

## FRANCHISE DISCLOSURE DOCUMENT

(Mod)



### AUSSIE PET MOBILE, INC.

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As an AUSSIE PET MOBILE® franchisee, you will offer mobile pet grooming services in a designated territory.

The total investment necessary to begin operation of an AUSSIE PET MOBILE® franchise is \$178,845 - \$203,170. This includes \$119,950 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss availability of disclosures in different formats, contact Aussie Pet Mobile, Inc., 19000 MacArthur Blvd, Suite 100, Irvine, California 92612, 949-234-0680.

The terms of your contract will govern your franchise relationship. Do not rely on the disclosure document alone to understand your contract. Read all of your contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an accountant.

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

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

Issuance Date: April 29, 2024

## Special Risks to Consider About This Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in California. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in California than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Mandatory Minimum Payments.** You must make minimum royalty, advertising, and other payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Unopened Franchises.** The franchisor has signed a significant number of franchise agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you also may experience delays in opening your own outlet.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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### **STATE SPECIFIC ADDENDA**

#### **Exhibits**

- A. Franchise Agreement, State Addendum and Schedules:
  - 1: Personal Covenant and Guarantee
  - 2: Description of Territory
  - 3: Schedule of Names and Addresses of Owners and Principal Officers
  - 4: Designated Equipment
- B. Financial Statements

- D. List of ~~Terminated~~Ceased Operations or Transferred Franchisees
- E. State Franchise Administrators and Agents for Service of Process
- F. Operations Manual Table of Contents
- G. Consent to Transfer and Assumption of Franchise Agreement
- H. Veterans Addendum to Franchise Agreement
- I. Secured Promissory Note
- J. General Security Agreement
- K. Conditional Assignment of Franchisee's Telephone Numbers and Domain Names
- L. Electronic Funds Withdrawal Authorization
- M. Trainer Services Agreement
- N. Addendum to Franchise Agreement – Second Territory
- O. Addendum to Franchise Agreement - Third Territory
- P. Van Support Agreement
- Q. State Effective Dates
- R. Receipts

**ITEM 7. ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is to Be Made
Initial Franchise Fee <sup>1</sup>	\$19,950	Lump sum or financed through us. Refer Item 10.	When you sign the franchise agreement.	Us
Territory Fees <sup>2</sup>	\$100,000	Lump sum or partially financed through us. Refer Item 10.	When you sign the franchise agreement.	Us
<del>Sprinter Van Down-Payment for Financing Arrangement<sup>3</sup></del>	<del>\$25,000 - \$30,000 for first Van</del>	<del>Lump sum</del>	<del>On-execution of the financing arrangement.</del>	<del>Authorized-supplier.</del>
<u>Payment for Financing Arrangement<sup>3</sup></u>	<u>\$30,000 for first Van</u>		<u>execution of the financing arrangement.</u>	<u>supplier.</u>
<del>Sprinter Van and Designated Equipment Package monthly financing payments<sup>4,5</sup></del>	<del>\$2,840 per month for 60 months per Van (\$8,520 for first three months for first Van)</del>	<del>As required under the financing arrangement</del>	<del>Monthly</del>	<del>Authorized-supplier.</del>
<u>Designated Equipment Package monthly financing payments<sup>4,5</sup></u>	<u>\$2,840 per month for 60 months per Van (\$8,520 for first three months for first Van)</u>	<u>under the financing arrangement</u>		<u>supplier.</u>
Computer Hardware and Software	\$0 - \$750	As Arranged	As Arranged	Suppliers and Vendors
Business Licenses	\$350	As required	As required	Local Agency
Grand Opening Advertising <sup>6</sup>	\$4,500 – \$6,000 over first three months	As arranged	As arranged	Authorized Suppliers
Insurance <sup>7</sup>	\$2,400 (\$800 per month) for first Van	As arranged	As Incurred	Insurance Broker
Expenses During Training <sup>8</sup>	\$1,475 - \$3,650	As arranged	As Incurred	Service Providers

Shipping of Customized-Van <sup>9</sup>	\$0 - \$3,400 for first Van	Lump Sum	On delivery- of Customized- Vehicle	Authorized- supplier
<u>Van<sup>9</sup></u>	<u>first Van</u>		<u>of</u> <u>Customized</u> <u>Vehicle</u>	<u>supplier</u>
<b><u>Type of Expenditure</u></b>	<b><u>Amount</u></b>	<b><u>Method of Payment</u></b>	<b><u>When Due</u></b>	<b><u>To Whom Payment is to Be Made</u></b>
Online Marketing Package <sup>10</sup>	\$1,650 (\$550 per month)	Monthly	As arranged	Authorized supplier
Cold Weather Customized Van Storage <sup>11</sup>	\$0 - \$1,500 for first Van	As Incurred	As Incurred	Storage facility
Additional Funds – 3 Months <sup>12</sup>	\$15,000 - \$25,000	As Incurred	As Incurred	Employees, Vendors, Utilities
<b>Total Estimated Initial Investment<sup>13</sup></b>	<b>\$ 178,845 - \$203,170</b>			

None of the fees or payments you make to us are refundable. Whether payments to others are refundable depends upon the arrangements you make with them. Except as disclosed in Item 10, we do not offer direct or indirect financing for any of the above items.

1. Payable only with your first franchise agreement. The Initial Franchise Fee is discounted by 15% if you are a veteran, active service member or spouse of a veteran or active service member of the United States Armed Forces, as more particularly described in Item 5.
2. If you are buying your Territories from us rather than from an existing franchisee, when you sign the franchise agreements you must pay us a Territory Fee of \$40,000 for your first Territory, \$30,000 for your second Territory and \$30,000 for your third Territory. If you buy an additional territory at a later time, the Territory Fee will be the same as the then-current Territory Fee. The Territory Fees are discounted by 15% if you are a veteran, active service member or spouse of a veteran or active service member of the United States Armed Forces, as more particularly described in Item 5.
3. You must acquire a new white Sprinter Van with all subcontracted modifications as described below and install the Designated Equipment Package before beginning operations. You must acquire at least one new white Sprinter Van and Designated Equipment Package for each of your Territories.

Each Mercedes Benz Sprinter Van is special-ordered by us on your behalf to include the following features: 144” wheelbase; high roof; 4 or 6 cylinder turbo diesel engine; 7 speed, GTronic automatic transmission; heated driver’s seat; 220 amp alternator; parabolic, heated

~~5-~~described in greater detail in the Franchise Agreement. The interior of the Van has been designed to include structural and technological features that have the added benefits of fuel and energy efficiencies making it more environmentally friendly. Also included in this customization of the various fixtures in the Sprinter Van are our unique, insulated and finished ceilings, waterproof flooring and wall partition panels made from molds developed and owned by us, along with our exclusive tub enclosure design that holds the Hydrobath. We will work with the Mercedes Benz dealer to deliver your Sprinter Van to our certified independent contractor for this installation. The price includes labor to install the Designated Equipment Package but does not include sales tax.

6. You must spend at least \$1,500 per month on a grand opening marketing program during the first three months of operation of your Franchised business. This amount is for a search engine optimization Boost Campaign and other marketing tactics through BizMktg.com.
7. This is an estimate for the first three months of operation. The annual cost of insurance is approximately \$9,600, payable in monthly installments, and will increase with the addition of Customized Vehicles. See Item 8 for our insurance requirements.
8. We will provide you with a \$1,000 travel voucher to attend training. All costs of transport, accommodation and meals that you and your employees incur in excess of \$1,000 are payable by you.
9. The cost of shipping your Customized Vehicle depends on the distance from our facility to your location.
10. You must purchase an online marketing package from our designated third party supplier for, among other things, social media posts, email campaigns, inbound phone call tracking, local business listing claiming, digital marketing support and associated services. The current rate is \$550 per month. This estimate does not include the optional purchase of digital advertising.
11. If your Franchised Business is located in a cold weather climate (temperatures below 32F), you should arrange for undercover or enclosed storage for your Customized Vehicle during periods of extreme weather to prevent damage and operational problems. Your cost will be dependent on weather conditions at the time you place the Customized Vehicle into operation and the demand for and related costs of storage facilities.
12. This is an estimate of funds needed to cover operations during the first three months after your Franchised Business opens. ~~Your costs will depend on factors such as your technical, marketing and general business skills, local economic conditions, the local market for your business, competition, location and the sales levels you achieve.~~ This estimate does not include any personal living expenses you may incur during this time. We have based this estimate on our experience of over 20 years in the industry. We recommend that you have sufficient personal savings and/or income so that you will not need to draw funds from the Franchised Business for at least 24 months after commencement of operations.
13. You may experience additional initial pre-opening and start-up expenses not otherwise mentioned in the above table, including but not limited to taxes, payroll, marketing, labor, merchant processing, bank services, entertainment and/or employee recruiting. The amounts in the table are our estimates based on average costs and market conditions prevailing as of the date of this disclosure document, our experience in the industry since 1999 and the experience

~~13~~-of our existing franchisees.

## ITEM 8. RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You must operate your Franchised Business in accordance with our methods, standards, and specifications, which we prescribe in our Confidential Operations Manual (“Manual”), our proprietary and confidential operations portal (also known as the “Aussie Customer Management System” or “ACMS”), and various other confidential manuals, writings, and other information prepared by us for your use in operating the Franchised Business which are provided on ACMS or other means. We may periodically change our standards and specifications at our sole discretion, and you must comply with all changes.

### Lead Source Tracking

You must participate in our corporate phone tracking system which utilizes dynamic telephone numbers to track the source of your leads.

### Customized Vehicle

You must obtain your Sprinter Vans from our authorized supplier and only use an approved service center for repairs and maintenance of the Customized Vehicle, Hydrobath and all other Designated Equipment. We have one authorized supplier for Sprinter Vans and one authorized van conversion contractor as of the date of this disclosure document. Our authorized supplier of Sprinter Vans currently offers a \$1,000 volume discount for each Sprinter Van purchased by one of our franchisees; this offer could change or be withdrawn. Currently, the entire volume discount is applied to decrease the cost to our franchisees of each Sprinter Van, but we reserve the right to derive revenue in the future from franchisees’ purchases of Sprinter Vans.

### Designated Equipment

Currently, we are the sole approved source for certain portions of the Designated Equipment, including the Designated Equipment Package, as well as the Aussie Customer Management System and Initial Business Training. During the fiscal year ended 12/31/23, we received \$2,638,122 or 38% of our total revenues of \$6,981,416 from the purchase of these goods and services by franchisees.

### Website

We will include your business on our website. You must also purchase a search engine optimization plan for your grand opening marketing and other marketing tactics from our designated supplier. See Item 7., currently BizMktg.com. The price is \$1,500 a month for the first three months of operations, and includes the following opening-related search optimization services: (a) creation of an online presence for your business so Google will serve up your business; (b) creation of an email review campaign to garner as many reviews as possible for Google Business Profile, which is a critical component of local SEO; (c) claiming and set-up of your Google Business Profile and facilitating postings for key relevant tags and key words; and (d) setting up separate Facebook and Instagram accounts for your business.

**ITEM 9. FRANCHISEE’S OBLIGATIONS**

**FRANCHISEE’S OBLIGATIONS**

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

<b>OBLIGATION</b>		<b>SECTION IN AGREEMENT</b>	<b>DISCLOSURE DOCUMENT ITEM</b>
a	Site selection and acquisition/lease	Not applicable	Not applicable
b	Pre-Opening purchases/leases	§ 3, 4, 7 and 8	Items 5, 7, 8 and 11
c	Site development and other pre-opening requirements	§ 3 and 8	Items 7 and 11
d	Initial and ongoing training	§ 7	Items 7 and 11
e	Opening	§ 3	Item 11
f	Fees	§ 4	Items 5, 6, 7, 8 and 11
g	Compliance with standards and policies/Operation Manual(s)	§ 2, 3, 4, 5, 6, 7, 8, 9, 12, 13, 14 and 16	Items 8, 11 and 16
h	Trademarks and proprietary information	§ 2, 6, 7, 8 and 12	Items 8, 13 and 14
i	Restrictions on products/services offered	§ 8	Item 16
j	Warranty and customer service requirements	§ 2, 4, 8 and 13	Items 6 and 8
k	Territorial development and sales quotas	None	Item 12
l	Ongoing product/service purchases	§ 8	Item 8
<b><u>OBLIGATION</u></b>		<b><u>SECTION IN AGREEMENT</u></b>	<b><u>DISCLOSURE DOCUMENT ITEM</u></b>

## ITEM 18. PUBLIC FIGURES

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

## ITEM 19. FINANCIAL PERFORMANCE REPRESENTATIONS

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

The following is historical financial information concerning the reported annual sales of a subset of our existing outlets, namely those franchisees who were open for business for all of calendar year 2023 (58 of our 76 franchisees at the end of the calendar 2023 representing an aggregate total of 352 Customized Vehicles).

~~A.~~

### Annual Sales Levels

The following table shows annual gross sales reported by the 20 franchisees operating 1-3 vans, 21 franchisees operating 4-6 vans, 11 franchisees operating 7-10 vans and 6 franchisees operating more than 10 vans that were in business throughout calendar year 2023. These franchisees represent 100% of the franchisees who were open for all of calendar 2023. Excluded are six franchises that closed in 2023 and 12 opened during calendar year 2023 and therefore were not open for all of calendar 2023. All gross sales figures are presented without regard to the size of the territory. Although we currently grant territories that are at least 33,000 households, not all territories are that size. These variations in size arise both because we formerly sold territories of differing sizes and because territories can experience either growth or contraction after a franchise is sold.

These sales results are based upon sales reported to us by the franchisees.

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MEASURE	2023	EXPLANATION
Average Sales <del>1-3 Vans</del> <del>4-6 Vans</del> <del>7-10 Vans</del> <del>More than 10 Vans</del> - <u>1-3 Vans</u> = <u>4-6 Vans</u> = <u>7-10 Vans</u> = <u>More than 10 Vans</u>	\$285,553 \$722,424 \$1,284,270 \$1,849,449 \$285,553 \$722,424 \$1,284,270 \$1,849,449	Equals total sales by all franchisees divided by the number of franchisees. <sup>1</sup>
Median Sales - 1-3 Vans - 4-6 Vans <del>7-10 Vans</del> <del>More than 10 Vans</del> - <u>7-10 Vans</u> = <u>More than 10 Vans</u>	\$306,505 \$703,290 \$1,429,052 \$1,691,448 \$1,429,052 \$1,691,448	Shows mid-point of annual sales by franchisees. <sup>2</sup>
75 <sup>th</sup> Percentile - - 1-3 Vans = 4-6 Vans - <del>7-10 Vans</del> - <del>More than 10 Vans</del> = <u>7-10 Vans</u> = <u>More than 10 Vans</u>	\$385,305 \$798,654 \$1,489,866 \$1,691,448 \$1,489,866 \$1,691,448	Reported sales by the 75 <sup>th</sup> percentile of franchisees; only 25% of franchisees reported sales higher than this level.  <u>reported sales higher than this level.</u>
<del>Average Sales of</del> <del>Average Sales of</del> Middle 50% <del>1-3 Vans</del> <del>4-6 Vans</del> <del>7-10 Vans</del> <del>More than 10 Vans</del> - <u>4-6 Vans</u> = <u>7-10 Vans</u> = <u>More than 10 Vans</u>	\$303,786 \$703,600 \$1,379,612 \$1,691,448 \$703,600 \$1,379,612 \$1,691,448	<u>Equals the mean (average)</u> <del>Equals the mean (average)</del> annual gross sales of those franchisees whose reported sales levels fell between the top 25% and the bottom 25%. <sup>3</sup>  <u>sales levels fell between the top 25% and the bottom 25%.<sup>3</sup></u>
25 <sup>th</sup> Percentile <del>1-3 Vans</del>	\$219,210	Reported sales by the 25 <sup>th</sup> percentile of franchisees;

<del>4-6 Vans</del>	\$596,650	only 25% of franchisees reported sales lower than this level.
<del>7-10 Vans</del>	\$1,002,735	
<del>More than 10 Vans</del>	\$1,632,702	
—		
- <u>1-3 Vans</u>		
= <u>4-6 Vans</u>		
- <u>7-10 Vans</u>		
= <u>More than 10 Vans</u>		
-		
=		

1. Of our franchisees reporting and in operation for all of 2023, 11 or 55% of franchisees with one to three vans had total annual sales that equaled or exceeded the mean sales figure stated. The lowest amount reported was \$46,515 and the highest was \$471,013. Of those franchisees with four to six vans, eight or 38% had total annual sales that equaled or exceeded the mean sales figure. The lowest amount reported was \$376,343 and the highest was \$1,064,838. Of those franchisees with seven to ten vans, seven or 70% had total annual sales that equaled or exceeded the mean sales figure. The lowest amount reported was \$587,865 and the highest was \$1,772,872. Of those franchisees with more than ten vans, two or 33% had total annual sales that equaled or exceeded the mean sales figure.

2. Of our franchisees reporting and in operation for all of 2023, ten or 50% of franchisees with one to three vans had total annual sales that equaled or exceeded the median sales figure stated. Of those franchisees with four to six vans, eleven or 52% had total annual sales that equaled or exceeded the mean sales figure. Of those franchisees with seven to ten vans, six or 55% had total annual sales that equaled or exceeded the mean sales figure. Of those franchisees with more than ten vans, three or 50% had total annual sales that equaled or exceeded the mean sales figure.
3. The calculation of this average disregards the franchisees that had sales lower than the 25<sup>th</sup> percentile or higher than the 75<sup>th</sup> percentile.

**B. Leads**

For 2023, the following website and Meta leads were generated for our franchisees:

	January-2023	February-2023	March-2023	April-2023	May2023	June 2023	
Website-Leads*	15,931	15,879	16,419	16,526	17,812	17,898	
Meta-Leads	771	763	715	684	678677	677	
<b>Total</b>	<b>16,702</b>	<b>16,642</b>	<b>17,134</b>	<b>17,210</b>	<b>18,490</b>	<b>18,575</b>	
	July 2023	August-2023	September-2023	October-2023	November-2023	December-2023	Grand-Total
Website-Leads*	16,838	15,235	13,230	13,327	15,084	15,383	189,562
Meta-Leads	673	630	669	793	777	858	8,688
<b>Total</b>	<b>17,511</b>	<b>15,865</b>	<b>13,899</b>	<b>14,120</b>	<b>15,861</b>	<b>16,241</b>	<b>198,250</b>

~~\*Website Leads includes leads from all website sources including Google PPC.~~

~~As of the date of this disclosure document, 33 of our franchisees run Google pay per click (“PPC”) advertising and 27 of our franchisees run Meta advertising. The lowest Google PPC spend is \$0 per month and the highest is \$3,640 per month. The lowest Meta advertising spend is \$0 per month and the highest is \$1,000 per month.~~

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

Written substantiation for this financial performance representation will be made available to the prospective franchise upon reasonable request.

Other than the preceding financial performance representation, Aussie Pet Mobile, Inc. does not make any financial performance representations. We also do not authorize our employees or representatives to make any such representations either orally in or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Paul Ebert, President,

Aussie Pet Mobile, Inc., 19000 MacArthur Blvd, Suite 100, Irvine, California 92612, (949) 234 0680, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20. OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NO. 1  
SYSTEMWIDE OUTLET SUMMARY FOR YEARS ENDING  
DECEMBER 31, 2021, 2022 AND 2023**

OUTLET TYPE	YEAR	OUTLETS AT THE START OF THE YEAR	OUTLETS AT THE END OF THE YEAR	NET CHANGE (+ OR -)
Franchised	2021	<u>7879</u>	<u>8081</u>	+2
	2022	<u>8081</u>	<u>7475</u>	-6
	2023	<u>7475</u>	76	<u>+2+1</u>
Company Owned	2021	0	0	0
	2022	0	0	0
	2023	0	0	0
<b>Total Outlets</b>	<b>2021</b>	<b><u>7879</u></b>	<b><u>8081</u></b>	<b>+2</b>
	<b>2022</b>	<b><u>8081</u></b>	<b><u>7475</u></b>	<b>-6</b>
	<b>2023</b>	<b><u>7475</u></b>	<b>76</b>	<b><u>+2+1</u></b>

**TABLE NO. 2  
TRANSFERS OF OUTLETS FROM FRANCHISEES TO NEW OWNERS OTHER  
THAN TWO MAIDS & A MOP FOR YEARS ENDING  
DECEMBER 31, 2021, 2022 AND 2023**

STATE	YEAR	NUMBER OF TRANSFERS*
California	2021	0
	2022	0
	2023	1
Colorado	2021	0
	2022	0
	2023	1
Florida	2021	2
	2022	0
	2023	4
Idaho	2021	0
	2022	0
	2023	1
North Carolina	2021	0
	2022	0
	2023	0
Washington	2021	0
	2022	0
	2023	1
<b>Total Outlets</b>	<b>2021</b>	<b>2</b>
	<b>2022</b>	<b>0</b>

**TABLE NO. 3**  
**STATUS OF FRANCHISED OUTLETS FOR YEARS ENDING**  
**DECEMBER 31, 2021, 2022 AND 2023**

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS AT END OF YEAR	NON- RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS- OTHER REASONS	OUTLETS AT END OF THE YEAR
Alabama	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Arkansas	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Arizona	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
California	2021	14	0	0	0	0	0	14
	2022	14	0	0	0	0	2	12
	2023	12	1	0	0	0	0	13
Colorado	2021	2	0	1	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Connecticut	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	1	1
	2023	1	0	0	0	0	0	1
Florida	2021	5	2	0	0	0	0	7
	2022	7	0	0	0	0	0	7
	2023	7	1	0	0	0	0	8
Georgia	2021	1	0	1	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
Idaho	2021	0	0	0	0	0	0	0
	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
Illinois	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	1	3
Indiana	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
	2023	4	0	0	0	0	2	2
Kentucky	2021	3	0	0	0	0	0	3
	2022	3	0	1	0	0	0	2
	2023	2	0	0	0	0	0	2
Maine	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	1	0
Maryland	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
Massachusetts	2021	2	0	1	0	0	0	1
	2022	1	0	0	0	0	0	1

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	TERMINATIONS	NON- RENEWALS	REACQUIRED BY FRANCHISOR	CEASED OPERATIONS- OTHER REASONS	OUTLETS AT END OF THE YEAR
	2023	3	0	0	0	0	0	3
Total Outlets	2021	<u>7879</u>	7	5	0	0	0	<u>8081</u>
	2022	<u>8081</u>	2	1	0	0	7	<u>7475</u>
	2023	<u>7475</u>	<u>65</u>	0	0	0	4	76

1. One outlet was previously recorded as opening in 2015 but opened in 2023.

**TABLE NO. 4**  
**STATUS OF COMPANY-OWNED OUTLETS FOR YEARS ENDING DECEMBER**  
**31, 2021, 2022 AND 2023**

STATE	YEAR	OUTLETS AT START OF YEAR	OUTLETS OPENED	OUTLETS REACQUIRED FROM FRANCHISEES	OUTLETS CLOSED	OUTLETS SOLD TO FRANCHISEES	OUTLETS AT END OF THE YEAR
Total Outlets	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	0	0	0	0	0

**TABLE NO. 5**  
**PROJECTED OPENINGS AS OF DECEMBER 31, 2024**

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
<u>Alabama</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Alaska</u>	<u>0</u>	<u>0</u>	<u>0</u>
Arizona	2	3	0
<u>Arkansas</u>	<u>0</u>	<u>0</u>	<u>0</u>
California	2	3	0
<u>Colorado</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Connecticut</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Delaware</u>	<u>0</u>	<u>0</u>	<u>0</u>
Florida	6	6	0
<u>Georgia</u>	<u>0</u>	<u>6</u>	<u>0</u>
<u>Hawaii</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Idaho</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Illinois</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Indiana</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Iowa</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Kansas</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Kentucky</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Louisiana</u>	<u>0</u>	<u>0</u>	<u>0</u>

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
<u>Maine</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Maryland</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Massachusetts</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Michigan</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Minnesota</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Mississippi</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Missouri</u>	<u>0</u>	<u>0</u>	<u>0</u>
Montana	0	3	0
<u>Nebraska</u>	<u>0</u>	<u>0</u>	<u>0</u>
Nevada	0	3	0
<u>New Hampshire</u>	<u>0</u>	<u>0</u>	<u>0</u>
New Jersey	4	0	0
<u>New Mexico</u>	<u>0</u>	<u>0</u>	<u>0</u>
New York	3	0	0
North Carolina	3	0	0
<u>North Dakota</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Ohio</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Oklahoma</u>	<u>0</u>	<u>0</u>	<u>0</u>
Oregon	0	3	0
<u>Pennsylvania</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Rhode Island</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>South Carolina</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>South Dakota</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Tennessee</u>	<u>0</u>	<u>0</u>	<u>0</u>
Texas	0	3	0
Utah	0	3	0
<u>Vermont</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Virginia</u>	<u>0</u>	<u>0</u>	<u>0</u>

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year	Projected New Company-Owned Outlet in the Next Fiscal Year
Washington	0	3	0
<u>Washington, DC</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>West Virginia</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Wisconsin</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Wyoming</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<b>20</b>	<b>36</b>	<b>0</b>

**NOTE:**

A list of current franchisees, addresses and telephone numbers is found in Exhibit C.

A list of former franchisees who voluntarily, involuntarily or who had an outlet terminated, canceled or not renewed or who have not communicated with us within 10 weeks of the issuance date of this disclosure document and their telephone number if known, or last known home telephone number and city and state, is found in Exhibit D.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that not all of these franchisees will be able to communicate with you.

There are no trademark specific franchisee organizations associated with the franchise system which we created, sponsored or endorsed, or any independent franchisee organizations that have asked to be included in this disclosure document.

**ITEM 21. FINANCIAL STATEMENTS**

Attached as Exhibit B are (1) our unaudited, interim financial statements for the first three months of 2024 ended March 31, 2024, and (2) our audited financial statements as of and for the years ending December 31, 2023, 2022 and 2021.

**ITEM 22. CONTRACTS**

The following agreements are attached as exhibits to this disclosure document:

TITLE OF AGREEMENT	EXHIBIT/SCHEDULE	SIGNED BY

## California

**The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.**

Neither the franchisor, nor any person identified in Item 2 of this disclosure document is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling the person from membership in the association or exchange.

California Business and Professions Code §§ 20000 through 20043 (Franchise Relations Act) provide rights to the franchisee concerning termination, transfer or non-renewal of a franchise. If the franchise agreement contains a provision that is inconsistent with the law, the law will control.

The franchise agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Sec. 101 et seq.).

The franchise agreement contains a covenant not to compete ~~that continues after which extends beyond~~ the termination of the franchise. ~~This provision may not be enforceable.~~ A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California law Business and Professions Code Section 16600.

Under both the California Franchise Relations Act and the Franchise Investment Law, a provision in a franchise agreement that requires you to waive your rights under either or both of these laws is void. Any release of claims that the franchisor asks you to sign will specifically exclude claims under these franchise laws.

Unless the transaction is exempt under the statute, Section 31125 of the California Corporations Code requires the franchisor to give the franchise a special disclosure document before soliciting a proposed material modification of an existing franchise.

The franchise agreement requires binding arbitration. The arbitration will occur in Orange County, California, with the costs being determined according to the rules of the American Arbitration Association.

The franchise agreement contains a liquidated damages clause. Under Civil Code Section 16711 certain liquidated damages clauses are unenforceable.

The earnings claims figures do not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchise business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.

OUR WEBSITE, WWW.AUSSIEPETMOBILE.COM AND OUR WEBSITE

HTTP://TWOAIDSFRACTHISE.COM/, HAVE NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL ~~PROTECTION AND PROTECTION AND~~ INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION AT WWW.DFPI.CA.GOV.

In Item 6, the maximum interest allowed in California is 10% per annum. Item 6 is modified in California to comply with California law and charging a maximum of 10% per annum.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF EACH PROPOSED AGREEMENT RELATING TO THE GRANT OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF THE AGREEMENT.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, Any provision of a franchise agreement, franchise disclosure document, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

- (a) ~~(a)~~—Representations made by the franchisor or its personnel or agents to a prospective franchisee.
- (b) ~~(b)~~—Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
- (c) ~~(c)~~—Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
- (d) ~~(d)~~—Violations of any provision of this division.

California has a labor law known as California Assembly Bill 5 or “AB5” that governs when someone is classified as an employee or an independent contractor. Your franchise agreement states that you are an independent contractor, but AB5 may mean you are an employee instead. Being an employee may entitle you to minimum wage, sick and family leave, unemployment and workers’ compensation, expense reimbursements, protection from retaliation and discrimination, and other benefits given to employees. You should research and consult with an attorney regarding California’s labor laws.

The Antitrust Law Section of the Office of the California Attorney General views maximum price agreements as per se violations of the Cartwright Act. Note: maximum price agreements are not per se violations of the Sherman Act.

**Hawaii**  
**HAWAII**

**DISCLAIMER**

**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 REGULATORY AGENCIES OR A FINDING BY THE DIRECTOR OF ~~REGULATORY~~ REGULATORY AGENCIES THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.**

**THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE, OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE OFFERING CIRCULAR, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.**

**THIS OFFERING CIRCULAR CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.**

Registered agent in Hawaii authorized to receive service of process:

Commissioner of Securities  
Department of Commerce and Consumer Affairs  
Business Registration Division  
335 Merchant Street  
Honolulu, HI 96813

(1) Item 1 is amended to add the following:

The name and address of our agent in this state authorized to receive service of process is: the Commissioner of Securities of the Department of Commerce and Consumer Affairs, 335 Merchant Street, Honolulu, Hawaii 96813.

(2) Item 17, Summary column for (i) is amended to add the following:

Under Hawaii law, on termination or refusal to renew the franchise, you are entitled to be compensated for the fair market value, at the time of the termination or expiration of the franchise, of your inventory, supplies, equipment and furnishings purchased from us or a supplier we designated; except that personalized materials that have no value to us need not be compensated for. If we refuse to renew the franchise for the purpose of converting your business to one we own and operate, we, in addition to the remedies described above, will compensate you for the loss of goodwill. We may deduct from the compensation reasonable costs incurred in removing, transporting and disposing of your inventory, supplies, equipment and furnishings under this requirement, and may offset from the compensation any moneys you owe us.

(3) Item 20 is amended to add the following:

Registrations are effective or proposed registrations will shortly be on file in the states of California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

Proposed registrations or filings for these franchises are or will be shortly on file in no other state.

No states have refused, by order or otherwise, to register these franchises. No states have revoked or suspended the right to offer these franchises.

- (4) There are no states in which a proposed registration of these franchises has been withdrawn.
- (5) No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of ~~(5)~~(i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

### Illinois

Many states have statutes concerning the relationship between franchisor and franchisee. These statutes deal with such matters as renewal and termination of franchises. Provisions of this sort will prevail over inconsistent terms in a franchise agreement. Illinois has such a statute, Illinois Franchise Disclosure Act of 1987, 815 ILCS 705/1 et seq.

The franchise agreement provides for termination upon bankruptcy. A provision in a franchise agreement that terminates the franchise upon bankruptcy of the franchisee may not be enforceable under Title 11, U.S. Code § 101.

Item 17v (Choice of Forum) is amended to state "None for equitable/injunctive relief and California for arbitration/mediation proceedings" under the heading for "Summary."

The franchise agreement includes a choice of law clause designating another state's law as the governing law. Under Illinois law, a franchise agreement may not provide for a choice of law of any state other than Illinois. Accordingly, Item 17 w. is amended to state "none" under the heading for "Section in franchise agreement" and "not applicable" under the heading for "Summary."

Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

No statement, questionnaire, or ~~acknowledgement~~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~~franchisor~~. This provision supersedes any other term of any document executed in connection with the franchise.

### Maryland

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Amendments to Item 17 of the disclosure document:

Item 17 is amended to state:

“Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.”

Item 17 is amended to add:

“A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.”

The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

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

### Minnesota

Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80C.21 (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

~~With respect to franchises governed by Minnesota law provides franchisees with certain rights regarding termination and nonrenewal of their franchises. As in effect in November 1990,~~

Minn. Stat. Ann. Sec. 80C.14, Subd. 3, 4 and 5, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, which require, (except in certain specified cases):

- that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for nonrenewal of a non-renewal of the franchise agreement; and
- that consent to the transfer of the franchise will not be unreasonably withheld.

The franchiser will Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

Under Minn. Rule 2860.4400J, (1) a franchisee cannot waive any rights, (2) the franchisee cannot consent to the franchisor obtaining injunctive relief, although the franchisor may seek injunctive relief, and (3) a franchisee cannot be required to consent to waiver of a jury trial. In addition, a court will determine whether a bond is required.

Minn. Stat. §80C.21 and Minn. Rule 2860.440J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the disclosure document or agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction. Under Minn. Rule 2860.4400D, we are prohibited from requiring you to sign a general release.

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

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

## **New York**

1. ~~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 RESOURCES OR INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

2. ~~2.~~The following is to be added at the end of Item 3:

Except as provided above, the following applies to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. ~~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. ~~B.~~No such party has pending actions other than routine litigation incidental to the business that is 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 ten years 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.

C. ~~C.~~No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years 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. ~~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. ~~3.~~— The following is added to the end of the “Summary” sections of Item 17(c), titled “Requirements for a 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; this proviso intends that the nonwaiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. ~~4.~~—The following language replaces the “Summary” section of Item 17(d), titled “Termination by a franchisee”: “You may terminate the agreement on any grounds available by law.”

5. ~~5.~~—The following is added to the end of the “Summary” sections of Item 17(v), titled “Choice of forum,” and Item 17(w), titled “Choice of law”:

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or the franchisee by Article 33 of the General Business Law of the State of New York.

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

7. ~~7.~~— Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure

Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

### **North Dakota**

In North Dakota, the disclosure document is amended as follows to conform to North Dakota law:

Item 17r is amended to add the following: “To the extent that covenants not to compete

4.6	National Advertising Fund.....	9
4.7	Technology Fee.....	10
4.8	Convention Fee.....	10
4.9	Means and Time of Payment.....	11
4.10	Late or Insufficient Funds Fee.....	11
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4.12	Fees for Optional Referrals.....	11
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5.	TERM.....	12
5.1	Initial Term.....	12
5.2	Additional Term.....	12
5.3	Notice of Expiration Required by Law.....	13
6.	INTELLECTUAL PROPERTY.....	13
6.1	Marks.....	13
6.2	Acts in Derogation of the Franchisor's Rights.....	15
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#### 4.4 Van Support Fee

For a term of seven (7) years commencing on the Operating Date, Franchisee will pay to Franchisor a Van Support Fee of \$225 per month for participation in the VSP. The Van Support Fee is not refundable. Franchisee and Franchisor shall enter into a Van Support Program Agreement for each Customized Vehicle purchased by Franchisee.

#### 4.5 Continuing Royalty

(a) Commencing on the Operating Date and throughout the Term of this Agreement, Franchisee will pay a Continuing Royalty calculated each month in arrears equal to the greater of: (a) the percentage of Gross Revenue during the immediately preceding calendar month as calculated below; or (b) a minimum monthly Continuing Royalty of \$750 for the first year of the Term and \$1,500 thereafter. No minimum Royalty is payable for the first three months:

Monthly Royalty	Monthly Gross Revenue
7.0%	\$0 - \$30,000
6.0%	\$30,000.01 - \$60,000
5.0%	\$60,000.01 - \$90,000
4.0%	\$90,000.01 and above

~~Franchisee will pay a blended rate of~~ Gross Revenue for all of Franchisee's territories is aggregated for purposes of calculating Continuing Royalty. For example, if ~~Franchisee's~~ Franchisee has three territories each of which has Gross Revenue of \$25,000 for the month, the total Gross Revenue for ~~the prior month~~ Continuing Royalty purposes is \$75,000. Franchisee will therefore pay 7% for the first \$30,000, 6% for the next \$30,000 and 5% for the last \$15,000. Gross Revenue for work performed in Gray Area is to be included.

~~If Franchisee has more than one franchise agreement with Franchisor containing this Continuing Royalty provision, the Gross Revenue for each franchised business thereunder is averaged for purposes of this calculation. For example, if Franchisee has two franchise agreements, the Gross Revenue for both franchised businesses is added together and divided by two to arrive at the average Gross Revenue for each franchised business for purposes of calculating the Continuing Royalty payable under each franchise agreement.~~

If Franchisee renews this Agreement, the amount of the Continuing Royalty throughout the renewal term will be the Continuing Royalty provided for in the then-current form of Franchise Agreement being issued by Franchisor.

(b) Payments of Continuing Royalty are not refundable.

## 8. OPERATION OF BUSINESS

### 8.1 Franchisee Operational Requirements

(a) Opening Requirements. Franchisee shall open and commence operating the Franchised Business within 6 weeks after completion of Initial Training and, in any event, within 6 months of the Effective Date.

(b) Customized Vehicle.

(i) Acquisition and Installation of Designated Equipment. For Franchisee's first Customized Vehicle, Franchisee must purchase, lease or enter into a financing arrangement for a new Sprinter Van in sufficient time to deliver the Sprinter Van to Franchisor or its designee for installation of the Designated Equipment prior to Initial Training. For additional Customized Vehicles, Franchisee may, with Franchisor's prior approval, purchase a pre-owned Customized Vehicle from Franchisor or another AUSSIE PET MOBILE® franchisee that complies with the requirements of this Agreement and the Manuals and which includes the Designated Equipment, subject to any then-current policies of Franchisor with respect to resales of Customized Vehicles. The Designated Equipment and all other aspects of the pre-owned Customized Vehicle may require updates and/or upgrades to bring it up to Franchisor's current Designated Equipment specifications and standards, all of which must be completed at Franchisee's sole cost and expense (including parts and installation) prior to putting the pre-owned Customized Vehicle into service in the Franchised Business.

(ii) DISCLAIMER OF LIABILITY. Except for any specific written warranties expressly provided in connection with items of Designated Equipment, Franchisor will not be liable to any person or entity for any aspect of the operation of the Customized Vehicle(s) or the labor or installation of the Designated Equipment therein, other than for intentional acts or gross negligence and, **IN NO EVENT SHALL FRANCHISOR OR ANY OF FRANCHISOR'S AFFILIATES BE LIABLE TO FRANCHISEE OR ANY THIRD PARTY FOR CONSEQUENTIAL, INCIDENTAL, INDIRECT OR SPECIAL DAMAGES OF ANY NATURE WHATSOEVER, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS, LOSS OF BUSINESS OR OF ANTICIPATORY PROFITS, EVEN IF APPRISED OF THE LIKELIHOOD OF SUCH DAMAGES.**

(iii) Maintenance and Operation. Franchisee agrees that the Customized Vehicle(s) will be maintained and operated as follows:

(a) ~~(a)~~ Franchisee will maintain the Customized Vehicle(s) and every component of the Designated Equipment in good order and repair at all times as specified in the Manuals.

- (b) ~~(b)~~ Franchisee will keep the Customized Vehicle(s) fully insured as specified in the Manuals.
- (c) ~~(c)~~ Franchisee will keep the Customized Vehicle(s) fully registered and roadworthy in accordance with applicable laws.
- (d) ~~(d)~~ Franchisee will keep the Customized Vehicle(s) at all times in a clean and tidy condition and free of any advertising or promotional material other than that required by the Manuals and will exhibit such signage, colors and logos on the Customized Vehicle(s) and upgrade or revise the same as specified in the Manuals from time to time.
- (e) ~~(e)~~ Franchisee will not alter the internal or external appearance of the Customized Vehicle(s) or any fittings or equipment contained within or without the Customized Vehicle(s) in any way other than as specified in the Manuals.
- (f) ~~(f)~~ Franchisee will maintain and upgrade the Customized Vehicle(s) and all other equipment as specified from time to time in the Manuals so as to always meet Franchisor's then- current specifications for Customized Vehicles and other equipment.
- (g) ~~(g)~~ Franchisee will only use a Franchisor-approved service center for repairs and maintenance of the Customized Vehicle(s), the Hydrobath and all other equipment.

(c) Grand Opening Advertising. Franchisee must spend at least \$1,500 per month for each of the first three months of the term on a grand opening marketing program provided by Franchisor's approved supplier once Franchisee's Web Site goes live. Franchisor's approved supplier will provide advice and guidance to Franchisee with respect to Franchisee's grand opening advertising which Franchisee will follow.

(d) Personnel/Staffing. Franchisee must employ a sufficient number of qualified, competent personnel, offer prompt, courteous and efficient service to the public, and otherwise operate the Franchised Business in compliance with the System so as to preserve, maintain and enhance the reputation and goodwill of the System. All employees engaged in the operation of the Franchised Business during working hours shall dress conforming to Franchisor's standards and shall present a neat and clean appearance in conformance with Franchisor's reasonable standards and shall render competent, efficient service to the customers of the Franchised Business. Although Franchisor may make recommendations to Franchisee (in the Manuals or otherwise) concerning employees, Franchisor and Franchisee are not joint employers of Franchisee's employees and other personnel. Franchisor does not and will not share or codetermine any of Franchisee's employees' essential terms and conditions of employment. More specifically, in no case does Franchisor have any authority to determine or set Franchisee's employees': (1) wages, benefits and other compensation; ~~(2)~~ (2) hours of work and scheduling; (3) the assignment of duties to be performed; (4) the supervision of the performance of duties; (5) work rules and directions governing the

~~(e)~~ approved suppliers.

- (i) Franchisee, or the proposed supplier, must pay Franchisor in advance for Franchisor's reasonable costs that Franchisor estimates it will incur in connection with inspecting the alternate supplier, its facilities, and/or the previously non-approved item(s) proposed by Franchisee. If the costs Franchisor incurs are more than the amount Franchisee or the proposed supplier advanced, then Franchisor may withdraw additional funds from Franchisee's designated bank account for the difference, or if the actual amount Franchisor incurs is less than the amount of the advancement, then Franchisor shall credit the excess amount to the payment of Franchisee's future obligations.
- (ii) Franchisor will notify Franchisee in writing if Franchisee's request is approved within thirty (30) days of: (A) Franchisor's receipt of all supporting information from Franchisee regarding Franchisee's request under this Section; and (B) if applicable, Franchisor's completion of any inspection or testing associated with Franchisee's request. If Franchisor does not provide written approval within this time period, then Franchisee's request will be deemed denied.
- (iii) Franchisor may, but is not obligated to, provide Franchisee's proposed supplier or provider with its specifications for the item that Franchisee wishes the third-party to supply, provided that the third-party executes Franchisor's prescribed form of non-disclosure agreement.
- (iv) Each supplier that Franchisor approves of must comply with Franchisor's requirements regarding insurance, indemnification and non-disclosure. If Franchisor approves any supplier, Franchisee may enter into supply contracts with such third party, but under no circumstances will Franchisor guarantee Franchisee's performance of any supply contract.
- (v) Franchisor may re-inspect and revoke Franchisor's approval of particular products or suppliers when Franchisor determines, in Franchisor's sole discretion, that such products or suppliers no longer meet Franchisor's standards. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier.

(d) System Suppliers. Franchisor may establish business relationships, from time to time, with suppliers who may produce and/or provide certain goods or services that Franchisee is required to purchase from only that supplier (each a "System Supplier"). These System Suppliers may provide, among other things, supplies, fixtures, technology,

not be unreasonable for

(b) Franchisor to impose, among other things, the following conditions precedent to its consent to any Transfer:

- (i) The proposed assignee of the interest to be subjected to the Transfer will complete Franchisor's application for a franchise agreement, and Franchisee and the proposed assignee will fully disclose in writing all of the terms and conditions of the proposed Transfer.
- (ii) The proposed assignee(s) of the interest to be subjected to the Transfer demonstrate(s) that it has or they have the skills, qualifications, and economic resources necessary, in Franchisor's reasonable judgment, to conduct the business contemplated by this Agreement. Among other things, this may require the possession of certain skills and qualifications of the prospective transferee, including experience in or ability to learn the light environmental business, financial and operational skills and qualifications, economic resources, reputation and character of the prospective transferees, and the ability of the prospective transferee(s) to fully and faithfully conduct the Franchised Business as contemplated by this Agreement. Without limiting the generality of the foregoing, if a contractor's license is required in the state in which the Protected Territory is located, the proposed assignee or one or more of the principal officers, shareholders or directors of the proposed assignee must qualify for, and obtain, or otherwise obtain for the benefit of the Franchised Business such as through an employee of Franchisee, such contractor's license prior to the effective date of the Transfer.
- (iii) The proposed assignee of the interest to be subjected to the Transfer expressly assumes in writing for the benefit of Franchisor all of the obligations of Franchisee under this Agreement.
- (iv) If the proposed Transfer will result in a new Franchisee under this Agreement, the new Franchisee signs the then current form of Franchise Agreement being used by Franchisor and pays the then current initial franchise fee under the franchise agreement.
- (v) As of the date of the proposed Transfer, Franchisee is in full compliance with all of its obligations to Franchisor, whether under this Agreement or under any other agreement, arrangement, or understanding with Franchisor and pays the then-current initial franchise fee under the franchise agreement.
- (vi) Franchisee, assignee and each shareholder of a corporate assignee sign the then current form of Consent to Transfer and Assumption of

(b) matters beyond the control of Franchisee (other than Franchisee's inability to procure money), provided that Franchisee gives notice of any cessation of operations to Franchisor promptly after the initial occurrence of the event resulting in the cessation of operations (and in any event within ten days) and Franchisor acknowledges in writing that the cessation of operations is due to one of the foregoing causes and provided further that Franchisee ~~re-establishes~~ re-establishes the Franchised Business and is fully operational within 120 days after the initial occurrence of the event resulting in the cessation of operations or any longer period that Franchisor permits.

(c) If Franchisor and Franchisee agree in writing to terminate this Agreement.

(d) If Franchisor discovers that Franchisee made any material misrepresentations relating to the acquisition of the Franchised Business, or if Franchisee engages in conduct that reflects materially and unfavorably upon the operation and reputation of the Franchised Business or the Marks.

(e) If Franchisee fails, for a period of 10 days after notification of noncompliance, to comply with any federal, state or local law or regulation applicable to the operation of the Franchised Business.

(f) If Franchisee, after curing any breach in accordance with Section 10.3 commits the same breach, whether or not the breach is corrected after notice.

(g) If Franchisee repeatedly fails to comply with one or more requirements of this Agreement, whether or not corrected after notice.

(h) If the Franchised Business or business premises of the Franchisee are seized, taken over, or foreclosed by a government official in the exercise of the official's duties, or seized, taken over, or foreclosed by a creditor, lienholder, or lessor, if a final judgment against Franchisee for more than \$10,000 remains unsatisfied for 30 days (unless a supersedeas or other appeal bond has been filed), or if a levy of signing has been made upon the franchise granted by this Agreement or upon any property used in the Franchised Business, and it is not discharged within five days after the date of the levy.

(i) If Franchisee is convicted of a felony, of a misdemeanor involving moral turpitude, or of other criminal misconduct which is relevant to the operation of the Franchised Business.

(j) If Franchisee fails to pay any Continuing Royalty or other amounts due to Franchisor within five days after receiving written notice that the fees are overdue.

(k) If Franchisor makes a reasonable determination that continued operation of the Franchised Business by Franchisee will result in an imminent danger to public health or safety.

(l) If any other franchise agreement between Franchisor and Franchisee is

party by default or otherwise in spite of the failure to appear. Judgment upon an arbitration award may be entered in any court having jurisdiction and will be binding, final, and not subject to appeal. No punitive or exemplary damages will be awarded against Franchisor, Franchisee, or entities related to either of them, in an arbitration proceeding or otherwise, and are waived.

### **11.5 Business Judgment**

The parties recognize, and any arbitrator or judge is affirmatively advised, that certain provisions of this Agreement describe the right of Franchisor to take (or refrain from taking) action in the exercise of its business judgment, based on its assessment of the overall best interests of all people operating under the Marks. Where that discretion has been exercised, and is supported by the business judgment of Franchisor, neither an arbitrator nor a judge may substitute his or her judgment for the judgment exercised by Franchisor unless the arbitrator or judge finds that Franchisor has exercised its judgment or discretion without any reasonable business basis for it. Whenever Franchisor has a right and/or the discretion to take or withhold an action, or to grant or decline to grant Franchisee a right to take or withhold an action, except as otherwise expressly and specifically provided in this Agreement, Franchisor may make that decision or exercise its right and/or discretion on the basis of Franchisor's judgment of what is in the best interests of the System. Franchisor's judgment of what is in the best interests of the System, at the time Franchisor's decision is made or Franchisor's right or discretion is exercised, can be made without regard to whether:

- (a) other reasonable alternative decisions or actions, or even arguably preferable alternative decisions or actions, could have been made by Franchisor;
- (b) Franchisor's decision or the action taken promotes Franchisor's financial or other individual interest;

(c) ~~(c)~~ Franchisor's decision or the action taken applies differently to Franchisee and one or more other franchisees or Franchisor's company-owned or Affiliate-owned operations; or

(d) ~~(d)~~ Franchisor's decision or the action taken is adverse to Franchisee's interests. Franchisor will have no liability to Franchisee for any such decision or action. Franchisor and Franchisee intend that the exercise of Franchisor's right or discretion will not be subject to limitation or review. If applicable law implies a covenant of good faith and fair dealing in this Agreement, Franchisor and Franchisee agree that such covenant will not imply any rights or obligations that are inconsistent with a fair construction of the terms of this Agreement and that this Agreement grants Franchisor the right to make decisions, take actions and/or refrain from taking actions not inconsistent with Franchisee's rights and obligations under this Agreement.

### **11.6 Venue, Submission to Court, Limitation of Damages**

In view of the fact that the books, records and business personnel of Franchisor are located in Orange County, California and in order to minimize disruption or interference with operation of (and Franchisor's support to) all persons operating under the Marks, Franchisee and Franchisor agree as follows:

(a) All court proceedings arising out of or relating to this Agreement (including matters described in Section 11.2 above) will be brought in, and only in, the United States District Court for the Central District of California. No individual or entity (whether named

# STATE SPECIFIC ADDENDUM TO FRANCHISE AGREEMENT

## 1. INTRODUCTION

This Addendum (“Addendum”) is effective on the same date as the Franchise Agreement (“Agreement”) to which it is attached. The parties to the Addendum are the parties to the Agreement. The purpose of this Addendum is to modify certain clauses of the standard Agreement to meet the requirements of regulatory agencies in particular states.

## 2. AGREEMENT

The parties agree as follows:

### 2.1 California

The following provisions apply to you if your State is California:

The California Department of Financial Protection and Innovation requires that certain provisions contained in franchise documents be amended to be consistent with California law, including the California Franchise Investment Law, CAL. CORPORATIONS CODE Section 31000 et seq., and the California Franchise Relations Act, CAL. BUS. & PROF. CODE Section 20000 et seq. To the extent that the Franchise Agreement contains provisions that are inconsistent with the following, such provisions are hereby amended:

a. ~~a.~~ California Business and Professions Code Sections 20000 through 20043 provide rights to Franchisee concerning termination, transfer and nonrenewal of the Franchise Agreement. The Federal Bankruptcy Code also provides rights to Franchisee concerning termination of the Franchise Agreement upon certain bankruptcy-related events. To the extent the Franchise Agreement contains a provision that is inconsistent with these laws, these laws will control.

b. ~~b.~~ If Franchisee is required in the Franchise Agreement to execute a release of claims, such release will exclude claims arising under the California Franchise Investment Law and the California Franchise Relations Act.

c. ~~c.~~ If the Franchise Agreement requires payment of liquidated damages that is inconsistent with California Civil Code Section 1671, the liquidated damage clause may be unenforceable.

d. ~~d.~~ If the Franchise Agreement contains a covenant not to compete which extends beyond the expiration or termination of the Franchise Agreement, the covenant may be unenforceable under California law.

e. ~~e.~~ If the Franchise Agreement requires litigation, arbitration or mediation to be conducted in a forum other than the State of California, the requirement may be unenforceable under California law.

f. ~~f.~~ If the Franchise Agreement requires that it be governed by a state’s law, other than the

State of California, such requirement may be unenforceable.

g. ~~g.~~ If the Franchise Agreement requires an interest rate greater than 10% per annum (the highest amount allowed in California), such interest rate will be reduced to 10% per annum.

h. ~~h.~~ Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document that Franchisor furnished to Franchisee.

i. ~~i.~~ No disclaimer, questionnaire, clause, or statement signed by a franchisee in connection with the commencement of the franchise relationship shall be construed or interpreted as waiving any claim of fraud in the inducement, whether common law or statutory, or as disclaiming reliance on or the right to rely upon any statement made or information provided by any franchisor, broker or other person acting on behalf of the franchisor that was a material inducement to a franchisee's investment. This provision supersedes any other or inconsistent term of any document executed in connection with the franchise.

## **2.2 Hawaii**

The following provisions apply to you if you live in Hawaii or your business will be located in Hawaii:

~~1.~~ 1. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## **2.3 Illinois**

1. Illinois law governs the relationship between the parties to the franchise.

2. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

3. Your rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

4. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

~~To the extent this Addendum shall be deemed to be inconsistent with any term or~~

~~conditions of said Franchise Agreement or Exhibits or attachments thereto, the terms of the Illinois Franchise Disclosure Act as stated in this Addendum shall govern.~~

5. No statement, questionnaire, or ~~acknowledgement~~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/franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

To the extent this Addendum shall be deemed to be inconsistent with any term or conditions of said Franchise Agreement or Exhibits or attachments thereto, the terms of the Illinois Franchise Disclosure Act as stated in this Addendum shall govern.

See the last page of this Exhibit for your required signature.

## **2.4 Maryland**

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

Schedule 4 to the franchise agreement is amended to state that all representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Any limitation on the period of time arbitration and/or litigation claims must be brought shall not act to reduce the 3-year statute of limitations afforded a franchisee for bringing a claim 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.

Any general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

The acknowledgments or representations of the franchisee made in the franchise agreement and questionnaire which disclaim the occurrence and/or acknowledge the non-occurrence of acts that would constitute a violation of the Franchise Law are not intended to nor shall they act as a release, estoppels or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

To the extent this Rider shall be deemed to be inconsistent with any term or conditions of said Franchise Agreement or Exhibits or attachments thereto, the terms and conditions as stated in this Rider shall govern.

The provision in the franchise agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11

(i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Section 16.1 of the Franchise Agreement shall hereby be amended as follows:

- (1) The last sentence of subsection (b) is deleted.
- (2) Subsection (f) is deleted.
- (3) The third and last sentences of subsection (g) are deleted.

## 2.5 Minnesota

1. Section 14.1 of the Franchise Agreement is amended by the inclusion of the following:

With respect to franchises governed by Minnesota law, the ~~franchisor~~franchiser will comply with ~~Minn. Stat. Sec. 80C, 14 Subds. 3, 4, and 5~~Minnesota Statute 80C.14 Subd. 3-5, which require, ~~(except in certain specified cases,)~~:

- that a franchisee be given 90 days<sup>2</sup>- notice of termination (with 60 days to cure) and 180 days<sup>2</sup>- notice for non-renewal of the franchise agreement; and
- that consent to the transfer of the franchise will not be unreasonably withheld.

2. Section 11 of the Franchise Agreement is supplemented by the inclusion of the following:

~~Minn. Stat. § 80C.21 and Minn. Rule 2860.4400J~~Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit ~~us~~the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the ~~DISCLOSURE DOCUMENT~~Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of yourthe franchisee's rights as provided for in ~~Minnesota Statutes, Chapter 80C, or your~~Minnesota Statute 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

3. Section 11 of the Franchise Agreement is amended by the inclusion of the following:

Under Minn. Rule 2860.4400J, a franchisee cannot waive any rights, the franchisee cannot consent to the franchisor obtaining injunctive relief, although the franchisor may seek injunctive relief and a franchisee cannot be required to consent to waiver of a jury trial. In addition, a court will determine if a bind is required.

The Franchise Agreement is further amended to confirm as follows:

- Minnesota considers it unfair to not protect the franchisee’s right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee’s rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

- Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release

- The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

- NSF checks are governed by Minnesota Statute 604.113, which puts a cap of \$30 on service charges.

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

## **2.6 North Dakota**

Section 11.4 of the franchise agreement provides that the franchisee must agree to the arbitration or mediation of disputes in California. Section 11.4 of the franchise agreement is amended to delete any reference to the location of mediation or arbitration.

Section 11.6 of the franchise agreement provides that the franchisee must consent to the jurisdiction of courts in California. Section 11.6 of the franchise agreement is amended to replace “California” with “North Dakota”.

Section 14.1 of the franchise agreement provides that the governing law of the franchise agreement is California. Section 14.1 of the franchise agreement is amended to replace “California” with “North Dakota”.

Section 11.6 of the franchise agreement includes a waiver of the right to a jury trial. That requirement will not apply to North Dakota franchisees and is deemed deleted in each place it appears in the disclosure document and franchise agreement.

Section 11.6 of the franchise agreement includes a waiver of exemplary and punitive damages. That requirement will not apply to North Dakota franchises and is deemed deleted in each place it appears in the disclosure document and franchise agreement.

Section 8.14 of the franchise agreement contains a post-term non-competition covenant. To the extent that covenants not to compete apply to periods after the term of the franchise, they are generally considered unenforceable in the State of North Dakota.

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

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 the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Further, Section 16.1 of the Franchise Agreement is deleted and replaced with the following:

**16.1      ~~16.1~~      Certain Acknowledgments and Representations of Franchisee**

If required, Franchisee is a duly licensed state contractor under the laws of the state within which the Territory is situated (or has otherwise made arrangements to operate under an existing state contractor's license in accordance with applicable law) and is in compliance with all applicable laws, rules, and regulations of authorities having jurisdiction.

Franchisee understands and acknowledges (i) that all people operating under the Marks and the System benefit from uniform and ethical standards of quality, appearance, and service described in and required by the Manuals, and (ii) the necessity of operating the Franchised Business under the standards stated in the Manuals.

If Franchisee is not an individual, Franchisee is duly incorporated or organized and is qualified to do business in the Territory.

The signing of this Agreement by Franchisee will not constitute or violate any other agreement or commitment to which Franchisee is a party.

Any individual signing this Agreement on behalf of Franchisee is duly authorized to do so and the Agreement will constitute a valid and binding obligation of the Franchisee and, if applicable, all of its partners, if Franchisee is a partnership.

**Current Franchises**

Total	Company	Start Date	Owner	Address	City	State	Zip	Phone
	<b>Alabama</b>							
1	Aussie Pet Mobile of Huntsville	7/24/2019	Cloverkle Enterprises, LLC	418 Holmes Avenue NE, Unit A	Huntsville	Alabama	35801	(256) 479-6007
	<b>Arizona</b>							
	Aussie Pet Mobile of Chandler	7/12/2005	Nergize, LLC	878 E. Beargrass Place	Queen Creek	Arizona	85242	(480) 888-8811
2	Aussie Pet Mobile of N. W. Tucson	3/26/2008	M & S O'Dore, LLC	8421 N. Mammoth Drive	Tucson	Arizona	85743	(520) 572-9693
	<b>Arkansas</b>							
1	Aussie Pet Mobile of Northwest Arkansas	3/15/2019	ARTX Grooming Services, Inc.	4511 W. Hillside Drive	Rogers	Arkansas	72758	(479) 696-2600
	<b>California</b>							
	Aussie Pet Mobile of Chino Hills	10/26/2020	ASA Sun Corp.	5977 Springcrest Drive	Eastvale	California	92880	(909) 247-9179
	Aussie Pet Mobile of Yorba Linda	12/1/2023	Aussie Mobile Groomer LLC	1307 W Roberta Avenue	Fullerton	California	92833	(657) 348-2422
	Aussie Pet Mobile of Southern California	2/13/2018	Agni Pet Services, Inc.	2475 Darlington Row	La Jolla	California	92037	(760) 945-6626
	Aussie Pet Mobile of Coachella Valley	6/25/2015	Desert Dogs, Inc.	79-105 Kristen Court	La Quinta	California	92253	(760) 345-7107
	Aussie Pet Mobile of Oakland/Berkeley	12/13/2011	Richeta, Inc.	944 Reliez Station Road	Lafayette	California	94549	(925) 934-1125
	Aussie Pet Mobile of Beach Cities West	11/27/2018	Augie's Barks & Bubble, Inc.	1705 Pullman Lane #A	Redondo Beach	California	90278	(310) 504-0709
	Aussie Pet Mobile of South Bay	11/18/2013	Living Pets, LLC	1430 Koll Circle Suite 110	San Jose	California	95120	(408) 333-9681
	Aussie Pet Mobile of South Bay-X	4/12/2017	Living Pets, LLC	1430 Koll Circle Suite 110	San Jose	California	95112	(408) 333-9681
	Aussie Pet Mobile of South Bay-X2	2/10/2021	Living Pets, LLC	1430 Koll Circle Suite 110	San Jose	California	95112	(408) 333-9681
	Aussie Pet Mobile of Ventura County	6/19/2018	Cloud Dancers Aviation Services, LLC	611 Monte Vista	Santa Paula	California	93060	(805) 209-7929
	Aussie Pet Mobile of Sherman Oaks	9/20/2019	Dogelama, Inc.	4707 Willis Avenue	Sherman Oaks	California	91403	(818) 830-4070
	Aussie Pet Mobile of Conejo Valley	6/10/2016	United Legacy Properties, LLC	1957 Coventry Court	Thousand Oaks	California	91362	(805) 857-1311
13	Aussie Pet Mobile of Walnut Creek	5/1/2023	Spetacular Spaw LLC	291 Normandy Lane	Walnut Creek	California	94598	(925) 932-9559
	<b>Colorado</b>							
1	Aussie Pet Mobile of Douglas County	6/1/2023	Shane's Halo LLC	6735 South Cook Street	Centennial	Colorado	80221	(303) 434-6528
	<b>Connecticut</b>							
1	Aussie Pet Mobile of Norwalk	1/6/2016	Fat Cat Productions, LLC	145 Strawberry Hill Avenue	Norwalk	Connecticut	06851	(203) 981-7552
	<b>Florida</b>							
	Aussie Pet Mobile of Boca Raton	12/6/2023	Alex Baidoc	16412 Good Hearth Blvd.	Clermont	Florida	34711	(407) 455-0447
	Aussie Pet Mobile of Fort Lauderdale	12/6/2023	Alex Baidoc	16412 Good Hearth Blvd.	Clermont	Florida	34711	(407) 455-0447
	Aussie Pet Mobile of South Volusia County	8/26/2016	Toutou Calin, LLC	1742 Woodland Blvd. #242	Deland	Florida	24720	(386) 228-1040
	Aussie Pet Mobile of Lakewood Ranch	10/1/2023	PANPAC Enterprises LLC	13220 Swiftwater Way	Lakewood Ranch	Florida	34211	(941) 888-1450
	Aussie Pet Mobile of Brevard County	12/30/2015	Kwinky, Inc.	1601 Gable Court	Merritt Island	Florida	32953	(321) 284-8805
	Aussie Pet Mobile of Greater Orlando	10/1/2023	JKH Inc	2706 S Fairway Drive	Plant City	Florida	33566	(407) 595-8798
	Aussie Pet Mobile of SE Orlando	10/1/2023	JKH Inc	2706 S Fairway Drive	Plant City	Florida	33566	(407) 595-8798

Total	Company	Start Date	Owner	Address	City	State	Zip	Phone
68	Aussie Pet Mobile of Apollo Beach	10/15/2015	Wouaff, LLC	13939 Florigold	Windermere	Florida	33570	(727) 741-7612
	<b>Idaho</b>							
1	Aussie Pet Mobile of Boise	12/1/2023	Harrison Maalouf and Megan Maalouf	2163 W Root Creek Street	Meridian	Idaho	83646	(208) 922-7500
	<b>Illinois</b>							
	Aussie Pet Mobile of Bartlett	12/14/2005	Pet Adventures, LLC	8N265 Cheviot Drive	Bartlett	Illinois	60103	(630) 514-5770
	Aussie Pet Mobile of NW Chicagoland	9/7/2007	Plyler Enterprises, Inc.	7207 Horseshoe Court	Cary	Illinois	60013	(847) 516-7810
3	Aussie Pet Mobile of Chicago Western Suburbs	10/1/2020	Salty Dog Mobile Spa, LLC	1110 Royal Court	Wheaton	Illinois	60187	(847) 773-7378
	<b>Indiana</b>							
	Aussie Pet Mobile of Fort Wayne	4/12/2018	M.D. Meyer, Inc.	10108 Red Oak Court	Fort Wayne	Indiana	46804	(260) 459-2765
2	Aussie Pet Mobile of Indianapolis	11/6/2015	K & TH Enterprises, LLC	13476 E. 166th Street	Noblesville	Indiana	46060	(317) 879-6506
	<b>Kentucky</b>							
	Aussie Pet Mobile of Louisville	12/5/2007	KNH, Inc.	10915 Asperview Court	Louisville	Kentucky	40299	(502) 741-7903
2	Aussie Pet Mobile of South Central Louisville	3/24/2008	JEM Group, Inc.	9920 Wynclyff Ct	Louisville	Kentucky	40241	(502) 552-2934
	<b>Maryland</b>							
1	Aussie Pet Mobile of Howard County	2/21/2018	Cruz Pet Services, LLC	8234 Glenmar Road	Elliot City	Maryland	21043	(410) 772-4661
	<b>Massachusetts</b>							
1	Aussie Pet Mobile of Arlington	11/16/2020	Pilarczyk LLC	48 Bow Street	Arlington	Massachusetts	02474	(781) 899-0631
	<b>Minnesota</b>							
1	Aussie Pet Mobile of Northwest Minneapolis	5/1/2022	Kodiak Major Services, Inc.	7059 166th Ave NW	Ramsey	Minnesota	55303	(763) 363-4042
	<b>Missouri</b>							
1	Aussie Pet Mobile of West St. Louis	3/1/2023	Roving Pet Salon, LLC	3774 Afshari's Circle	Florissant	Missouri	63034	(314) 214-7335
	<b>New York</b>							
1	Aussie Pet Mobile of South Westchester County	11/17/2017	3rd Chapter, Inc.	24 Medford Lane	Scarsdale	New York	10583	(914) 340-4532
	<b>North Carolina</b>							
	Aussie Pet Mobile of Cary and Apex	2/1/2023	Spivey Pampered Paws, LLC	81 Doe Court	Apex	North Carolina	27523	(919) 589-7768
	Aussie Pet Mobile of Charlotte	12/5/2006	Charlotte Pet Mobile, Inc.	3505 Mountain Cove Drive	Charlotte	North Carolina	28216	(704) 394-7111
3	Aussie Pet Mobile of North Charlotte	4/19/2018	Angel Paws Pet Mobile, Inc.	630 Melissa Ann Way	Davidson	North Carolina	28036	(704) 654-2093
	<b>Ohio</b>							
	Aussie Pet Mobile of Cuyahoga Valley	11/21/2016	Wiggins Enterprises, Inc.	577 Solon Road	Bentleyville	Ohio	44022	(440) 247-1475
	Aussie Pet Mobile of Cuyahoga Valley-X	10/4/2021	Wiggins Enterprises, Inc.	577 Solon Road	Bentleyville	Ohio	44022	(440) 247-1475
3	Aussie Pet Mobile of Northwest Columbus	4/6/2020	Bill & Jeanine Michael, Inc.	7719 Richens Drive	Dublin	Ohio	43017	(614) 580-1413
	<b>Oregon</b>							
1	Aussie Pet Mobile of South Portland	7/12/2018	Aust Enterprises Inc.	8846 SW Stono Drive	Tualatin	Oregon	97062	(503) 612-9191

Total	Company	Start Date	Owner	Address	City	State	Zip	Phone
	X							
<u>7476</u>	Total							

Total	Company	Start-Date	Owner	Address	City	State	Zip	Phone
	<b>Not Yet Operational on 12/31/23</b>							
	<b>Not Yet Operational on 12/31/2023</b>							
	<b>Arizona</b>							
	Aussie Pet Mobile of North Gilbert	4/16/2024	AP20231001 /JM Horizon Holdings LLC	200 W Germann Road, Apt. 3034	Chandler	Arizona	85286	(602) 888-2833
2	Aussie Pet Mobile of Downtown Chandler	4/16/2024	AP20231001 /JM Horizon Holdings LLC	200 W Germann Road, Apt. 3034	Chandler	Arizona	85286	(602) 888-2833
	<b>California</b>							
	Aussie Pet Mobile of Brea	6/1/2024	Aussie Mobile Groomer LLC	1307 W Roberta Avenue	Fullerton	California	92833	(657) 348-2422
2	Aussie Pet Mobile of Fullerton	12/1/2024	Aussie Mobile Groomer LLC	1307 W Roberta Avenue	Fullerton	California	92833	(657) 348-2422
	<b>Florida</b>							
-	Aussie Pet Mobile of Boca Raton	TBD	Alex Baideoe	16412 Good Hearth Blvd.	Clermont	Florida	34714	(407) 455-0447
-	Aussie Pet Mobile of Fort Lauderdale	TBD	Alex Baideoe	16412 Good Hearth Blvd.	Clermont	Florida	34714	(407) 455-0447
	Aussie Pet Mobile of Parrish	11/1/2025	PANPAC Enterprises LLC	13220 Swiftwater Way	Lakewood Ranch	Florida	34211	(941) 888-1450
	Aussie Pet Mobile of East Bradenton	4/1/2024	PANPAC Enterprises LLC	13220 Swiftwater Way	Lakewood Ranch	Florida	34211	(941) 888-1450
	Aussie Pet Mobile of West Bradenton	10/1/2024	PANPAC Enterprises LLC	13220 Swiftwater Way	Lakewood Ranch	Florida	34211	(941) 888-1450
64	Aussie Pet Mobile of Downtown Sarasota	4/1/2025	PANPAC Enterprises LLC	13220 Swiftwater Way	Lakewood Ranch	Florida	34211	(941) 888-1450
	<b>New Jersey</b>							
	Aussie Pet Mobile of Middletown	3/1/2024	Robert Giamboi and Jennifer Giamboi	390 Kings Highway East	Middletown	New Jersey	07748	(718) 689-0782
	Aussie Pet Mobile of Freehold	9/1/2024	Robert Giamboi and Jennifer Giamboi	390 Kings Highway East	Middletown	New Jersey	07748	(718) 689-0782
	Aussie Pet Mobile of Long Branch	3/1/2025	Robert Giamboi and Jennifer Giamboi	390 Kings Highway East	Middletown	New Jersey	07748	(718) 689-0782
4	Aussie Pet Mobile of East Brunswick	9/1/2025	Robert Giamboi and Jennifer Giamboi	390 Kings Highway East	Middletown	New Jersey	07748	(718) 689-0782
	<b>New York</b>							
	Aussie Pet Mobile of Mount Kisco	2/29/2024	RPMKG LLC	22 Gedney Esplanade	White Plains	New York	10605	(914) 729-7077
	Aussie Pet Mobile of Ossining	8/29/2024	RPMKG LLC	22 Gedney Esplanade	White Plains	New York	10605	(914) 729-7077
3	Aussie Pet Mobile of White Plains	3/1/2025	RPMKG LLC	22 Gedney Esplanade	White Plains	New York	10605	(914) 729-7077
	<b>North Carolina</b>							
	Aussie Pet Mobile of Lewisville	1/27/2024	APM of Triad, LLC	1060 Yorkshire Rd	Winston-Salem	North Carolina	27106	(336) 757-6264
	Aussie Pet Mobile of East Winston-Salem	7/27/2024	APM of Triad, LLC	1060 Yorkshire Rd	Winston-Salem	North Carolina	27106	(336) 757-6264
3	Aussie Pet Mobile of Summerfield	1/27/2025	APM of Triad, LLC	1060 Yorkshire Rd	Winston-Salem	North Carolina	27106	(336) 757-6264

**EXHIBIT D**

**LIST OF ~~TERMINATED~~ CEASED OPERATIONS OR TRANSFERRED FRANCHISEES**

**Terminated/Ceased Operations Franchises**

Total	Status	Company	End Date	Owner	City	State	Zip	Phone
		<b>Illinois</b>						
1	H - Mutual Release	Aussie Pet Mobile of Park Ridge	5/4/2023	L J Zehner, Inc.	Park Ridge	Illinois	60068	(224) 509-5578
		<b>Indiana</b>						
	H - Mutual Release	Aussie Pet Mobile of Greater Evansville	6/1/2023	MCMX3, LLC	Newburgh	Indiana	47630	(812) 499-5810
2	H - Mutual Release	Aussie Pet Mobile of West Indianapolis	3/31/2023	RADX4 Corporation	Westfield	Indiana	46074	(317) 520-1019
		<b>Maine</b>						
1	H - Mutual Release	Aussie Pet Mobile of Coastal/Southern Maine	9/1/2023	Pampered Paws, Inc.	Gorham	Maine	04038	(207) 358-0054
<b>4 Total</b>								

**4 Total**

**Transferred Franchises**

Total	Status	Company	End Date	Owner	City	State	Zip	Phone
		<b>California</b>						
1	G - Transfer 1. Owne	Aussie Pet Mobile of Walnut Creek	5/1/2023	Mobile Household Services, Inc.	Walnut Creek	California	94597	(925) 932-9559
		<b>Colorado</b>						
1	G - Transfer 1. Owne	Aussie Pet Mobile of Douglas County	6/1/2023	Paws Enterprises, Inc.	Castle Rock	Colorado	80109	(303) 434-6528
		<b>Florida</b>						
	G - Transfer 1. Owne	Aussie Pet Mobile of Fort Lauderdale	12/6/2023	Evrakada, LLC	Boca Raton	Florida	33433	(561) 962-1738
	G - Transfer 1. Owne	Aussie Pet Mobile of Boca Raton	12/6/2023	Evrakada, LLC	Boca Raton	Florida	33433	(561) 962-1738
	G - Transfer 1. Owne	Aussie Pet Mobile of Greater Orlando	10/1/2023	We Come to You Orlando Grooming, LLC	Clermont	Florida	32137	(407) 595-8798
4	G - Transfer 1. Owne	Aussie Pet Mobile of S.E. Orlando	10/1/2023	We Come to You Orlando Grooming, LLC	Clermont	Florida	32137	(407) 595-8798
		<b>Idaho</b>						
1	G - Transfer 1. Owne	Aussie Pet Mobile of Boise	12/1/2023	Bogart Red Enterprises, Inc.	Meridian	Idaho	83646	(208) 922-7500
		<b>Washington</b>						
1	G - Transfer 1. Owne	Aussie Pet Mobile of Edmonds	7/1/2023	Inpursuit Enterprises, Inc.	Seattle	Washington	98125	(206) 295-2734
<b>8 Total</b>								

**8 Total**

**SECURED PROMISSORY NOTE**

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

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

US\$ \_\_\_\_\_

\_\_\_\_\_, \_\_\_\_\_

FOR VALUE RECEIVED, the undersigned (hereinafter "Obligor"), hereby promises to pay to the order of AUSSIE PET MOBILE, INC., a limited liability company organized under the laws of California (hereinafter "Secured Party"), in such coin or currency of the United States which shall be legal tender in payment of all debts and dues, public and private, at the time of payment, the principal sum of U.S. \$ \_\_\_\_\_, together with interest from and after the date hereof on the unpaid principal balance outstanding at the rate of 10% per annum.

This Secured Promissory Note (the "Note") is the Secured Promissory Note referred to in, and is issued pursuant to, that certain Security Agreement entered into by Obligor in favor of Secured Party, dated as of even date with the date hereof (hereinafter, as amended from time to time, the "Security Agreement"), and is entitled to all of the benefits and security of the Security Agreement. All of the terms, covenants and conditions of the Security Agreement are hereby made a part of this Note and are deemed incorporated herein in full. All capitalized terms used herein, unless otherwise specifically defined in this Note, shall have the meanings ascribed to them in the Security Agreement.

In no event whatsoever shall the aggregate of all amounts deemed interest under this Note and charged or collected hereunder exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. If any provisions of this Note are in contravention of any such law, such provisions shall be deemed amended to conform thereto. Interest hereunder shall be calculated daily and shall be computed on the actual number of days elapsed over a year of 360 days.

For so long as no Event of Default shall have occurred the principal amount and accrued interest of this Note shall be due and payable on the dates and in the manner hereinafter set forth:

- (a) Principal and interest shall be due and payable monthly commencing on \_\_\_\_\_, 20\_\_, and continuing on the first day of each month thereafter to and including the first day of \_\_\_\_\_ 20\_\_, in installments of \$ \_\_\_\_\_ each; and
- (b) Notwithstanding the foregoing, the entire unpaid principal balance and accrued interest on this Note shall be due and payable immediately upon any acceleration of the Obligations pursuant to Section 6.2 of the Security Agreement or upon the purchase by Obligor of another HOME FRANCHISE CONCEPTS® brand franchise from any source.

Obligor may prepay this Note in whole or in part from time to time without penalty, but any principal payment must be accompanied by all interest then accrued, if any. Any partial

## VAN SUPPORT AGREEMENT

This VAN SUPPORT AGREEMENT, dated as of \_\_\_\_\_, 2024 (the "**Agreement**"), is entered into by and between Aussie Pet Mobile, Inc., a California corporation ("**APM**") and {Franchisee}, a {state} {entity} ("**Franchisee**" and, together with APM, the "**Parties**," and each, a "**Party**").

WHEREAS, the Parties are parties to an AUSSIE PET MOBILE® franchise agreement dated {date} (the "**Franchise Agreement**").

WHEREAS, pursuant to the Franchise Agreement, Franchisor provides a Van Support Program and Franchisee is required to pay to Franchisor a Van Support Fee for its participation in the Van Support Program.

NOW, THEREFORE, in consideration of the premises set forth above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Vehicle

This Agreement relates to vehicle {insert VIN} (the "Vehicle"). Upon the sale or transfer of the Vehicle to another franchisee of APM, this Agreement will be assigned to the new owner of the Vehicle.

2. Van Support Program

Franchisor will provide the Van Support Program ("**VSP**"). The VSP is a warranty management and support system to assist Franchisee work through and address certain repair issues that may arise with respect to the Vehicle or the Designated Equipment installed in the Vehicle.

3. Van Support Fee

Pursuant to the Franchise Agreement, for the Term of this Agreement, Franchisee will pay APM \$225 per month for the VSP.

4. Term and Termination

The term of this Agreement is seven (7) years commencing on delivery of the Vehicle to Franchisee (the "**Term**"). In the event of a termination of the Franchise Agreement, this Agreement will automatically terminate. In the event of a breach of this Agreement, the ~~non-breaching~~ non-breaching Party may terminate this Agreement immediately, if such breach is not cured within seven (7) days after notice of the breach is delivered to the breaching Party.

5. Miscellaneous.

(a) All notices, requests, consents, claims, demands, waivers, summons, and other legal process, and other similar types of communications hereunder (each, a "**Notice**") must be in writing and addressed to the relevant Party at the address for notices set forth in the Frisco Franchise Agreement (or to such other address that may be designated by the receiving Party from time to time). All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or certified or registered mail (in each case, return receipt requested, postage prepaid). A Notice is effective only (i) upon receipt by the receiving Party and (ii) if the Party giving the Notice has complied with the requirements of this Section ~~6(a)~~5(a).

(b) This Agreement and all related documents, and all matters arising out of or relating to this Agreement, whether sounding in contract, tort, or statute are governed by, and construed in accordance with, the laws of the State of California, United States of America (including its statutes of limitations), without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California. Service of process, summons, notice, or other document by certified mail in accordance with Section 6(a) will be effective service of process for any suit, action or other proceeding brought in any such court.

(c) This Agreement and each of the terms and provisions hereof may only be amended, modified, waived, or supplemented by an agreement in writing signed by each Party.

(d) This Agreement constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

(e) Each Party shall pay its own costs and expenses in connection with the drafting, negotiation and execution of this Agreement.

(f) This Agreement may be executed in counterparts, each of which is deemed an original, but all of which constitutes one and the same agreement. Delivery of an executed counterpart of this Agreement electronically shall be effective as delivery of an original executed counterpart of this Agreement.

[SIGNATURES FOLLOW]

**EXHIBIT Q**  
**STATE EFFECTIVE DATES**

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below.

State	Effective Date
California	Pending
Hawaii	<del>Pending</del> <u>May 8, 2024</u>
Illinois	Pending
Indiana	<del>Pending</del> <u>May 1, 2024</u>
Maryland	Pending
Michigan	Pending
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
Wisconsin	<del>Pending</del> <u>May 1, 2024</u>

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.