

FRANCHISE DISCLOSURE DOCUMENT



The Dog Stop Franchising, LLC
a Pennsylvania limited liability company
1632 William Flinn Highway
Glenshaw, PA 15116
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The Dog Stop businesses operate all-inclusive indoor/outdoor dog care facilities offering daycare, boarding, grooming, enrichment, obedience training, in-home services, dog walking, and retail products (“TDS Business(es)”).

The total investment necessary to begin operation of a franchised TDS Business is between \$543,000 and \$1,037,600~~300~~. This includes between \$50,000 and \$52,500 that must be paid to the franchisor or its affiliate(s).

The total investment necessary to begin operation of a The Dog Stop area developer business will depend on the number of TDS Businesses to be opened. The total investment necessary to begin operation of a The Dog Stop area developer business operating two to five TDS Businesses is between \$583,000 and \$1,165,800. This includes between \$90,000 and \$181,000 that must be paid to the franchisor or its affiliate(s).

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 the 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 government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Jesse Coslov at 1632 William Flinn Highway, Glenshaw, PA 15116 and 1-855-635-3935, ext. 700.

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

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

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

Issuance Date: April 20, 2024



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EXHIBITS:

- Exhibit A List of State Administrators and Agents for Service of Process
- Exhibit B Financial Statements
- Exhibit C Franchise Agreement
- Exhibit D Area Development Agreement
- Exhibit E List of Current and Former Franchisees
- Exhibit F State Addenda and Agreement Riders
- Exhibit G Franchise Operations Manual Table of Contents
- Exhibit H Contracts for use with The Dog Stop Franchise
- Exhibit I State Effective Dates
- Exhibit J Receipts

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES REGARDING THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT OR STATE-SPECIFIC AMENDMENTS TO THE FRANCHISE AGREEMENT. THESE ADDITIONAL DISCLOSURES OR STATE-SPECIFIC AMENDMENTS, IF ANY, APPEAR IN THE STATE ADDENDA AT EXHIBIT F.



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

To simplify the language in this Franchise Disclosure Document, “TDS Franchising,” “we,” “us,” and “our” means The Dog Stop Franchising, LLC, the franchisor. “You,” “your,” and “Franchisee” means the person, and its owners if the Franchisee is a business entity, who buys the franchise from TDS Franchising.

The Franchisor

We are a Pennsylvania limited liability company formed on December 7, 2012. We do business under our corporate name and the trade name The Dog Stop. Our principal business address is 1632 William Flinn Highway, Glenshaw, PA 15116. We do not conduct, and have never conducted, a business of the type described in this Franchise Disclosure Document. We offer franchises (“TDS Franchises” or “Franchises”) for TDS Businesses and have done so since February 2013. In the past, we have also offered area representative franchises beginning in April 2017. We are offering area representative franchises in 2024 for qualified candidates. An area representative (“Area Representative”) helps us grow our franchise system by soliciting, screening, recruiting, developing, servicing and supporting third party franchisees in their development territory. As of the Issuance Date of this Franchise Disclosure Document, we have one remaining Area Representative in our system. Area Representatives do not have management responsibility relating to the offer and sale of franchises. The Area Representative franchise opportunity was offered under a separate Franchise Disclosure Document. If you purchase a franchise within an Area Representative’s territory, the Area Representative may provide you with certain initial and ongoing support. We have not offered franchises in any other business.

Our agent for service of process in Pennsylvania is Jesse Coslov, 1632 William Flinn Highway, Glenshaw, PA 15116. Our agents for service of process for other states are identified by state in Exhibit A. If a state is not listed, we have not appointed an agent for service of process in that state in connection with the requirements of franchise laws. There may be states in addition to those listed above in which we have appointed an agent for service of process. There may also be additional agents appointed in some of the states listed.

Our Parents, Predecessors and Affiliates

We do not have a parent or predecessor. We do not have any affiliates that provide products or services to franchisees. We have four affiliates that operate TDS Businesses: The Dog Stop LLC, The Dog Stop South LLC, The Dog Stop Strip LLC, and TDS Boardman, LLC. The principal business address for The Dog Stop, LLC is 1140 Washington Blvd., Pittsburgh, Pennsylvania 15206. The principal business address for The Dog Stop South LLC is 1789 West Liberty Avenue, Pittsburgh, Pennsylvania 15226. The principal business address for The Dog Stop Strip LLC is 2530 Smallman Street, Pittsburgh, PA 15222. The principal business address for TDS Boardman, LLC is 7690 Market Street, Boardman, Ohio, 44512. We also have an affiliate that operates a dog training business.

The Franchise

The Dog Stop franchisees operate businesses providing pet care facilities offering dog daycare, training, grooming, enrichment, boarding services, dog walking and in-home services. TDS Businesses also offer premium dog food, dog treats and dog related accessories for sale. TDS Businesses operate under our system (“System”) using The Dog Stop trademarks, service marks, trade names and logos (the “Marks”)



5. Signage. Our estimate includes the interior and exterior signage for your TDS Business.
6. Initial Inventory. Your initial inventory includes items for sale in the TDS Business such as dog food, dog toys and accessories, and any uniforms and apparel required.
7. Utility and Security Deposits. Your landlord may require that you pay a security deposit when you sign the lease, and your local utility companies may require you to pay security deposits.
8. Insurance. Our estimate includes the annual premium for required insurance coverage. You may have to pay your premiums monthly, quarterly, semi-annually or annually. The insurance you must maintain is described in Item 8. Please note that if you have had prior issues or claims from previous operations unrelated to the operation of a TDS Business, your rates may be significantly higher than those estimated above
9. Grand Opening Advertising. You must conduct a grand opening advertising campaign to announce the opening of your TDS Business. Your grand opening advertising campaign must be conducted in the 75 days before and 30 days after opening. Your grand opening advertising campaign, including the beginning and ending dates, must be approved by us before you may begin the campaign, and may include brochures, newspaper advertising, billboards, internet marketing, social media, brochures, direct mailings, and flyers. It will also include a partnership with our vendor that provides guidance, planning and on-site support.
10. Travel and Living Expenses While Training. We provide one initial training course in Pittsburgh, Pennsylvania, to up to three people at no additional charge, but you must pay for your trainees' expenses, including travel, lodging, meals and wages (if applicable). The amount of the expenses will depend on the distance you must travel, the type of accommodations you choose, the number of attendees, and any wages you pay to employees of yours attending training. The low end of our estimate assumes that the trainees are within driving distance of our training facility.
11. Point-of-Sale and Computer System. You must purchase the computer system we designate or approve, including required hardware and software components. The estimated initial investment includes the estimated cost of the computer system. See Item 11 for more information about the computer system. You will not be required to substantially upgrade your computer system more than three times during the term of the Franchise Agreement.
12. Permits and Licenses. Our estimate includes business licenses and industry specific permits that generally remain in effect for one year. We strongly recommend you consult with an attorney to determine the types of permits and licenses you will need and their costs.
13. Professional Fees. ~~We strongly recommend that you engage an attorney and/or accountant to assist you in evaluating this franchise offering.~~ You may also wish to have an attorney assist you in negotiate lease terms and/or forming a corporate entity to own the franchise.
14. Employee Wages. This is for budgeting purposes only and is intended to give you an idea of your overhead expenses when you employ an appropriate number of employees (or contracting with independent contractors) to operate and provide services through your TDS Business. The estimate provided in the tables above calculates wages for two to three employees.



Type of Expenditure	Amount		Method of Payment	When Due	To Whom Payment is to be Paid
	Low	High			
TOTAL ESTIMATED INITIAL INVESTMENT FOR FOUR TDS BUSINESSES ⁽³⁾	\$642,500	\$1,136,800			
TOTAL ESTIMATED INITIAL INVESTMENT FOR FIVE TDS BUSINESSES ⁽³⁾	\$671,500	\$1,165,800			

None of the expenses listed in the above chart are refundable. We do not finance any portion of your initial investment.

Notes:

1. Development Fee. You must pay us a Development Fee upon signing the Area Development Agreement instead of the Initial Franchise Fee. This fee is discussed in Item 5. If you will develop two TDS Businesses the Development Fee is \$89,500. If you will develop three TDS Businesses the Development Fee is \$119,500. If you will develop four TDS Businesses the Development Fee is \$149,000. If you will develop five TDS Businesses the Development Fee is \$178,000.
2. Other Expenditures for First TDS Business. These are the estimates to build-out your first TDS Business. Costs associated with building out additional TDS Businesses are subject to factors that we cannot estimate or control, such as inflation, increased labor costs or increased materials costs. The Initial Franchise Fee is not included in these totals, as that would be replaced by the Development Fee.
3. Figures May Vary. This is an estimate of your initial start-up expenses for an Area Developer Franchise. ~~You should review these figures carefully with a business advisor before making any decision to purchase the Franchise.~~ The Initial Franchise Fee has been replaced with the Development Fee in these totals.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards and Specifications

You must operate the TDS Business according to our System and specifications. This includes purchasing or leasing all products, services, supplies, fixtures, equipment, inventory, computer hardware and software, and real estate related to establishing and operating the TDS Franchise under our specifications, which may include purchasing these items from: (i) our designees; (ii) approved suppliers; and/or (iii) us or our affiliates. We will provide our System standards and specifications to you in our



Obligation	Article/Section in Agreement	Disclosure Document Item
i. Restrictions on products/ services offered	Franchise Agreement: 2 and 8	8, 16
j. Warranty and client service requirements	Franchise Agreement: 8	8
k. Territorial development and sales quotas	Franchise Agreement: Not applicable Area Development Agreement: 3	12
l. Ongoing product/service purchases	Franchise Agreement: 2 and 8	8
m. Maintenance, appearance and remodeling requirements	Franchise Agreement: 8	6, 11
n. Insurance	Franchise Agreement: 8	7, 8
o. Advertising	Franchise Agreement: 9	6, 7, 11
p. Indemnification	Franchise Agreement: 5 and 16 Area Development Agreement: 14	6
q. Owner's participation/ management/staffing	Franchise Agreement: 1 and 4 Area Development Agreement: 7	15
r. Records and reports	Franchise Agreement: 10	6
s. Inspection and audits	Franchise Agreement: 11 Area Development Agreement: 12	6, 11
t. Transfer	Franchise Agreement: 12 Area Development Agreement: 11	6, 17
u. Renewal	Franchise Agreement: 13 Area Development Agreement: 5	6, 17
v. Post-termination obligations	Franchise Agreement: 15 Area Development Agreement: 10	17
w. Non-competition covenants	Franchise Agreement: 7, 12 and 15 Area Development Agreement: 12	17
x. Dispute resolution	Franchise Agreement: 17 Area Development Agreement: 19	17
y. Personal guaranty	Franchise Agreement: 8 and 12 and Attachment D	15

ITEM 10
FINANCING

We do not offer direct or indirect financing. We do not guarantee your note, lease or any other obligation.

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ITEM 11
FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, The Dog Stop Franchising, LLC is not required to provide you with any assistance.

Pre-Opening Obligations

Before you open your TDS Business, we (or our designee) will provide the following assistance and services to you:

1. Provide you with written site selection guidelines and site selection assistance that we deem advisable (Franchise Agreement, Article 2). We will also designate the territory for your TDS Business when we have accepted your proposed location for the Stop (the "Territory"). If you are an Area Developer, we will designate your Development Territory when you sign the Area Development Agreement (Area Development Agreement, Section 1.1).

2. We will consult with you about the proposed economics of a lease for the Stop, but you must have your own attorney review all terms of the lease. You must select a site that meets our site selection criteria. You will need between 4,000 and 12,000 square feet of space that we anticipate will be in a traditional retail, commercial warehouse or light industrial facility that receives vehicle and/or foot traffic. We will have five days after receipt of all information we require to notify you whether the site you propose to use is accepted. Unless we provide our specific acceptance of a site, it is deemed not accepted. You must find an approved site within 90 days after you sign the Franchise Agreement. We must also approve the lease for the accepted site (Franchise Agreement, Article 2). We generally do not own and then lease any sites to you. We reserve the right to require that your lease includes an option to purchase the site and that it may be assigned to us.

3. Provide standard design specifications for the design, interior layout, fixtures, displays, equipment, signs, color scheme and décor and standard specifications and layouts for building and furnishing the TDS Business, which you will use to have site plans and build-out plans prepared, at your expense (Franchise Agreement, Article 2). We reserve the right to require you to use the architect/designer we designate and to inspect your TDS Business during its construction. You must comply with all ordinances, building codes, and permit requirements, and with any lease requirements and restrictions. We do not provide assistance in your conformance of the premises to local ordinances and/or building codes, obtainment of required permits, and/or the construction, remodeling or decoration of your premises.

4. Loan you one copy of the Franchise Operations Manual. The Franchise Operations Manual contains approximately 477 pages. The table of contents for the Franchise Operations Manual is attached to this Franchise Disclosure Document as Exhibit G (Franchise Agreement, Article 4). We also have a video library of more than 80 videos that each run between two minutes and 15 minutes.

5. Provide a list of approved suppliers, which we may revise during the term of your Franchise Agreement (Franchise Agreement, Article 8).

6. Provide an initial training program at our headquarters for up to three people, the cost of which is included in the Initial Franchise Fee (Franchise Agreement, Article 4). We do not provide training



day operations of the TDS Business. The Designated Owner and General Manager must each successfully complete our training program (See Item 11). We do not require that the General Manager have an ownership interest in the legal entity of the Franchise owner. If you replace the Designated Owner or General Manager, the new Designated Owner or General Manager must satisfactorily complete our training program at your own expense.

Any General Manager and, if you are an entity, any officer that does not own equity in the franchisee entity, must sign the “System Protection Agreement,” the form of which is attached to this Franchise Disclosure Document in Exhibit H. All of your employees, independent contractors, agents or representatives that may have access to our confidential information must sign a confidentiality agreement (unless they already signed a System Protection Agreement), the current form of which is attached to this Franchise Disclosure Document in Exhibit H. If you are an entity, each direct and indirect owner (i.e., each person holding a direct or indirect ownership interest in you of 20% or greater) must sign an owners agreement, the form of which is attached to the Franchise Agreement as Attachment D. We also require that the spouses of the Franchise owners sign the owner’s agreement.

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

You are required to offer all products and perform all services that we periodically mandate for TDS Businesses, and you are prohibited from offering any products or services that we have not expressly approved. All suppliers, products and services approved by us must be offered for sale on a continuous basis from your TDS Business at the time and in the manner required by us. No sale of any product or service except those products and services from approved suppliers may be solicited, accepted or made at or from your TDS Business. If requested by us with at least 30 days’ notice, the marketing of a product or service may be discontinued. If we notify you that a specific product or supplier is no longer approved, you must immediately stop purchasing that product and/or stop purchasing and/or refrain from further contracts with that supplier. Our System standards may regulate required and authorized vendors, products and services and product and service categories. We periodically may change required and/or authorized vendors, products and services and product and service categories. There are no limitations on our rights to make changes to the required services and products offered by you.

Our online policy may impose a complete prohibition on your use of the Marks on social networking sites or any other online platforms. You may not sell products through other channels of distribution such as wholesale, Internet or mail order sales. Otherwise, we place no restrictions upon your ability to serve customers provided you do so from the location of your TDS Business in accordance with our policies.

We may periodically advise you regarding the prices you charge for the products and services offered from your TDS Business, but you will set your own prices. If you choose to follow any pricing advice we provide, we make no guarantees or warranties that offering the products or services at the recommended price will enhance your sales or profits.

[Remainder of page intentionally left blank]



Notes:

1. “Sales” refers to the total revenues you receive from all goods, products, and services sold at, from, or through the TDS Business, as well as any other income, revenue, or consideration related to the TDS Business, regardless of whether these are paid in cash or credit, and irrespective of collection in the case of credit. This also includes any proceeds from business interruption insurance. However, this does not include (a) any sales taxes or other taxes collected from customers and subsequently paid directly to the appropriate taxing authority, or (b) any bona fide refunds made to customers.

2. “Payroll” includes wages, taxes and payroll fees, and may include owner compensation.

3. “Occupancy Costs” include rent, utilities and associated taxes, supplies and similar expenses.

4. ~~The financial performance representations in the Tables above are reflective of~~

~~54. The financial performance representations in the Tables above do not reflect certain operating and non-operating costs and expenses that must be deducted from the Gross Sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your franchised business. Franchisees or former franchisees, listed in the Disclosure Document, may be one source of this information.~~

Written substantiation of the data used in preparing these sales figures will be made available to you upon reasonable request. The information presented above has not been audited.

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

Other than the preceding financial performance representation, The Dog Stop Franchising, LLC does not make any financial performance representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we may provide you with the actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor’s management by contacting Jesse Coslov at 1632 William Flinn Highway, Pittsburgh, Pennsylvania 15222 and 888-635-3935, the Federal Trade Commission, and the appropriate state regulatory agencies.



restricting their ability to speak openly about their experiences with TDS Businesses. You may wish to speak with current and former franchisees, but know that not all franchisees can communicate with you. If you buy a TDS Franchise, your contact information may be disclosed to other buyers when you leave the Franchise System.

As of the Issuance Date of this Franchise Disclosure Document, there are no franchise organizations sponsored or endorsed by us, and no independent franchisee organizations have asked to be included in this Franchise Disclosure Document. We do not have any trademark specific franchisee organizations.

ITEM 21 **FINANCIAL STATEMENTS**

Exhibit B contains the financial statements required to be included with the Franchise Disclosure Document: our unaudited balance sheet, statement of operations, and statement of changes in members equity for the period of January 1, 2024 to June 30, 2024 as well as our audited financial statements as of December 31, 2023, December 31, 2022 and December 31, 2021. Our fiscal year end is December 31st.

ITEM 22 **CONTRACTS**

Attached to this Disclosure Document are the following contracts and their attachments:

Exhibit C	Franchise Agreement
Exhibit D	Area Development Agreement
Exhibit F	State Addenda and Agreement Riders
Exhibit H	Contracts for use with the TDS Franchise
Exhibit H-1	Sample General Release/Waiver and Release of Claims
Exhibit H-2	Sample System Protection Agreement
Exhibit H-3	Sample Confidentiality Agreement
Exhibit H-4	Automated Clearing House Payment Authorization Form
Exhibit H-5	Sample Approval of Requested Assignment
Exhibit H-6	Lease Addendum
Exhibit H-7	Right of First Refusal and Option Agreement
Exhibit H-8	Leaseback Agreement

ITEM 23 **RECEIPTS**

Two copies of an acknowledgement of your receipt of this Disclosure Document are included at the end of this document under Exhibit K. Please sign and return one copy to us, retaining the other copy for your records. Your signature does not constitute a commitment or agreement to purchase a franchise but merely acknowledges your receipt of this Disclosure Document.



THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.



THE DOG STOP FRANCHISING, LLC
BALANCE SHEETS
AS OF JUNE 30, 2024 (PREPARED) AND DECEMBER 31, 2023 (AUDITED)

	JUN 30, 2024	DEC 31, 2023
ASSETS:		
CURRENT ASSETS:		
Cash and equivalents	\$ 1,388,847	\$ 359,690
Accounts receivable, net	98,249	245,192
Prepaid assets	70,889	40,177
Note receivable from affiliate	-	378,905
Deferred franchise acquisition costs	120,514	107,792
	1,678,499	1,131,756
NON-CURRENT ASSETS:		
Property and equipment, net	319,540	324,124
Franchise program	60,000	60,000
Franchise acquisition costs, less current portion	701,402	774,380
	1,080,942	1,158,504
TOTAL ASSETS	\$ 2,759,441	\$ 2,290,260
LIABILITIES AND MEMBERS' (DEFICIT):		
CURRENT LIABILITIES:		
Accounts payable	\$ 88,399	\$ 62,788
Accrued liabilities	27,648	27,648
Deferred franchise revenue	397,956	358,130
	514,003	448,566
LONG-TERM LIABILITIES:		
Long-term debt	158,543	159,909
Secured convertible note payable	-	3,211,595
Deferred franchise revenue, less current portion	2,351,395	2,590,199
	2,509,938	5,961,703
	3,023,941	6,410,269
MEMBERS' (DEFICIT)	(264,500)	(4,120,009)
TOTAL LIABILITIES AND MEMBERS' (DEFICIT)	\$ 2,759,441	\$ 2,290,260

The 2024 financial statements have not been subjected to an audit, review or compilation, and no assurance is provided on them.



THE DOG STOP FRANCHISING, LLC
 STATEMENTS OF OPERATIONS
 SIX MONTHS ENDED JUNE 30, 2024 (PREPARED) AND
 YEAR ENDED DECEMBER 31, 2023 (AUDITED)

	6 Mos 2024	2023
REVENUES:		
Royalties	\$ 593,153	\$ 1,182,498
Brand fund revenues	208,392	386,551
Franchise fees	198,978	445,429
Technology fees	80,000	98,200
	1,080,523	2,112,678
OPERATING EXPENSES:		
Payroll	632,112	1,441,087
General and administrative	295,336	615,652
Brand fund costs	237,053	509,669
Professional fees	115,412	215,813
Franchise-related costs	110,544	284,895
Advertising	88,103	319,526
Depreciation expense	4,584	9,168
	1,483,144	3,395,810
OPERATING (LOSS)	(402,621)	(1,283,132)
OTHER INCOME (EXPENSE)		
Interest and other income	2	12,066
Interest expense, net of convertible note interest forgiven	400,361	(166,234)
	400,363	(154,168)
NET (LOSS)	\$ (2,258)	\$ (1,437,300)

The 2024 financial statements have not been subjected to an audit, review or compilation, and no assurance is provided on them.



THE DOG STOP FRANCHISING, LLC
STATEMENT OF CHANGES IN MEMBERS' EQUITY
AS OF JUNE 30, 2024

MEMBERS' EQUITY AS OF DECEMBER 31, 2023	\$ (4,120,009)
Series A-1 Units Issued (Convertible Note)	2,808,016
Series A-2 Units Issued	1,049,751
Net loss	<u>(2,258)</u>
 MEMBERS' EQUITY AS OF JUNE 30, 2024	 <u>\$ (264,500)</u>

The 2024 financial statements have not been subjected to an audit, review or compilation, and no assurance is provided on them.



ARTICLE 19
SECURITY INTERESTS

19.1 Collateral

You grant to us a security interest (“Security Interest”) in all of the furniture, fixtures, equipment, signage, and realty (including your interests under all real property and personal property leases) of the Franchised Business, together with all similar property now owned or hereafter acquired, additions, substitutions, replacements, proceeds, and products thereof, wherever located, used in connection with the Franchised Business. All items in which a security interest is granted are referred to as the “Collateral”.

19.2 Indebtedness Secured

The Security Interest is to secure payment of the following (the “Indebtedness”):

19.2.1 All amounts due under this Agreement or otherwise by you;

19.2.2 All sums which we may, at our option, expend or advance for the maintenance, preservation, and protection of the Collateral, including, without limitation, payment of rent, taxes, levies, assessments, insurance premiums, and discharge of liens, together with interest, or any other property given as security for payment of the Indebtedness;

19.2.3 All expenses, including reasonable attorneys’ fees, which we incur in connection with collecting any or all Indebtedness secured hereby or in enforcing or protecting our rights under the Security Interest and this Agreement; and

19.2.4 All other present or future, direct or indirect, absolute or contingent, liabilities, obligations, and indebtedness of you to us or third parties under this Agreement, however created, and specifically including all or part of any renewal or extension of this Agreement, whether or not you execute any extension agreement or renewal instruments.

Our security interest, as described herein, shall be subordinated to any financing related to your operation of the Franchised Business, including, but not limited to, a real property mortgage and equipment leases.

19.3 Additional Documents

You will from time to time as required by us join with us in executing any additional documents and one or more financing statements pursuant to the Uniform Commercial Code (and any assignments, extensions, or modifications thereof) in form satisfactory to us.

19.4 Possession of Collateral

Upon default and termination of your rights under this Agreement, we shall have the immediate right to possession and use of the Collateral.

19.5 Our Remedies in Event of Default

You agree that, upon the occurrence of any default set forth above, the full amount remaining unpaid on the Indebtedness secured shall, at our option and without notice, become due and payable immediately, and we shall then have the rights, options, duties, and remedies of a secured party under, and you shall have the rights and duties of a debtor under, the Uniform Commercial Code of Pennsylvania (or



other applicable law), including, without limitation, our right to take possession of the Collateral and without legal process to enter any premises where the Collateral may be found. Any sale of the Collateral may be conducted by us in a commercially reasonable manner. Reasonable notification of the time and place of any sale shall be satisfied by mailing to you pursuant to the notice provisions set forth above.

19.6 Special Filing as Financing Statement

This Agreement shall be deemed a Security Agreement and a Financing Statement. This Agreement may be filed for record in the real estate records of each county in which the Collateral, or any part thereof, is situated and may also be filed as a Financing Statement in the counties or in the office of the Secretary of State, as appropriate, in respect of those items of Collateral of a kind or character defined in or subject to the applicable provisions of the Uniform Commercial Code as in effect in the appropriate jurisdiction.

ARTICLE 20 ACKNOWLEDGMENTS

~~_____ To induce us to sign this Agreement and grant you the Franchise, you acknowledge:~~

~~_____ (a) That you have independently investigated The Dog Stop franchise opportunity and recognize that, like any other business, the nature of the Franchised Business may, and probably will, evolve and change over time.~~

~~_____ (b) That the persons signing this Agreement are all persons who have any ownership interest with respect to the Operating Assets, the Franchised Business or any of the Franchised Business's profits or losses.~~

~~_____ (c) That you have received the disclosure document required by the Trade Regulation Rule of the Federal Trade Commission at least 14 calendar days prior to the date on which this Agreement was executed or any payment was made to us or our affiliates.~~

(Signatures on next page)



To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to The Dog Stop Franchising, LLC, 1632 William Flinn Highway, Pittsburgh, Pennsylvania 15222, or send a fax to The Dog Stop Franchising, LLC at 1-855-635-3935 not later than midnight of the third business day after the Effective Date.

I hereby cancel this transaction.

Franchisee: _____

By: _____

Print Name: _____

Its: _____

Date: _____

MARYLAND

AMENDMENTS TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENTS AND AREA DEVELOPMENT AGREEMENTS

RISK FACTORS:

~~**Going Concern.** The auditor's report on the franchisor's financial statements expresses substantial doubt about the franchisor's ability to remain in business. This means that the franchisor may not have the financial resources to provide services or support to you.~~

Item 17 of the FDD, the Franchise Agreement and the Area Development Agreement are amended to state: "The general release required as a condition of renewal, sale, and/or assignment/transfer shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law."

Item 17 of the FDD and sections of the Franchise Agreement and Area Development Agreement are amended to state: "A franchisee may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within three (3) years after the grant of the Franchise."

The Franchise Agreement, Area Development Agreement and Franchise Disclosure Questionnaire are amended to state: "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."

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 and the outlet is opened. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

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.).



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.

We may use the services of one or more FRANCHISE BROKERS or referral sources to assist us in selling our franchise. A franchise broker or referral source represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation 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.

WISCONSIN

The Wisconsin Fair Dealership Law, Chapter 135 of the Wisconsin Statutes supersedes any provision of the Franchise Agreement if such provision is in conflict with that law. The Franchise Disclosure Document, the Franchise Agreement and the Supplemental Agreements are amended accordingly.

(Signatures on following page)



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	<u>Pending</u>
Hawaii	
Illinois	<u>Pending</u>
Indiana	<u>April 23, 2024</u>
Maryland	<u>Pending</u>
Michigan	<u>Pending</u>
Minnesota	<u>Pending</u>
New York	<u>Pending</u>
North Dakota	
Rhode Island	<u>July 10, 2024</u>
South Dakota	<u>April 22, 2024</u>
Virginia	<u>May 3, 2024</u>
Washington	<u>Pending</u>
Wisconsin	<u>April 23, 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.



**RECEIPT
(Retain This Copy)**

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If The Dog Stop Franchising, LLC offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

Under Iowa law, if applicable, The Dog Stop Franchising, LLC must provide this disclosure document to you at your first personal meeting to discuss the franchise. Michigan requires The Dog Stop Franchising, LLC to give you this disclosure document at least ten business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. New York requires you to receive this disclosure document at the earlier of the first personal meeting or ten business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If The Dog Stop Franchising, LLC does not deliver this disclosure document on time or if it contains a false or misleading statement or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC 20580, and the appropriate state agency identified on Exhibit A. The Dog Stop Franchising, LLC authorizes the respective state agencies identified on Exhibit A to receive service of process for it in the particular state.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:
Jesse Coslov, 1632 William Flinn Highway, Glenshaw, PA 15116 (855) 635-3935
Brandon Neilson, 1632 William Flinn Highway, Glenshaw, PA 15116 (855) 635-3935

Issuance Date: April 20, 2024

I received a disclosure document issued April 20, 2024 that included the following exhibits:

- Exhibit A List of State Administrators and Agents for Service of Process
- Exhibit B Financial Statements
- Exhibit C Franchise Agreement
- Exhibit D Area Development Agreement
- Exhibit E List of Current and Former Franchisees
- Exhibit F State Addenda and Agreement Riders
- Exhibit G Franchise Operations Manual Table of Contents
- Exhibit H Contracts for use with The Dog Stop Franchise
- Exhibit I State Effective Dates
- Exhibit J Receipts

Date Signature Printed Name

Date Signature Printed Name

PLEASE RETAIN THIS COPY FOR YOUR RECORDS.



**RECEIPT
(Our Copy)**

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- Exhibit I State Effective Dates
- Exhibit J Receipts

_____	_____	_____
Date	Signature	Printed Name
_____	_____	_____
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to The Dog Stop Franchising, LLC, 1632 William Flinn Highway, Pittsburgh, Pennsylvania 15222.

