haus, LLC (DH), a related party California limited liability company; and an unrelated party irrevocable trust (the Trust) entered into a contribution agreement with the Company (the Contribution Agreement). Pursuant to the Contribution Agreement, DHI contributed substantially all of its assets and liabilities; DH contributed its intellectual property including certain trademarks; and the Trust contributed \$2,500,000 in exchange for membership units in the Company. The Company paid off liabilities contributed by DHI concurrently with the Trust's monetary contributions, as part of the Contribution Agreement.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The financial statements are presented on the accrual basis of accounting.

Reclassifications

Certain prior period amounts have been reclassified to conform with the current period presentation. These reclassifications had no impact on previously reported net income or total members' deficit.

Cash

The Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents. As of December 31, 2024 and 2023, the Company did not have any cash equivalents. The Company maintains cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Restricted Cash

Restricted cash represents funds held by a bank designated for a specific purpose. Restricted cash totaled \$120,949 and \$181,682 at December 31, 2024 and 2023, respectively.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

Receivables from Franchisees

Receivables from franchisees are a combination of royalties due from franchisees and franchise fees due from executed franchise agreements. Management considers the following factors when determining the collectability of specific franchisees' accounts: the age of the balances, the Company's historical bad debt experience, franchisees' creditworthiness, and changes in franchisees' payment terms. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to the allowance for doubtful accounts. Balances that remain outstanding after reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and credit to accounts receivable. The Company has established an allowance for doubtful accounts in the amount of \$51,325 as of December 31, 2024. As of December 31, 2023, the Company did not establish a reserve as it was management's opinion that uncollectible accounts, if any, were not significant.

As of December 31, 2023, receivables from franchisees were as follows:

Balance at January 1, 2023, as reported	<u>\$ 95,001</u>
Additions	133,514
Collections	<u>(95,000)</u>
Total as of December 31, 2023	<u>\$ 133,515</u>

As of December 31, 2024 receivables from franchisees were as follows:

Balance at January 1, 2024, as reported	<u>\$ 133,515</u>
Additions	559,942
Collections	(133,515)
Allowance for doubtful accounts	<u>(51,325)</u>
Total as of December 31, 2024	<u>\$ 508,617</u>

Advertising Costs

Advertising costs are expensed in the period in which they are incurred over the life of the contract, when applicable. Advertising costs for the years ended December 31, 2024, 2023, and 2022 were \$1,470,843, \$1,487,295 and \$1,554,304, respectively.

Revenue Recognition

The Company follows the guidance of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2021-02, *Franchisors - Revenue from Contracts with Customers (Subtopic 952-606): Practical Expedient*. This guidance provides a practical expedient to Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers, that permits franchisors that are not public entities to account for preopening services provided to a franchisee as distinct from the franchise license if the services are consistent with those included in a predefined list within ASU 2021-02. Additionally, ASU 2021-02 provides an accounting policy election to recognize pre-opening services as a single performance obligation, which the Company has elected.

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

Franchise Fees, Royalty Revenue and Development Fees: Franchise fees are nonrefundable and are generally due upon signing of the franchise agreement. Franchise fee revenue is recognized upon the completion of the performance obligations within the franchise agreements. The Company recognizes revenue upon the opening of the specific location. Deferred franchise fee revenue as of December 31, 2024 and 2023, represents franchise fees collected but unearned due to the location not being open yet.

During the years ended December 31, 2024, 2023 and 2022, the total franchise and development fees recognized was \$740,000, \$1,019,346 and \$281,068, respectively.

In addition to franchise fee revenue, the Company collects a royalty fee of 6%. Royalties are recognized as revenue as the related sales are made by the franchisees. Royalty revenue for the years ended December 31, 2024, 2023 and 2022 was \$4,931,770, \$4,515,559 and \$4,349,874, respectively.

Marketing, Creative and Technology Fees: In accordance with the franchise agreements, the Company requires marketing, creative and technology fee payments from franchisees at 2% of net sales. These funds are required to be spent for specific advertising purposes, including the promotion of Dog Haus restaurants. Marketing fees received are reported at gross on the statements of operations and members' deficit with the related marketing costs showing as expense. For the years ended December 31, 2024, 2023 and 2022, marketing fee income was \$1,215,062, \$1,213,271, and \$1,375,340, respectively. As of December 31, 2024, the Company has cumulatively spent \$1,129,326 marketing expenses in excess of the fees collected.

Significant Concentration

As of December 31, 2024, one franchisee accounted for 12% of total receivables from franchisees. As of December 31, 2024, three vendors accounted for 21%, 20%, and 11% of total accounts payable, respectively. As of December 31, 2023, one franchisee accounted for 21% of total accounts receivable. As of December 31, 2023, four vendors accounted for 33%, 25%, 16%, and 11% of total accounts payable, respectively.

Property and Equipment

Property and equipment are stated at cost. For financial reporting, depreciation is recorded using the straight-line method over the estimated useful lives.

	<u>Years</u>
Computer equipment	5
Equipment and machinery	5
Furniture and fixtures	3 - 5
Leasehold improvements	5

Expenditures for major renewals and betterment that extend the useful lives of property and equipment are capitalized with expenditures for repairs and maintenance charged to expense as incurred. The cost of assets sold, retired, or disposed of and the related allowance for depreciation are eliminated from the accounts, and any resulting gain or loss is included in operations.

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

Indefinite Lived Intangible Assets

Dog Haus's indefinite lived intangible asset consists of a trademark. The life of trademark is indefinite as the Company intends to renew trademarks at the end of their terms. Intangible assets with indefinite useful lives are not amortized, but instead are tested for impairment if events or changes in circumstances indicate that it is more likely than not that the indefinite lived asset is impaired. Dog Haus completed a qualitative test for indefinite lived asset impairment as of December 31, 2024 and 2023. For both the years ended December 31, 2024 and 2023, Dog Haus determined that there was no impairment of the indefinite lived intangible assets.

Income Taxes

GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions, and has concluded that as of December 31, 2024 and 2023, there are no positions taken or expected to be taken that would require recognition of a liability (or an asset) or disclosure in the financial statements. Furthermore, under current law, no federal or state income taxes are paid directly by the LLC, as each member is held responsible for his or her respective share of LLC income or loss. Certain states also assess fees on gross revenues.

Recently Adopted Accounting Standards

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*. The amendments in this update replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses. This ASU is intended to provide financial statement users with more decision-useful information about expected credit losses and is effective for annual periods and interim periods for those annual periods beginning after December 15, 2022. Entities may early adopt beginning after December 15, 2018. Effective January 1, 2023, the Company adopted this ASU on its financial statements and has determined that it does not have a material impact on its financial position, results of operations, or cash flows. Therefore, no adjustment to the opening retained earnings was required. The Company will continue to monitor and assess the impact this standard will have on its financial statements in future periods.

The deferred franchise fee revenues presented on the accompanying balance sheets are comprised of unamortized upfront fees received from franchisees. A summary of changes to the balance during 2023 and 2024 is as follows:

Balance at January 1, 2023, as reported	\$ 1,645,055
Increase for franchise fees received	420,000
Adjustments	(95,000)
Revenue recognized	<u>(1,019,346)</u>
Balance as of December 31, 2023	<u>950,709</u>
Increase for franchise fees received	490,000
Adjustments	120,000
Revenue recognized	<u>(740,000)</u>
Balance as of December 31, 2024	<u>\$ 820,709</u>

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

Subsequent Events

The Company has evaluated subsequent events through March 4, 2025, the date that the financial statements were available to be issued, noting no other items for financial statement disclosure.

3. Franchise Outlets

As of December 31, 2024, 2023 and 2022, franchise outlets consisted of the following:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
In operation, beginning	57	49	51
New franchise locations opened during the year	7	12	5
Franchise locations closed during the year	<u>(5)</u>	<u>(4)</u>	<u>(7)</u>
In operation, ending	<u>59</u>	<u>57</u>	<u>49</u>

4. Property and Equipment, Net

Property and equipment, net are primarily comprised of office furniture and computer equipment. The balance as of December 31, 2024 and 2023 was \$46,659 and \$61,602, respectively, net of accumulated depreciation and amortization of \$105,935 and \$90,992, respectively.

	<u>2024</u>	<u>2023</u>
Computers and equipment	\$ 46,935	\$ 46,935
Equipment and machinery	7,617	7,617
Furniture and fixtures	19,842	19,842
Leasehold improvements	<u>78,200</u>	<u>78,200</u>
	152,594	152,594
Less accumulated depreciation and amortization	<u>(105,935)</u>	<u>(90,992)</u>
Total	<u>\$ 46,659</u>	<u>\$ 61,602</u>

Depreciation and amortization expense for the years ended December 31, 2024, 2023 and 2022, were \$14,943, \$21,833 and \$5,274, respectively.

5. Operating Lease

Right-of-use asset (ROU) represents the Company's right to use an underlying asset for the lease term, while lease liability represents the Company's obligation to make lease payments arising from the lease. ROU asset and lease liability are recognized at the commencement date of a lease based on the net present value of lease payments over the lease term.

In determining the discount rate used to measure the ROU asset and lease liability, the Company uses the rate implicit in the lease, or if not readily available, the Company uses a risk-free rate based on U.S. Treasury notes or bond rates for a similar term.

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

ROU asset is assessed for impairment in accordance with the Company's long-lived asset policy. The Company reassesses lease classification and remeasures ROU asset and lease liability when a lease is modified, and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with Topic 842. The Company made significant assumptions and judgments in applying the requirements of Topic 842. In particular, the Company:

- Determined the discount rate used to measure the lease liability.
- Evaluated whether a contract contains a lease, by considering factors such as whether the Company obtained substantially all rights to control an identifiable underlying asset and whether the lessor has substantive substitution rights.
- Determined whether contracts contain embedded leases.

The Company entered into a lease agreement for the corporate office facility commencing December 1, 2021, and expiring March 1, 2025. As of and for the year ended December 31, 2024 and December 31, 2023, the current portion of the lease liability was \$34,067 and \$121,020. As of and for the year ended December 31, 2024, the discount rate for the lease was 3.75% and the remaining life is three months.

As of December 31, 2024 and 2023, ROU asset and lease liability related to the operating lease was as follows:

	<u>2024</u>	<u>2023</u>
ROU asset	\$ 32,345	\$ 158,656
Lease liability, current portion	34,067	121,020
Lease liability, net of current portion	<u>-</u>	<u>42,442</u>
Total operating lease liabilities	<u>\$ 34,067</u>	<u>\$ 163,462</u>

The following is a schedule, by year, of the future maturities of the Company's operating lease liability:

Year ending December 31, 2025	<u>\$ 34,280</u>
Total lease payments	34,280
Less interest	<u>213</u>
Total	<u>\$ 34,067</u>

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

6. Deferred Revenue

Deferred revenue represents unearned revenue generated from the sale of franchises and area development arrangements. The Company provides franchisees support for site selection, architectural plans, interior and exterior design and layout, training, marketing and sales techniques, and opening assistance, which substantially completes their performance obligations under the franchise agreement. As of December 31, 2024 and 2023, deferred revenue was \$820,709 and \$950,709, respectively.

7. Related Parties

Due from Related Parties

The Company provides advance cash to affiliated entities that are related through common ownership and business activities. These receivables are noninterest bearing and are due upon demand. The related party unpaid balance as of December 31, 2024 was \$649,780. The Company did not impute any interest with respect to this advance. The Company wrote off \$105,791 for the year ended December 31, 2024.

Accrued Settlements

Upon termination of certain franchise agreements and at the discretion of the Company, the Company agreed to refund a portion of initial franchise fees back to the franchisees. As of December 31, 2024 and 2023, the amount owed to franchisees were approximately \$140,000 and \$260,000, respectively.

Loans Receivable, Related Parties

The Company has provided two loans to related parties. These loan receivables are interest bearing and are due upon demand. The unpaid balance at December 31, 2024 for the two loans were \$178,753.

8. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses are primarily comprised of accounts payable, charities payable, gift cards, and other. The balance as of December 31, 2024 and 2023 was \$768,992 and \$428,136, respectively.

	<u>2024</u>	<u>2023</u>
Accounts payable	\$ 242,856	\$ 60,238
Charities payable	116,696	34,892
Gift cards	188,027	181,682
Other	<u>221,413</u>	<u>151,324</u>
Total	<u>\$ 768,992</u>	<u>\$ 428,136</u>

Dog Haus Worldwide, LLC

Notes to Financial Statements
December 31, 2024, 2023 and 2022

9. Long-Term Debt

The Company was granted an Economic Injury Disaster Loan (EIDL) through the Small Business Administration on December 14, 2020, in the amount of \$150,000. On July 29, 2021, the Company entered into an amendment to increase the principal amount to a total of \$500,000. On December 15, 2021, the Company entered into another amendment to increase the principal amount to a total of \$1,291,800. The loan accrues interest at 3.75% per annum as of the date of the advances of the loan. No payments are due for the first 24 months. Payments start in June 2023 in the amount of \$6,459 per month for 30 years with payments applied to interest first and then principal. Accrued interest as of December 31, 2024 and 2023 was \$34,529 and \$63,462, respectively, and are included in accounts payable and accrued expenses of the accompanying balance sheets. Total principal payments required on the loan as of December 31, 2024 are as follows:

Years ending December 31:		
2025	\$	-
2026		27,238
2027		30,611
2028		31,649
2029		32,987
Thereafter		<u>1,169,315</u>
Total	\$	<u>1,291,800</u>

10. Prepaid Credit Liability

In 2024, the Company entered into an arrangement to sell pre-purchase credits to be used at participating restaurants. As of December 31, 2024, the total balance was \$578,629, which is recorded on the balance sheet under prepaid credit liability.

11. Commitments and Contingencies

The Company is subject to various claims and legal proceedings in the ordinary course of business. Management is not aware of any matters that would have a material impact on the financial statements. However, there is no assurance that any such matters will not have a material or adverse effect on the Company's business, financial position, or results of operations or cash flows.

12. Employee Benefit Plan

The Company maintains a 401(k) plan for the benefit of all qualified employees. Employees may elect to contribute a portion of their compensation up to statutory limits for the year ended December 31, 2024. The Company matches such contributions on a dollar-for-dollar basis, not to exceed 4% of the employee's compensation. For the year ended December 31, 2024, the Company contributed \$35,971 and is included in payroll expenses on the statements of operations and members' deficit. There were no contributions for the years ended December 31, 2023 and 2022.

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT J
LIST OF STATE ADMINISTRATORS/AGENTS FOR SERVICE OF PROCESS

LIST OF STATE ADMINISTRATORS AND STATE AGENTS FOR SERVICE OF PROCESS

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Department of Financial Protection and Innovation 320 West 4 th Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 (866) 275-2677 website: www.dfpi.ca.gov email: Ask.DFPI@dfpi.ca.gov	Commissioner of Financial Protection and Innovation of the State of California 320 West 4 th Street, Suite 750 Los Angeles, California 90013 (213) 576-7500 (866) 275-2677 website: www.dfpi.ca.gov email: Ask.DFPI@dfpi.ca.gov
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722	Commissioner of Securities, Department of Commerce & Consumer Affairs 335 Merchant Street Room 203 Honolulu, Hawaii 96813 (808) 586-2722
ILLINOIS	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Franchise Bureau Office of the Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Indiana Secretary of State Securities Division 302 West Washington Street, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204 (317) 232-6531
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360	Maryland Securities Commissioner Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2021 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Attn: Franchise Section 525 West Ottawa, 1 st Floor G. Mennen Williams Building, 1 st Floor Lansing, Michigan 48913 (517) 335-7567	Michigan Department of Commerce Corporations and Securities Bureau P.O. Box 30054 6546 Mercantile Way Lansing, Michigan 48909
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600	Minnesota Commissioner of Commerce Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101-2198 (651) 539-1600
NEBRASKA	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171	Nebraska Department of Banking and Finance Bureau of Securities/Financial Institutions Division 1526 K Street, Suite 300 Lincoln, Nebraska 68508-2723 (402) 471-2171

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
NEW YORK	<p>NYS Department of Law Investor Protection Bureau Franchise Section 28 Liberty Street, 21st Floor New York, New York 10005-1495 (212) 416-8236 (Phone) (212) 416-6042 (Fax)</p>	<p>New York Department of State One Commerce Plaza 99 Washington Avenue, 6th Floor Albany, New York 12231 (518) 473-2492</p>
NORTH DAKOTA	<p>North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712</p>	<p>North Dakota Securities Department 600 East Boulevard Avenue State Capitol Fifth Floor, Department 414 Bismarck, North Dakota 58505-0510 (701) 328-4712</p>
OREGON	<p>Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387</p>	<p>Department of Insurance and Finance Corporate Securities Section Labor and Industries Building Salem, Oregon 97310 (503) 378-4387</p>
RHODE ISLAND	<p>Securities Division State of Rhode Island Department of Business Regulation Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582</p>	<p>Director, Securities Division Department of Business Regulation, Bldg. 69, First Floor John O. Pastore Center 1511 Pontiac Avenue, Cranston, Rhode Island 02920 (401) 462-9582</p>
SOUTH DAKOTA	<p>Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563</p>	<p>Director, Department of Labor and Regulation Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-3563</p>
VIRGINIA	<p>State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, First Floor Richmond, Virginia 23219 (804) 371-9672</p>	<p>Clerk of the State Corporation Commission 1300 East Main Street, First Floor Richmond, Virginia 23219 (804) 371-9051</p>
WASHINGTON	<p>Securities Division Department of Financial Institutions P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760</p>	<p>Director, Department of Financial Institutions Securities Division 150 Israel Road S.W. Tumwater, Washington 98501 (360) 902-8760</p>
WISCONSIN	<p>Franchise Registration Division of Securities Wisconsin Department of Financial Institutions 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064</p>	<p>Securities and Franchise Registration Wisconsin Securities Commission 201 West Washington Avenue, Suite 300 Madison, Wisconsin 53703 (608) 266-1064</p>

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT K
LIST OF FRANCHISEES

LIST OF CURRENT FRANCHISEES AS OF DECEMBER 31, 2024⁴³

Name	Entity Name	Phone	Address	City	State	Zip Code
Damon & Andi Ott	Haus of Ott Chandler, LLC	480.621.6603	2780 W. Chandler Blvd	Chandler	AZ	85224
Damon Ott & Andi Ott	Haus of Ott <u>Gilbert</u> , LLC	602-584-7156	2224 E Williams Field #107	Gilbert	AZ	85295
<u>Damon & Andi Ott</u>	<u>Haus of Ott Phoenix, LLC</u>	<u>480-275-5161</u>	<u>1 E Washington St.</u>	<u>Phoenix</u>	<u>AZ</u>	<u>85004</u>
<u>Jeron Boemer*</u>	<u>DH Tempe Restaurant, LLC</u>	<u>780-912-1964</u>	<u>430 N Scottsdale Rd.</u>	<u>Tempe</u>	<u>AZ</u>	<u>85281</u>
Davinder & Gragandeep Singh*	Valley Guys Inc.	(626) 282-4287	410 E Main Street	Alhambra	CA	91801
Manish Patel *	Desi Dawgs <u>4</u> , LLC	626.633.9090	638 N Azusa Ave	Azusa	CA	91702
Vahe Issai*	VRI Ventures LLC	(650) 453-3748	1000 El Camino Real	Belmont	CA	94002
<u>Alex Munoz & Wes Olson</u> <u>Nathan Johnson</u>	<u>OP's House of Dogs LLC</u> <u>NoCal Ventures, LLC</u>	510.529.4432	1407 San Pablo Ave	Berkeley	CA	94702
Diana Ramos*	DH Olive LLC	818.566.4287	3817 W Olive Ave	Burbank	CA	91505
<u>Vahe Issai & Vahan Ouzounian</u>	<u>DH BHW, LLC</u>	<u>747-474-4287</u>	<u>3019 N. Hollywood Way</u>	<u>Burbank</u>	<u>CA</u>	<u>91505</u>
<u>Faizan Khan</u> <u>Von Raees and Nima Salke</u>	Dog Haus Topanga LLC	818.340.4287	6501 Topanga Canyon Blvd	Canoga Park	CA	91303
<u>Tenny Megerdichian</u> <u>Von Raees and Nima Salke</u>	<u>Carson Avalon-DH, LP</u> <u>DH Unicorn Inc</u>	424.477.5877	21720 S Avalon Blvd	Carson	CA	90745
Dylan & Anna Pathirana	Chino Hills Haus, LLC	(909) 548-4287 (626) 318-6412	3330 Grand Ave	Chino Hills	CA	91709
Manish Patel*	Desi Dawgs, LLC	(909) 931-0404	2209 E Baseline Rd Ste 700	Claremont	CA	91711
Manish Patel*	Desi Dawgs, LLC	(909) 923 931-3000 0404	14063 Limonite Ave #100	Eastvale	CA	92880
<u>Alex Munoz & Wes Olson</u> <u>Nathan Johnson</u>	<u>Ops House of Dogs LLC</u> <u>NoCal Ventures, LLC</u>	510- 490-2800 214-5653	43456 Boscell Rd.	Fremont	CA	94538
Gurpreet Singh	GS Foods	626.426.4196	905 E Arrow Hwy, Unit 102	Glendora	CA	91740
Liz <u>Acosta and Robert</u> Acosta	Acosta Ventures Inc.	714.894.4287	7811 Edinger Ave	Huntington Beach	CA	92647
Tenny Megerdichian	DH Promenade LLC	562.901.4287	210 East Third St.	Long Beach	CA	90802
Adam Gertler	Gertler's Wurst	(323) 454-8986	615 N Western	Los Angeles	CA	90004
Dylan & Anna Pathirana	NOHO Haus, LLC	(818) 505-1033 (626) 318-6412	4929 N. Lankershim Blvd, Suite A&B	North Hollywood	CA	91601

Name	Entity Name	Phone	Address	City	State	Zip Code
Farshid & Farbod Mazloumi	Dog Haus Reseda DH Northridge LLC	747.202.3349	8931 Reseda Blvd.	Northridge	CA	91324
Matt Wooten & Raz Mahrouk	Mahwoot LLC	661.225.9460	1301 Rancho Vista Blvd, Suite H	Palmdale	CA	93551
Davinder & Gragandeep Singh*	Jam Gourmet Food Inc.	(626) 683-0808	93 E Green Street	Pasadena	CA	91105
Davinder & Gragandeep Singh*	Valley Guys Inc.	(626) 577-4287	105 N Hill Street, Suite 104	Pasadena	CA	91106
Vahan Ouzounian	DH RC LLC	909.922.8282	7815 Monet Ave	Rancho Cucamonga	CA	91739
Anthony Amerio	Windy Rose Bros LLC	916.846.7699	1501 Blue Oaks Blvd	Roseville	CA	19036
Fred Nasim & Nesar Nasim	DHT Oaks LLC	805.497.3644	50 E. Thousand Oaks Blvd.	Thousand Oaks	CA	91360
Dylan and Anna Pathirana	Vista Bier Haus LLC	760-536-3544	227 E. Broadway	Vista	CA	92084
	DH Covina, LLC	(626) 796-4287 331-4287	2678 E Garvey Ave S	West Covina	CA	91791
Jason Bell*	3JR LLC	720.330.0823	12023 E Arapahoe RD	Centennial	CO	80112
Jeron Boemer	Complex Investments Inc.	719.488.4278	162 Tracker	Colorado Springs	CO	80921
Brett Johnson*	KEJ Ventures DH Northfield LLC	303.353.4385	8316 Northfield Blvd	Denver	CO	80238
Faizan Khan*	DHMST, LLC	202.836.6000	1837 M St. NW	Washington	DC	20036
Jesse Koontz*	First Würst LLC	(773) 935-3647	2464 N Lincoln Ave	Chicago	IL	60614
Jesse Koontz*	First Würst LLC	(574) 248-9140	3517 N Spaulding	Chicago	IL	60618
Jesse Koontz*	First Würst LLC	312.566.8081	205 W Wacker Dr	Chicago	IL	60610
Jesse Koontz*	First Würst LLC	(773) 935-3647	2015 W Division St.	Chicago	IL	60622
Jesse Koontz*	Second Wurst, LLC	309.643.1206	4712 N. University St.	Peoria	IL	61614
Jon Riddle	JKPH, LLC	(812) 391-2594	415 Bank St.	New Albany	IN	47150
Faizan Khan*	Castlerock Restaurants 1 LLC Investments	(301) 652-4287 626-755-9387	7904 Woodmont Avenue	Bethesda	MD	20814
Raj Nagpal	M&T Restaurant, LLC	(301) 795-9444	7401 Baltimore Avenue	College Park	MD	20740
Faizan Khan*	DHKMSQ, LLC Castlerock Investments	(240) 690-6090	644 Center Point Way	Gaithersburg	MD	20878
Fazian Khan*	DHSS, LLC	240-450-7000	933 Ellsworth Drive	Silver Spring	MD	20910
Jonathan Trager*	Jet Enterprises DH 1 LLC	518-373-3647	7 Southside Drive	Clifton Park	NY	12065
Dave Orth & Andrew Hamerling	Mohegan Dog, LLC	845-915-4287	3121 E. Main St unit #30	Mohegan Lake	NY	10574

Name	Entity Name	Phone	Address	City	State	Zip Code
Josh and Dawn Sipera	The Worst Bunch LLC Dog Haus Arlington, LLC	(817) 678-4287 (882) 276-6686	4000 Bagpiper Way #110	Arlington	TX	76018
Heather Durbin & Mike Durbin	Dog Haus Four Points Management Group, LLC	(512) 344-9481	7710 N FM 620	Austin	TX	78726
Heather & Mike Durbin	Dog Haus Management, LLC	512.456.7124	3101 E. Whitestone Blvd	Cedar Park	TX	78613
Kirk Hermansen*	Top Dawg Restaurants Ghost Dawg Dallas, LLC	(214) 432-7305 935-9121	5665 E Mockingbird Ln	Dallas	TX	75206
Josh and Dawn Sipera	J&E Acquisitions LLC	469-819-4287	9169 Dallas Parkway	Frisco	TX	75033
Jason Rappaport* Damian Valdez*	Tex Dog Energy Corridor LLC DH Energy Corridor, LLC	(346) 774-2985 281-416-4939	1096 Enclave Pkwy	Houston	TX	77077
Damian Valdez*	City Kitchen Concepts, LLC	(866) 227-2328	818 W. 19th Street	Houston	TX	77008
	Dog Haus Richardson, LLC	(832) 539-6263	5414 Hwy 6	Missouri City	TX	77459
Kirk Hermansen*	Dog Haus Richardson, LLC Top Dawg Restaurants LLC	(214) 258-6867 935-9121	744 S Central Expy Suite 210	Richardson	TX	75080
Jason Rappaport* Damian Valdez*	DH Stone Oak, LLC Tex Dog Stone Oak LLC	210-257-8809	20907 Stone Oak Pkwy	San Antonio	TX	78258
Jason Rappaport*	Tex Dog Hospitality Dog Haus Bandera Oaks, LLC	(813) 220-2399 (210) 467-5255	11710 Quincy Lee Dr	San Antonio	TX	78250
Jason Rappaport*	Tex Dog Heights LLC	210-263-9030	90 NE Loop	San Antonio	TX	78216
Jason Rappaport* Damian Valdez*	Tex Dog Hospitality DH Spring, LLC	(813) 220-2399 (281) 719-8410	2115 Spring Stuebner Rd	Spring	TX	77389
Josh and Sue Bushnell*	Lunch Box Group LLC	801.987.3202	10261 South State St, Suite F	Sandy	UT	84070
Mike Kohlhoff & Justin Jones	Dog Haus Tri-Cities 001, LLC	509.587.1480	7425 Sandifur Pkwy	Pasco	WA	99301
Tom Johns & <u>Mike Zimmerman</u>	BPC Golf Entertainment, LLC	(414) 285-4840 349-4771	7055 S. Ballpark Dr. 60 Morris St. 7055 S. Ballpark Dr.	Franklin	WI	53132

Name	Entity Name	Phone	Address	City	State	Zip Code
Vicki Dunn Marshall & Carissa Marshall	Paradigm Brands, LLC	(304) 878-4287	6310 US-60	Barboursville	WV	25504
Marlena Schultz	FAFO Restaurant Group LLC	307-632-4287	3838 Atkin Street	Cheyenne	WY	82001

* Area Developer

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

LIST OF FRANCHISEES WHO TRANSFERRED THEIR RESTAURANTS TO NEW OWNERS C
AS OF DECEMBER 31, 2024³

Name	Phone	City	State
<u>Nathan Johnson</u>	<u>415.509.4454</u>	<u>Berkeley</u>	<u>CA</u>
<u>Von Raees and Nima Salke</u>	<u>626.221.4410</u>	<u>Canoga Park</u>	<u>CA</u>
<u>Von Raees & Nima Salke</u>	<u>626.221.4410</u>	<u>Carson</u>	<u>CA</u>
<u>Nathan Johnson</u>	<u>415.509.4454</u>	<u>Fremont</u>	<u>CA</u>
<u>Josh and Dawn Sipera</u>	<u>949.294.7415</u>	<u>Arlington</u>	<u>TX</u>
<u>Jason Rappaport</u>	<u>813.220.2399</u>	<u>Houston</u>	<u>TX</u>
<u>Kirk Hemansen</u>	<u>214.732.911</u>	<u>Richardson</u>	<u>TX</u>
<u>Jason Rappaport</u>	<u>813.220.2399</u>	<u>San Antonio</u>	<u>TX</u>
<u>Jason Rappaport</u>	<u>813.220.2399</u>	<u>San Antonio</u>	<u>TX</u>
<u>Jason Rappaport</u>	<u>813.220.2399</u>	<u>Spring</u>	<u>TX</u>

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

LIST OF FRANCHISEES WHO HAD AN OUTLET TERMINATED, NOT RENEWED, REACQUIRED BY FRANCHISOR, OR CEASED
OPERATIONS FOR OTHER REASONS
AS OF DECEMBER 31, 2024³

Name	Phone	City	State
<u>Jeron Boemer</u>	<u>(719) 488-1278</u>	<u>Colorado Springs</u>	<u>CO</u>
<u>Dave Orth & Andrew Hamerling</u>	<u>(845) 915-1287</u>	<u>Mohegan Lake</u>	<u>NY</u>
<u>Jason Rappaport</u>	<u>(210) 263-9030</u>	<u>San Antonio</u>	<u>TX</u>
<u>Vicki Dunn Marshall & Carissa Marshall</u>	<u>(304) 878-1287</u>	<u>Barboursville</u>	<u>WV</u>
<u>Marlena Schultz</u>	<u>(307) 632-1287</u>	<u>Cheyenne</u>	<u>TX</u>
<u>Jeron Boemer*</u>	<u>928-246-1154</u>	<u>Yuma</u>	<u>AZ</u>
<u>Jason Rappaport*</u>	<u>813-220-2399</u>	<u>Houston</u>	<u>TX</u>
<u>Craig Hannay</u>	<u>307-632-4287</u>	<u>Cheyenne</u>	<u>WY</u>

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

LIST OF FRANCHISEES WHO SIGNED FRANCHISE AGREEMENTS, BUT WHOSE RESTAURANTS WERE NOT OPEN
AS OF DECEMBER 31, 2024⁴³

Name	Entity Name	Phone/ <u>Email</u>	City	State
Bhawesh Malhotra*		205.552.3733	Birmingham	AL
Alex Munoz and Wesley Olson	NoCal Ventures LLC	818.275.1055 <u>925.354.1062</u>	Brentwood	CA
<u>Alex Munoz and Wesley Olson*</u>	<u>NoCal Ventures LLC</u>	<u>925.354.1062</u>	<u>Brentwood</u>	<u>CA</u>
Von Raees & Nima Salke*		626.294.1090	Burbank	CA
<u>Vahe Issai</u>		<u>818.445.8876</u>	<u>Sacramento</u>	<u>CA</u>
<u>Michael Rouse</u>		<u>916.367.1983</u>	<u>San Fernando</u>	<u>CA</u>
Jai Coward	DHSC LLC	818.468.6585	Santa Clarita	CA
Von Raees & Nima Salke*		626.294.1090	San Fernando	CA
Nick Smith		810.599.7201	Windsor	CO
Faizan Khan*	Castlerock Investments	626.755.9387	Washington D.C.	DC
Jesse Koontz*	First Würst LLC	760.707.9700	Clearwater	FL
Jesse Koontz*		760.707.9700	Tampa Bay	FL
	<u>10 Digit Media, Inc.</u>	<u>tendigitmedia@doghaus.com</u>	<u>Miami</u>	<u>FL</u>
	<u>10 Digit Media, Inc.</u>	<u>tendigitmedia@doghaus.com</u>	<u>Miami</u>	<u>FL</u>
Jesse Koontz*	Third Würst LLC	760.707.9700	Chicago	IL
Jesse Koontz*	Fourth Würst LLC	760.707.9700	Chicago	IL
<u>Gregg Strasburger</u>		<u>254.493.4806</u>	<u>Baton Rouge</u>	<u>LA</u>
Jon & Karen Riddle*		502.376.5933	New Albany	IN
*Faizan Khan	Castlerock Investments	626.755.9387	Annapolis	MD
* <u>Faizan Khan</u> Rishi Malhotra & Raj Nagpal	<u>Castlerock Investments</u> M&T Restaurants	<u>626.755.9387</u> 404.319.5611	<u>Annapolis College Park</u>	MD <u>MD</u>
Krage Fox & Mike Kakabeeke*	Smokin' Dutchmen LLC	269.385.3546	Kalamazoo	MI
<u>Amarinder Ghotra</u>		<u>718.730.3755</u>	<u>Bethpage</u>	<u>NY</u>
<u>Cherokee Rhoda</u>		<u>501.253.5441</u>	<u>Columbus</u>	<u>OH</u>
<u>Michael Deak</u>		<u>770.878.7163</u>	<u>Franklin</u>	<u>TN</u>

Name	Entity Name	Phone/ <u>Email</u>	City	State
Jason Rappaport* Gregg Strasburger		281.416.4939 254.493.4806	Houston Waco	TX
Jason Rappaport*		281.416.4939	San Antonio	TX

* Area Developer

IF YOU BUY THIS FRANCHISE, YOUR CONTACT INFORMATION MAY BE DISCLOSED TO OTHER BUYERS WHEN YOU LEAVE THE FRANCHISE SYSTEM.

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EFFECTIVE DATES

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration as of the Effective Date stated below:

<u>State</u>	<u>Effective Date</u>
Hawaii:	Pending April 18, 2024
Indiana:	April 11, 2024 Pending
Maryland:	Pending May 1, 2024
Michigan:	Pending May 1, 2024
Minnesota:	Pending
North Dakota:	Pending
Rhode Island:	Pending April 12, 2024
South Dakota:	Pending April 23, 2024
Washington:	Pending
Wisconsin:	Pending April 11, 2024

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.

DOG HAUS WORLDWIDE, LLC
FRANCHISE DISCLOSURE DOCUMENT

EXHIBIT L
RECEIPTS

RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Dog Haus Worldwide, LLC offers you a franchise, Dog Haus Worldwide, LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

New York requires you to receive 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 Dog Haus Worldwide, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to The Federal Trade Commission, Washington D.C. 20580 and the appropriate State Agency Identified on Exhibit J.

The franchisor is Dog Haus Worldwide, LLC located at 22 Central Court, Pasadena, California 91105; Telephone: 626-796-4287.

Issuance Date:- ~~March 18, 2025~~ April 9, 2024.

The name, principal business address and telephone number of each Franchise Seller offering the Franchise: Michael Montagano, Quasim Riaz, André Vener, Hagop Giragossian, and Erik Hartung, all at: 22 Central Court, Pasadena, California 91105; Telephone: 626-796-4287; and _____.

We authorize the persons and/or entities listed on Exhibit J to receive service of process for us.

I have received a Disclosure Document dated ~~April 9, 2024~~ March 18, 2025. This Disclosure Document includes the following Exhibits:

Exhibit A: Franchise Agreement	Exhibit G: General Release
Exhibit B: Area Development Agreement	Exhibit H: State Specific Addenda
Exhibit C: Remote Kitchen Addendum to Franchise Agreement	Exhibit I: Financial Statements
Exhibit D: Option to Obtain Lease Assignment	Exhibit J: State Administrators and Agents for Service of Process
Exhibit E: Confidentiality Agreement for Prospective Franchisees	Exhibit K: List of Franchisees
Exhibit F: Non-Disclosure and Confidentiality Agreement for Employees of Franchisee	Effective Dates
	Exhibit L: Receipts

Date Franchisee
Please sign this copy of the Receipt, date your signature, and return it to: Erik Hartung, 22 Central Court, Pasadena, California 91105; Telephone: 626-796-4287; Email: erik@doghaus.com.

RECEIPT

This Disclosure Document summarizes provisions of the Franchise Agreement and other information in plain language. Read this Disclosure Document and all agreements carefully.

If Dog Haus Worldwide, LLC offers you a franchise, Dog Haus Worldwide, LLC must provide this Disclosure Document to you 14 calendar days before you sign a binding agreement or make a payment with the franchisor or an affiliate in connection with the proposed franchise sale.

Michigan requires that we give you this Disclosure Document at the earlier of 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

New York requires you to receive 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 Dog Haus Worldwide, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement or a material omission, a violation of federal and state law may have occurred and should be reported to The Federal Trade Commission, Washington D.C. 20580 and the appropriate State Agency Identified on Exhibit J.

The franchisor is Dog Haus Worldwide, LLC located at 22 Central Court, Pasadena, California 91105; Telephone: 626-796-4287.

Issuance Date: ~~March 18, 2025~~ April 9, 2023.

The name, principal business address and telephone number of each Franchise Seller offering the Franchise: Michael Montagano, Quasim Riaz, André Vener, Hagop Giragossian, and Erik Hartung, all at: 22 Central Court, Pasadena, California 91105; Telephone: 626-796-4287; and _____.

We authorize the persons and/or entities listed on Exhibit J to receive service of process for us.

I have received a Disclosure Document dated ~~April 9, 2024~~ March 18, 2025. This Disclosure Document includes the following Exhibits:

Exhibit A: Franchise Agreement Exhibit B: Area Development Agreement Exhibit C: Remote Kitchen Addendum to Franchise Agreement Exhibit D: Option to Obtain Lease Assignment Exhibit E: Confidentiality Agreement for Prospective Franchisees Exhibit F: Non-Disclosure and Confidentiality Agreement for Employees of Franchisee	Exhibit G: General Release Exhibit H: State Specific Addenda Exhibit I: Financial Statements Exhibit J: State Administrators and Agents for Service of Process Exhibit K: List of Franchisees Effective Dates Exhibit L: Receipts
---	--

Date

Franchisee

Keep this copy for your records. This Disclosure Document may be available in several formats including on paper, on a CD, in pdf format or on our website: www.doghaus.com