

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 us by mediation and litigation only in Florida. Out-of-state mediation and litigation may force you to accept a less favorable settlement for disputes. It may also cost you more to mediate and litigate with us in Florida than in your own state.
2. **Short Operating History.** The Franchisor is at an early stage of development and has a limited operating history. This franchise is likely to be a riskier investment than a franchise in a system with longer operating history.
3. **Financial Condition.** The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.
4. **Supplier Control.** You must purchase all or nearly all of the inventory or supplies that are necessary to operate your business from the franchisor, its affiliates, or suppliers that the franchisor designates, at prices the franchisor or they set. These prices may be higher than prices you could obtain elsewhere for the same or similar goods. This may reduce the anticipated profit of your franchise business.
5. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments regardless of your sales levels. Your inability to make payments may result in termination of your franchise and loss of your investment.

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.

As a gesture of appreciation for their service, we offer a discount on the Initial Franchise Fee for qualifying military, veteran, and first responder candidates (the "Military and First Responder Discount"). You are eligible for the Military and First Responder Discount if you (or your owners) or your spouse are any of the following: (i) an active duty member of the United States Armed Forces; (ii) a military veteran; or (iii) a first responder, including a law enforcement officer, firefighter, or emergency medical services personnel. If eligible, you will receive a one-time discount equal to ten percent (10%) of the Initial Franchise Fee disclosed in this Item 5. The Military and First Responder Discount applies only to the Initial Franchise Fee, is not transferable, may not be combined with any other discount, incentive, or special program, and has no cash value. All other fees and obligations under the Franchise Agreement remain unchanged.

General Discount Programs

From time to time, we may offer special incentive programs as part of our franchise development activities. These programs may include temporary reductions in initial franchise fees that are designed to support targeted growth initiatives, accelerate entry into specific markets, encourage multi-unit ownership, or facilitate the conversion of existing independent businesses into the System. For example, in 2025 we waived the initial fees for an existing grooming business who converted to a DapperTails outlet with fees collected in the last fiscal year from zero to \$50,000. Any and all discount programs offered by us (each a "Discount Program") are discretionary and may be modified, suspended, or discontinued at any time. Therefore, no Discount Program is a continuing offer and purchasing a franchise through this disclosure document does not guarantee that any Discount Program will be offered in future years or for future franchise acquisitions by you. We may also modify the eligibility criteria or grant variances to any Discount Program in our sole and absolute discretion and on a case-by-case basis.

Except as described in this Item 5, the Initial Fees are uniformly imposed and non-refundable.

ITEM 6: OTHER FEES

| Type of Fee | Amount | Due Date | Remarks |
|------------------------|--|--|---|
| Continuing Royalty Fee | 7% of monthly Gross Revenue | Monthly via ACH for Gross Revenues of the prior month. | Payable to us. See Note 1. |
| Technology Fee | Our then-current fee (currently, \$400 per month plus \$200 per month for each Grooming Van after the first Grooming Van; subject to increase as set forth in Remarks). <u>subject to increase up to a maximum of</u> | Monthly along with first Royalty Fee and Brand Fund Contribution payments of each month. | The "Technology Fee" is payable to us in exchange for the technology required to operate your Franchised Business. Currently, the technology we provide as part of this fee includes a license to use our designated customer relationship management ("CRM") system with scheduling and payment functionality, an assigned telephone number, an assigned |

| | | | |
|--|---|--|--|
| | <u>our actual costs incurred in paying third-party providers for the underlying technologies (calculated system-wide on a pro-rata basis) plus a 10% administrative fee.)</u> | | email address, assigned social media accounts, access to our franchise portal, and a business listing on our website. We may increase the Technology Fee, up to a maximum of our actual costs incurred in paying third-party providers for the underlying technologies (calculated system-wide and on a pro-rata basis) plus a 10% administrative fee, based on supplier pricing increases, introduction of new technology and/or changes in vendor. |
| Required Minimum Expenditure for Local Marketing and Advertising | A minimum of \$500 per calendar month. | As incurred. | Payable to third-party suppliers. All advertising must be approved by us. See Item 11. See Note 2. |
| Brand Fund Contribution | 2% of monthly Gross Revenue (Not currently assessed) | Monthly via ACH for Gross Revenues of the prior month. | We do not presently have a Brand Fund; however, we reserve the right to create a Brand Fund as the system grows for the benefit of our franchisees. Any Brand Fund Contribution will be payable directly to the Brand Fund. See Note 3. |
| Optional Call Center Fee | The then-current price based on the number of Grooming Van's Vans in operation (currently, ranges from \$550 to \$1,100 per month per Grooming Van, depending on the level of service selected, with an additional fee of \$400 per month for each additional Grooming Van beyond the first.). | Optional, Monthly Paid | We may offer an optional client communication and scheduling support system known as the DapperTails Client Care Center ("CCC"), which is designed to assist with call handling, appointment booking, customer communications, follow up, and related client experience services. You may elect to participate in the CCC by enrolling in the program and paying the applicable monthly fee (the "Call Center Fee"). The monthly fee for utilizing the Call Center will vary based on the number of Grooming Vans Franchisee has in operation and the level of services requested. |

| | | | |
|--------------------------|---|---|--|
| | | | We may increase the Call Center Fee up to a maximum of 10% per year. See the current form agreement in Attachment 5 to the Franchise Agreement. |
| Additional Training Fee | \$250/day | As incurred. | Your Initial Management Training and the Master Groomer Training for one (1) lead groomer will be provided as part of your Initial Franchise Fee. You will pay this fee if additional training is required (for example, you replace your lead groomer). See Item 8 and Item 11. |
| On-Site Fee | \$350/day, plus actual travel, lodging and meal expenses | As incurred. | If you request that we send a representative to your location for training or assistance, you will be responsible for a fee of \$350 per day, plus actual travel, lodging and meal expenses. |
| Late Charge | \$50 | As incurred. | If you fail to pay us the Continuing Royalty Fee or Brand Fund Fee (if applicable) we may charge you \$50 for each late submission in addition to interest charges explained below. |
| Interest Charge | 1.5% per month from due date, or maximum allowed by law. | As incurred. | If you fail to pay us any amount when due, we may charge you interest on the unpaid balance until the payment is received. |
| Non-Sufficient Funds Fee | \$75 | As incurred. | If your check is returned or an electronic funds transfer from your bank account is denied for insufficient funds, for each occurrence we may charge you an Insufficient Funds Fee. |
| Renewal Fee | 25% of the then current Initial Franchise Fee, up to a maximum of \$15,000. | When you renew your Franchise Agreement for an additional term. | Payable to us. See Item 17. |
| Transfer Fee | 50% of the then current Initial Franchise Fee, up to | Before we approve the transfer. | Payable to us. See Item 17. |

which a franchisee joined the System. We will provide you with at least thirty (30) days' prior written notice of any material changes to fee amounts or payment terms.

Note 1: Continuing Royalty Fee. You will pay a Continuing Royalty Fee equal to seven percent (7%) of the Gross Revenue generated monthly by your Franchised Business.

The term "Gross Revenue" includes all revenues and income from any source derived or received by you from, by or on account of the operation of the Franchised Business or made pursuant to the rights granted under the Franchise Agreement. Gross Revenue are determined based on the total amount of money paid by your customers, without deduction for your costs or expenses; however, Gross Revenue does not include (i) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (ii) property documented refunds to customers, (iii) properly documented promotional discounts, or (iv) properly documented tips left by customers for your groomer. You are required to set up authorization at your bank to allow us to electronically transfer funds from your bank account to our bank account. We will typically initiate an ACH on or before the fifth day of each month for the prior month's Gross Revenues. Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds.

Note 2: Required Minimum Expenditure for Local Marketing and Advertising. We recommend you spend \$500-\$1,000 per month on your local marketing and advertising efforts; however, you must spend a minimum of \$500 per month. Upon our request, you must furnish us with a monthly report and documentation of local advertising expenditures during the previous calendar month. If you do not spend the minimum required amount, and we reasonably determine it is adversely affecting your business, then we have the right, but not the obligation, to spend the minimum required amount on your behalf and demand reimbursement from you. If we exercise this right, we will take commercially reasonable efforts to deploy these funds for the benefit of your Franchised Business.

Note 3: Brand Fund Contribution. If we establish a System brand promotion fund ("Brand Fund") you must pay directly to our Brand Fund a Brand Fund Contribution of 2% of monthly Gross Revenue generated by your Franchised Business. Payments are due at the same time and in the same manner as the Royalty Fee. You may be required to set up authorization at your bank to allow the Brand Fund to electronically transfer funds from your bank account to the Brand Fund's bank account. -Interest and late fees will apply to any late payments or electronic funds transfer requests denied due to insufficient funds. -If you do not report your revenues for the month, then we will collect an amount equal to 120% of the last prior month's Brand Fund ~~collected~~Contribution and settle the balance the next period in which you report revenue.

Note 4: Indemnification. You must indemnify and hold us, our affiliates, and all of our respective officers, directors, agents and employees harmless from and against any and all claims, losses, costs, expenses, liability and damages arising directly or indirectly from, as a result of, or in connection with your business operations under the Franchise Agreement, as well as the costs, including attorneys' fees, of defending against them.

Note 5: Reimbursement of Cost and Expenses for Non-compliance. In our sole discretion, we may correct any deficiency in the Franchised Business and/or your operation of the Franchised Business or take steps to modify, alter or de-identify the Franchised Business location upon your breach of the Franchise Agreement, or upon the termination or expiration of the Franchise Agreement, if you fail to

| | | | | | |
|--|------------------------------|----------|-------------------------|---|---|
| Insurance (Note 11) | \$1,500 | \$2,500 | As required by insurer. | Before opening. | Insurer |
| Master Groomer Training (Note 12) | \$3,000 | \$7,500 | As Incurred | As required by employee and labor laws (Employee's wage), suppliers of transportation, lodging & meals. | Employee, suppliers of transportation, lodging & meals. |
| Operating Expenses / Additional Funds – 3 months (Note 13) | \$15,000 | \$20,000 | As incurred. | Payroll weekly, other purchases according to agreed-upon terms. | Employees, utilities, suppliers, etc. |
| TOTAL | \$103,500 - \$242,000 | | | | |

**YOUR ESTIMATED INITIAL INVESTMENT
MULTI-UNIT DEVELOPMENT AGREEMENT (2 TO 5)**

| Type of Expenditure (*) | Amount | | Method of Payment | When Due | To Whom Payment is Made |
|---|------------------------------|-----------|-------------------------------------|---------------------------------------|-------------------------------------|
| | Low | High | | | |
| Development Fee (Note 14) | \$70,000 | \$130,000 | Check or Wire transfer | Upon signing the Franchise Agreement. | Us |
| Initial Investment for Your First Franchised Business (Note 15) | \$53,500 | \$192,000 | See the table above in this Item 7. | See the table above in this Item 7. | See the table above in this Item 7. |
| TOTAL (Note 16) | \$123,500 - \$322,000 | | | | |

Notes:

*These estimated initial expenses reflect our current best estimate of the costs you may incur in establishing and operating your Franchised Business. We do not offer direct or indirect financing for these items. Our estimates are based on our experience, the experience of our owners and our officers, the experience of our affiliates, and our current requirements for Franchised Businesses. ~~The factors underlying our estimates may vary depending on several variables, and the actual investment you make in developing and opening your Franchised Business may be greater or less than the estimates given, depending upon the location of your Franchised Business, and current relevant market conditions.~~ All expenditures paid to us or our affiliates are uniform and non-refundable under any circumstances once paid. All expenses payable to vendors or third parties are non-refundable, except

estimate includes a computer and iPad with cellular wireless internet access. The license for our designated business management system is included in the ongoing Technology Fee and taken into account in the Additional Funds estimate. See Item 6 for details on the Technology Fee.

Note 9: Professional Fees. This estimate is for costs associated with the engagement of professionals such as attorneys and accountants for advisories consistent with the start-up of a Franchised Business. ~~We recommend that you seek the assistance of professional advisors when evaluating this franchise opportunity, this Disclosure Document, and the Franchise Agreement.~~ It is also advisable to consult these professionals to form a new entity for operation of the Franchised Business and review any other contracts that you will enter into as part of the development and operation of your Franchised Business.

Note 10: Business Licenses and Permits. You must apply for, obtain, and maintain all required permits and licenses necessary to operate a Franchised Business. The licenses will vary depending on local, municipal, county and state regulations.

Note 11: Insurance Deposits. You are required to maintain certain insurance coverage. Your actual payments for insurance and the timing of those payments will be determined based on your agreement with your insurance company and agent. This estimate is for the cost of an initial deposit to obtain the minimum required insurance, and we estimate this deposit to be equal to the amount of three months of monthly insurance premium payments. We recommend that you consult with your insurance agent before signing a Franchise Agreement.

Note 12: Master Groomer Training. Your lead groomer must complete our Master Groomer Training Program before opening your Franchised Business. We do not charge a fee for the first lead groomer you send to our Master Groomer Training Program. See Item 5. This estimate is for estimated employee wages, travel and lodging expenses that you will incur to attend our pre-opening initial training program. The Master Groomer Training Program is a minimum of one week, but we will provide up to two weeks of training upon request. See Item 11.

Note 13: Operating Expenses / Additional Funds – 3 months. This is an estimate of the minimum recommended levels of additional funds that may be required to cover operating expenses such as employee salaries, inventory, vehicle payments, and required payments to us, and is only for the initial three-month period following the opening of your Franchised Business. We base these figures on the experience of our officers and affiliates in the industry.

Note 14: Development Fee. The low end of this estimate includes the Initial Franchise Fee for your first location plus one-half the Initial Franchise Fee for your second location (\$50,000 + \$20,000). The high end of this estimate includes the Initial Franchise Fee for your first location plus one-half the Initial Franchise Fee for four (4) additional locations (\$50,000 + \$80,000). The high end will increase by \$20,000 for each additional Development Right you desire to purchase. You will pay the Development Fee when you sign the Multi-Unit Development Agreement. You will pay the remaining one-half of the Initial Franchise Fee for your second and subsequent locations at the time you enter into Franchise Agreements for each Franchised Business.

Note 15: Initial Investment for Your First Franchised Business. The low-end of this estimate equals the low-end estimate from the first table estimating your initial investment for a single unit franchise less the Initial Franchise Fee for the first location as it is included in the Development Fee. The high-end of this estimate equals the high-end estimate from the first table estimating your initial investment

| Obligation | Section or Article in Franchise Agreement | Section or Article in Multi-Unit Development Agreement | Item in Franchise Disclosure Document |
|--|---|--|---------------------------------------|
| l. Ongoing Product/Service Purchases | 7.3, 7.4, 7.10, 7.11 | Not Applicable | 8 |
| m. Maintenance, Appearance and Remodeling Requirements | 7.10, 7.11 | Not Applicable | Item 11 |
| n. Insurance | Article XIII | Not Applicable | 7 |
| o. Advertising | Article XII | Not Applicable | 6, 11 |
| p. Indemnification | 18.4, 20.4 | Not Applicable | 14 |
| q. Owner's Participation, Management, Staffing | 7.6, 17.1 | Not Applicable | 11, 15 |
| r. Records /Reports | 11.1, 11.2, 11.3 | Not Applicable | 6 |
| s. Inspections and Audits | 11.5 | Not Applicable | 6, 11 |
| t. Transfer | 14.2, 14.3 | 7 | 17 |
| u. Renewal | <u>2.2</u> | Not Applicable | 17 |
| v. Post-Termination Obligations | Article XVI | Not Applicable | 17 |
| w. Non-Competition Covenants | 17.2, 17.3 | Not Applicable. | 17 |
| x. Dispute Resolution | Article XXV | 9 | 17 |
| y. Guaranty | 18.4, Attachment 3 | Not Applicable | 15 |

**ITEM 10:
FINANCING**

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

- ~~k.~~—approve sites (territories) for future/additional units under ~~an Areaa Multi-Unit~~ Development Agreement using its then-current site criteria if not already defined in your ~~AreaMulti-Unit~~ Development Agreement at the time of signing.

2. **Time to Open**

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your DapperTails Franchised Business is three (3) months. Factors that may affect this time period include your ability to: (i) acquire financing, (2) acquire the Grooming Van, (3) obtain licenses and permits, (4) hire and train qualified groomers, (5) acquire necessary inventory and supplies, and (6) complete required training. Within thirty (30) days of signing the Franchise Agreement, you must order and fund your initial Grooming Van. If you do not order and fund an initial Grooming Van within thirty (30) days, more time may be given upon your request. We will not unreasonably withhold our approval for more time, but we reserve the right to terminate the Franchise Agreement if you fail to order and fund an initial Grooming Van by the Opening Deadline. You must open the Franchised Business within one hundred eighty (180) days after signing the Franchise Agreement. Failure to open your Franchised Business by the opening deadline, is a default of the Franchise Agreement. (Franchise Agreement, Section 5.4).

3. **Obligations After Opening**

During the operation of your franchise, we will:

- a. offer from time to time, in our discretion, mandatory or optional additional training programs. If we require it, you must attend mandatory additional training offered by us for up to one (1) week each year at a location we designate and attend an annual business meeting or franchisee conference for up to one (1) week each year at a location we designate. (Franchise Agreement, Section 3.2 and 6.3).
- b. upon your request and payment of the Onsite Fee (Item 6), or as we determine to be appropriate, provide remedial on-site training and assistance at your premises. (Franchise Agreement, Section 3.4).
- c. provide individualized assistance and coaching to you on the proper implementation of the System and operation of the Franchised Business within reasonable limits by telephone, email, and/or video conferencing, subject at all times to availability of our personnel and in reasonable limits (Franchise Agreement, Section 3.4).
- e. from time to time, as may become available, provide you with samples or digital artwork, advertising and promotional materials (Franchise Agreement, Section 3.4) .
- f. provide you with any written specifications for required equipment, fixtures, products and services and provide you with updated lists of any approved suppliers of these items (Franchise Agreement, Section 3.1).
- h. upon your request and subject to our availability, provide you with on-site opening assistance for up to 3 days (Franchise Agreement, Section 3.3).

Business (the "Initial Management Training Program") to our reasonable satisfaction prior to opening your Franchised Business. The purpose of the Initial Management Training Program is to introduce you to our brand and provide you with tools you will need to launch and manage the Franchised Business. If any attendee does not successfully complete the Initial Management Training Program to our reasonable satisfaction, they will be permitted to retake the training at our next regularly scheduled training session at no additional charge. If you hire a new general manager during the term of the Franchise Agreement, then they will be required to complete the Initial Management Training Program to our reasonable satisfaction within thirty (30) days of their start date, or if not available within that timeframe, at our next regularly scheduled training session.

Second, your lead groomer must complete an initial training for operation of the Franchised Business (the "Master Groomer Training Program") to our reasonable satisfaction prior to opening your Franchised Business. The purpose of Master Groomer Training Program is to provide your lead groomer with the tools they will need to offer our approved products and services according to our standards and specifications and train any additional groomers you hire. The Master Groomer Training Program for your first lead groomer is included in the Initial Franchise Fee at no additional cost. If you hire a new lead groomer during the term of the Franchise Agreement, then they will be required to complete the Master Groomer Training Program to our reasonable satisfaction prior to training any new employees of yours, and you will be required to pay the Additional Training Fee or the Onsite Fee (if you request and we approval travel to your location) as described in Item 6. We do not provide this Initial Training if you are expanding existing operations under a Multi-Unit Development Agreement.

For purposes of this Item 11, "to our reasonable satisfaction" means that the attendee has: (i) attended 100% of all required training sessions; and (ii) demonstrated a working understanding of, and the ability to follow, the System's standards, procedures, and operations as presented during the training program. We recommend that you complete our training program 30-45 days before your planned opening date.

The following tables provide additional information about our initial training programs:

INITIAL MANAGEMENT TRAINING PROGRAM

| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS OF ON THE JOB TRAINING | LOCATION |
|--|-----------------------------|------------------------------|--|
| Initial Management Training, on: <ul style="list-style-type: none"> • Sales and Marketing Strategies • Financial Management • Fleet Management and Maintenance | 8 | 0 | West Palm Beach, FL or Video Conference at your election |

Guest instructors may also present with at least two (2) years' experience in the mobile pet grooming industry.

The Master Groomer Training Program is led by Emily Elias. Mrs. Elias has worked in the mobile pet grooming industry for nine (9) years and has extensive grooming and training experience. Attendees will also be assigned to a mobile pet groomer with at least two (2) years' experience in delivering mobile pet grooming services.

Our training materials for each program consist of the Operations Manual, digital presentations and tutorials, web-based instruction marketing and promotional materials, and any other materials that we believe will be beneficial to our trainees in the training process. Hands-on training also includes observation and active instruction. A majority of the Master Groomer Training Program will be conducted in the field from a grooming van.

The cost of our instructors and training materials for up to three (3) attendees at our Initial Management Training Program and one (1) attendee at our Master Groomer Training Program is included in the Initial Franchise Fee. We will extend the in the field training for the Master Groomer Training Program to up to two (2) weeks (or eighty (80) hours) upon your request.

~~If you, your general manager, and/or lead groomer does not complete the respective training program to our satisfaction, we have the right to terminate the Franchise Agreement; however, we will allow the attendee (or a new designee of yours) to complete the applicable training program at an additional fee of \$250 per person per day. If you hire a new general manager and/or lead groomer during the term of the Franchise Agreement, they will be required to complete the applicable training program at an additional fee of \$250 per person per day.~~

During the grand opening of your Franchised Business, we will provide you with on-site training, supervision and assistance for opening assistance for up to three (3) days subject to our availability and your payment of an Onsite Fee (see Item 6).

Additionally, the primary owner and/or managers of the Franchised Business will be required to attend additional training during the three (3) month period following the grand opening of the Franchised Business via video conference, as follows:

SUPPLEMENTAL MANAGEMENT TRAINING AFTER GRAND OPENING

| SUBJECT | HOURS OF CLASSROOM TRAINING | HOURS OF ON THE JOB TRAINING | LOCATION |
|----------------------|------------------------------------|-------------------------------------|----------------------|
| Management Training* | 10 | 0 | Via Video Conference |
| Office Training* | 3 | 0 | Via Video Conference |
| Total Hours | 13 | 0 | |

*During Months 1 and 2, there will be two 2-hour conferences per month (4 hours total per month) on supplemental management training and one 1-hour conference per month on supplemental office

**ITEM 17:
RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP
(UNDER THE FRANCHISE AGREEMENT)**

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

| | Provision | Section in Franchise Agreement | Summary |
|----|--|--|---|
| a. | Length of the franchise term | Section 2.1 | Term is 10 years |
| b. | Renewal or extension of the Term | Sections 2.2 | If you are in good standing as defined below, you can sign <u>re-sign</u> a successor agreement for an additional term of ten (10) years. |
| c. | Requirements for franchisee to renew or extend | Sections 5.2 and 5.3 <u>Section 2.2</u> | You must provide notice to renew not less than three (3) months nor more than twelve (12) months prior to the end of the term, not be in default of any material provision of the Franchise Agreement, be current on all monetary obligations to us and our affiliates, execute our then-current franchise agreement which may differ from the terms of your Franchise Agreement, except that: (i) the Royalty Fee will not increase, (ii) the size of the Operating Territory will not decrease, and (iii) Franchisee will not be required to pay any initial franchise fee, you execute a general release, comply with our then-current training requirements and complete and required refurbishments, and pay a renewal fee of 25% of the then-current initial franchise fee. |
| d. | Termination by franchisee | Section 15.1 and 15.2 | You may seek termination upon non-renewal, transfer, or if we do not cure within sixty (60) day's notice of a material breach, failure to comply with applicable law, or our bankruptcy or insolvency. You may also seek mutual termination if at any time during the time period beginning on the second year anniversary of the effectiveness of your Franchise Agreement, Gross Revenues for the Franchised Business for any consecutive three-month period are less than Thirty Thousand and 00/100 Dollars (\$30,000), subject to qualification, compliance, and execution of a mutual termination agreement. |

| | | | |
|----|---|---|---|
| e. | Termination by franchisor without cause | Section 15.3 | The Franchise Agreement will terminate upon your death or permanent disability, and if the Franchise is <u>not</u> transferred within six months to a replacement franchisee that we approve <u>reasonable time</u> (subject to state law). See paragraph p titled "Death or disability of franchisee" below for more details. |
| f. | Termination by franchisor with cause | Sections 15.3 and 15.4 | We may terminate only if you default. The Franchise Agreement describes defaults throughout. Please read it carefully. |
| g. | "Cause" defined – curable defaults | Section 15.4 | You have 30 days to cure non-payments and any other defaults (except for non-curable defaults listed in the Franchise Agreement and described in h. immediately below). |
| h. | "Cause" defined - non-curable defaults | Sections 17.1 and 17.2 <u>Section 15.3</u> | The Franchise Agreement will terminate automatically, without notice for the following defaults: (i) you fail to complete initial training; (ii) you fail to procure a Grooming Van within 180 days of the Effective Date; (iii) if cease to operate for five (5) days or more when active operation is reasonably possible; (iv) you are convicted of a felony, crime of moral turpitude or any other crime or offense that may have an adverse effect on the System; (v) your operation of the business causes a threat to public health or safety; (vi) you improperly assign or transfer your rights in the Franchise Agreement; (vii) a transfer is not timely completed after your death; (ix) you fail to comply with in-term restrictive covenants; (x) you disclose our confidential information; (xi) you knowingly submit false reports to us; (xii) you refuse to permit us to inspect your books, records or accounts; (xiii) you become insolvent; (xiv) you fail to cure a curable default within 30 days; (xv) you commit a curable default, cure, and then commit the same curable default again. This provision is subject to state law. |

| | | | |
|----|--|--------------|--|
| i. | Franchisee's obligations on termination/ non-renewal | Article XVI | Upon termination, you must: cease operations; cease to identify yourself as a DapperTails franchisee; cease to use our trademarks; cancel any assumed name registration that contains any Mark; pay us and our affiliates all sums owing; pay us any damages, costs or expenses we incur in obtaining any remedy for any violation of the Franchise Agreement by you, including, but not limited to attorneys' fees; deliver to us all Confidential Information, the Operations Manual and all records and files related to your Franchised Business; comply with the non-disclosure and non-competition covenants; sell to us, at our option, all furnishing, fixtures, equipment, inventory and supplies of your Franchised Business; and assign, at our option, your telephone numbers, directory and internet listings, and social media and software accounts and the lease for the location. |
| j. | Assignment of contract by franchisor | Section 14.1 | No restrictions on our right to assign. |
| k. | "Transfer" by franchisee defined | Section 14.2 | Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Franchise Agreement, the Franchised Business, any assets of the Franchised Business, or in the Franchisee (if the Franchisee is a business entity). |
| l. | Franchisor approval of transfer by franchisee | Section 14.2 | No transfer is allowed without our consent, which we will not unreasonably withhold. |
| m. | Conditions for franchisor approval of a transfer | Section 14.3 | Conditions include: our decision not to exercise our right of first refusal; you are current on all monetary obligations to us and our affiliates; you are not in default; you execute a general release <u>and agree to be bound by the terms of the noncompete</u> , the transferee meets our then-current standards for qualifying franchisees; transferee signs our then-current form of Franchise Agreement, which may have materially different terms from your Franchise Agreement; transferee and its general manager successfully complete our Initial Management Training Program; you and the transferee sign a General Release on our then-current form; if applicable; payment of a transfer fee equal to 50% of the then-current initial franchise fee. |

| | | | |
|----|--|----------------------------------|--|
| n. | Franchisor's right of first refusal to acquire franchisee's business | Section 14.5 | You must promptly notify us of any written offer to purchase your Franchise. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b).we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 30 days to close after our notice and (e) you shall give us all customary seller's representations and warranties. |
| o. | Franchisor's option to purchase franchisee's business | Section 16.8 | Upon termination of the Franchise Agreement, we have the option to purchase your vehicles, furniture, equipment, signs, advertising materials, supplies and inventory at fair market value. |
| p. | Death or disability of franchisee | Sections Section 14.6 | The Franchise Agreement will terminate upon your death or permanent disability, and the Franchise is transferred within six months to a replacement franchisee that we approve. Upon the death or mental or physical incapacity of any individual owner, the following applies depending upon your ownership structure: (a) Single Owner: The executor, administrator, or personal representative must transfer the Franchise to a Franchisor-approved third party within six (6) months; approval will not be unreasonably withheld. Any surviving spouse is automatically deemed approved. (b) Multiple Owners: If the deceased or incapacitated owner's interest passes to existing owners of the Franchisee, no transfer approval is required and the business may continue without interruption, provided Franchisee remains in compliance and designates a qualified manager if the deceased or incapacitated person previously served in that role. If the interest passes to any person or entity that is not an existing owner, it constitutes a transfer subject to Section 14.3, and must be completed within six (6) months; a surviving spouse is automatically deemed approved. (c) Extension: If a transfer cannot be completed within six (6) months due to circumstances beyond the representative's reasonable control, Franchisor will grant a reasonable extension provided the business continues to operate in compliance. Failure to complete the transfer within a reasonable time may result in termination under Section 15.3(g). |

| | | | |
|----|--|---|---|
| q. | Non-competition covenants during the term of the franchise | Section 17.2 | You may not: divert, or attempt to divert, customers of any DapperTails outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business; employ or seek to employ any person who is at that time employed by us or another franchisee of ours, or otherwise assist a competitive business that offers pet grooming services. <u>This entire provision is subject to applicable state law.</u> |
| r. | Non-competition covenants after the franchise is terminated or expires | Section 17.3 | For 2 years after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any DapperTails outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within the Operating Territory, within 10 miles of your Operating Territory, or within 10 miles of any other DapperTails location. <u>This entire provision is subject to applicable state law.</u> |
| s. | Modification of the agreement | Sections 1.4, 8.3, 17.6 and Article XXIII | No oral modifications generally, but we may change the Operations Manual and System standards at any time. You may be required to implement these changes at your own costs. We have the right to modify our trademarks at any time upon written notice to you. |
| t. | Integration/merger clause | Article XXIII | Only the terms of the Franchise Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or in any related agreement, however, is intended to disclaim the representations we made in the franchise disclosure document that we furnished to you. |
| u. | Dispute resolution by arbitration or mediation | Sections 25.1, 25.2, and 25.3 | Claims that are not resolved internally may be submitted to non-binding mediation and then binding arbitration in West Palm Beach, Florida, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises and post-termination obligations. This provision is subject to state law. |
| v. | Choice of forum | Section 20 25.5 | Florida, subject to applicable state law. |
| w. | Choice of law | Section 20-5 25.4 | Florida law applies, subject to applicable state law. |

**THE FRANCHISE RELATIONSHIP
(UNDER THE MULTI-UNIT DEVELOPMENT AGREEMENT)**

This table lists certain important provisions of the multi-unit development agreement. You should read these provisions in the agreement attached to this disclosure document

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|--|---|
| a. | Length of the franchise term | Paragraph <u>Paragraphs 5 and 6</u> | Estimated at 2-5 years <u>based on your development schedule</u> . The Multi-Unit Development Agreement expires on the date on which you open the last scheduled Franchised Business as stated in the Development Schedule set forth on the Multi-Unit Development Agreement. |
| b. | Renewal or extension of the Term | Not Applicable <u>Paragraph 6</u> | Not Applicable <u>There are no renewal rights.</u> |
| c. | Requirements for franchisee to renew or extend | Not Applicable <u>Paragraph 6</u> | Not Applicable <u>There are no renewal rights.</u> |
| d. | Termination by franchisee | Paragraph 8 | You may seek termination upon non-renewal, transfer, or if we do not cure within sixty (60) day's notice of a material breach, failure to comply with applicable law, or our bankruptcy or insolvency. <u>You may also seek mutual termination if at any time during the time period beginning on the second year anniversary of the effectiveness of your Franchise Agreement, Gross Revenues for the Franchised Business for any consecutive three-month period are less than Thirty Thousand and 00/100 Dollars (\$30,000), subject to qualification, compliance, and execution of a mutual termination agreement. These rights are governed by your initial Franchise Agreement (Section 15.1 and 15.2) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> |
| e. | Termination by franchisor without cause | Paragraph 8 | The Multi-Unit Development <u>Franchise Agreement</u> will terminate automatically upon your death or permanent disability, unless prohibited by law and if the Development Rights are <u>Franchise is not transferred within 6 months a reasonable time (subject to a replacement developer that we approve.state law). See paragraph p titled "Death or disability of franchisee" below for more details.</u> |

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|--|--|
| f. | Termination by franchisor with cause | Paragraphs 3, 8, Exhibit A | We may terminate only if you default. The Multi-Unit Development <u>Agreement and Franchise</u> Agreement describes defaults throughout. Please read it carefully. Additionally, if you fail to adhere to the Development Schedule we may (i) reduce the number of Development Rights by the number of Franchised Businesses not developed on schedule and (ii) eliminate a Territory from the Development Area (each a "Removed Territory"). |
| g. | "Cause" defined – curable defaults | Paragraph <u>1 and 8</u> | You have 30 days to cure non-payments and any other defaults (except for non-curable defaults listed in the Franchise Agreement and described in h. immediately below). |
| h. | "Cause" defined - non-curable defaults | Paragraph <u>Paragraphs 1 and 8</u> | The Franchise <u>Multi-Unit Development</u> Agreement will terminate automatically, without notice for the following defaults: (i) you fail to complete initial training; (ii) you fail to procure a Grooming Van within 180 days of the Effective Date; (iii) if cease to operate for five (5) days or more when active operation is reasonably possible; (iv) you are convicted of a felony, crime of moral turpitude or any other crime or offense that may have an adverse effect on the System; (v) your operation of the business causes a threat to public health or safety; (vi) you improperly assign or transfer your rights in the Franchise Agreement; (vii) a transfer is not timely completed after your death; (ix) you fail to comply with in-term restrictive covenants; (x) you disclose our confidential information; (xi) you knowingly submit false reports to us; (xii) you refuse to permit us to inspect your books, records or accounts; (xiii) you become insolvent; (xiv) you fail to cure a curable default within 30 days; (xv) you commit a curable default, cure, and then commit the same curable default again. This provision is subject to state law. |

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|--|--|
| i. | Franchisee's obligations on termination/ non-renewal | Not Applicable <u>Paragraphs 7 and 8</u> | Not Applicable <u>Upon termination, you must: cease operations; cease to identify yourself as a DapperTails franchisee; cease to use our trademarks; cancel any assumed name registration that contains any Mark; pay us and our affiliates all sums owing; pay us any damages, costs or expenses we incur in obtaining any remedy for any violation of the Franchise Agreement by you, including, but not limited to attorneys' fees; deliver to us all Confidential Information, the Operations Manual and all records and files related to your Franchised Business; comply with the non-disclosure and non-competition covenants; sell to us, at our option, all furnishing, fixtures, equipment, inventory and supplies of your Franchised Business; and assign, at our option, your telephone numbers, directory and internet listings, and social media and software accounts and the lease for the location. These obligations are governed by the initial Franchise Agreement (Article XVI) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> |
| j. | Assignment of contract by franchisor | Paragraph 7 | No restrictions on our right to assign. |
| k. | "Transfer" by franchisee - defined | Paragraph <u>Paragraphs 1 and 7</u> | Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Franchise Agreement, the Franchised Business, any assets of the Franchised Business, or in the Franchisee (if the Franchisee is a business entity). |
| l. | Franchisor approval of transfer by franchisee | Paragraph 7 | No transfer is allowed without our consent, which we will not unreasonably withhold. <u>The process is governed by your initial Franchise Agreement (Article XIV) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> |

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|---|---|
| m. | Conditions for franchisor approval of a transfer | Paragraph 7 | Conditions include: our decision not to exercise our right of first refusal; you are current on all monetary obligations to us and our affiliates; you are not in default; you execute a general release, the transferee meets our then-current standards for qualifying franchisees; transferee signs our then-current form of Franchise Agreement, which may have materially different terms from your Franchise Agreement; transferee and its general manager successfully complete our Initial Management Training Program; you and the transferee sign a General Release on our then-current form; if applicable; payment of a transfer fee equal to 50% of the then-current initial franchise fee. <u>The process is governed by your initial Franchise Agreement (Article XIV) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> |
| n. | Franchisor's right of first refusal to acquire franchisee's business | Paragraph 7 | You must promptly notify us of any written offer to purchase your Franchise. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b).we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 30 days to close after our notice and (e) you shall give us all customary seller's representations and warranties. <u>These rights governed by your initial Franchise Agreement (Section 14.5) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> |
| o. | Franchisor's option to purchase franchisee's business | Not Applicable Paragraph 7 | Not Applicable.—We have the right to purchase certain assets on termination under the Franchise Agreement. The scope is governed by your initial Franchise Agreement (Section 16.8) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement. |

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|---|--|
| p. | Death or disability of franchisee | Paragraph 8 | The Franchise Agreement will terminate upon your death or permanent disability, and the Franchise is transferred within six months to a replacement franchisee that we approve. Upon the death or mental or physical incapacity of any individual owner, the following applies depending upon your ownership structure: (a) Single Owner: The executor, administrator, or personal representative must transfer the Franchise to a Franchisor-approved third party within six (6) months; approval will not be unreasonably withheld. Any surviving spouse is automatically deemed approved. (b) Multiple Owners: If the deceased or incapacitated owner's interest passes to existing owners of the Franchisee, no transfer approval is required and the business may continue without interruption, provided Franchisee remains in compliance and designates a qualified manager if the deceased or incapacitated person previously served in that role. If the interest passes to any person or entity that is not an existing owner, it constitutes a transfer subject to Section 14.3, and must be completed within six (6) months; a surviving spouse is automatically deemed approved. (c) Extension: If a transfer cannot be completed within six (6) months due to circumstances beyond the representative's reasonable control, Franchisor will grant a reasonable extension provided the business continues to operate in compliance. Failure to complete the transfer within a reasonable time may result in termination under Section 15.3(g). |
| q. | Non-competition covenants during the term of the franchise | Not Applicable | The MUDA Multi-Unit Development Agreement does not contain any <u>independent</u> restrictive covenant. You However, you will be bound by the covenants contained in any franchise agreements each Franchise Agreement executed between you and us-, which may change during the term of the Multi-Unit Development Agreement and may vary between each Franchise Agreement. All such restrictions are subject to applicable state law. |

| | Provision | Section in Multi-Unit Development Agreement | Summary |
|----|--|--|--|
| r. | Non-competition covenants after the franchise is terminated or expires | Not Applicable | The MUDA <u>Multi-Unit Development Agreement</u> does not contain any restrictive covenant. You will be bound by the covenants contained in any <u>each</u> franchise agreements <u>agreement</u> executed between you and us, <u>which may change during the term of the Multi-Unit Development Agreement and may vary between each Franchise Agreement. All such restrictions are subject to applicable state law.</u> |
| s. | Modification of the agreement | Not Applicable | Not Applicable. |
| t. | Integration/merger clause | Not Applicable <u>Entire Agreement</u> | Not Applicable <u>The Multi-Unit Development Agreement incorporates the initial Franchise Agreement executed between you and us and is controlled by its terms.</u> |
| u. | Dispute resolution by arbitration or mediation | Paragraph 9 | Claims that are not resolved internally may be submitted to non-binding mediation and then binding arbitration in West Palm Beach, Florida, excluding claims related to injunctive relief, anti-trust, the trademarks, possession of the Franchised Business premises and post-termination obligations. <u>The process is governed by your initial Franchise Agreement (Article XXV) which is incorporated by reference when you sign the Multi-Unit Development Agreement contemporaneously with the Franchise Agreement.</u> This provision is subject to state law. |
| v. | Choice of forum | Paragraph 9 | Florida, subject to applicable state law. |
| w. | Choice of law | Paragraph 9 | Florida law applies, subject to applicable state law. |

See the state addenda to this Franchise Disclosure Document and the Franchise Agreement for special state disclosures.

**ITEM 18:
PUBLIC FIGURES**

We do not currently use any public figures 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 the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a

franchisor provides the actual records of an existing outlet you are considering buying; or (2) 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 tables present historical financial information for our company-owned outlets, which are operated by our affiliate, ENC Grooming Corp d/b/a The Ruff Life and DapperTails, from January 1, 2025, through December 31, 2025. ~~All of the outlets opened prior to January 2025 were~~ As more fully described in Item 1, ENC Grooming Corp operated under "The Ruff Life" mark prior to January 1, 2025, and ~~all of the outlets opened~~ has since January been transitioning to the "DapperTails" mark. All seventeen (17) outlets in operation at the start of 2025 were opened prior to January 1, 2025, and operated in 2025 with a combination of legacy "The Ruff Life" vehicle branding and the current "DapperTails" brand; all new outlets opened on or after January 1, 2025 operated exclusively under the "DapperTails" mark. name and branding. ENC Grooming Corp maintains a uniform digital and online presence and conducts all marketing and advertising under the DapperTails name across all outlets, regardless of vehicle branding.

All figures are presented without regard to the size of the territory, since our Company Owned Outlets do not operate within a defined territory. All Gross Revenue figures are tracked within the DapperTails scheduling application, which schedules grooms and tracks sales volume by geographic location.

At the start of 2025, we had no franchised Grooming Vans in operation. During the year, we added a total of seven (7) Grooming Vans and reacquired one (1) of these Grooming Vans from a franchisee who experienced unexpected health issues and was unable to operate. As a result, there were a total of six (6) franchised Grooming Vans in operation as of December 31, 2025. We have excluded each of the six (6) operational outlets from these financial performance representations (100% of our franchised outlets as of December 31, 2025) because they all opened in December of 2025 and operated for less than two weeks. We also excluded the one (1) franchised outlet that was reacquired in 2025, which opened and closed within twelve (12) months, based on the operational irregularity.

At the start of 2025, ENC Grooming Corp. was operating seventeen (17) Grooming Vans. During the year, ENC Grooming Corp added a total of eleven (11) Grooming Vans and closed one (1) Grooming Van (this Grooming Van was moved to a different state and is therefore counted as closing in one state and opening in another state for purposes of this disclosure document, see Item 20). As a result, they were operating twenty-seven (27) Grooming Vans as of December 31, 2025. The year-end total includes the one (1) franchised outlet that was reacquired (see Table 3; KALAMAZOO, MI) during the year.

Tables 1-4 present the results of 100% of ENC Grooming Corp's outlets for the applicable periods. Because new Grooming Vans came online at different points throughout 2025, the tables reflect each outlet's results beginning in the month it first became operational. Revenue is reported on a monthly basis by location, organized by quarter, and no ramp-up period has been excluded. Accordingly, the first revenue figure for each Grooming Van represents the first full or partial month of its operations. None of ENC Grooming Corp's outlets have been excluded from these financial performance representations, and the results reflect 100% of ENC Grooming Corp's outlets that actually attained the stated results.

| | | | | |
|--|--------------|--------------|--------------|----------------|
| APEX, NC (1 Grooming Van) | \$7,930.00 | \$8,592.25 | \$9,589.25 | \$26,111.50 |
| KALAMAZOO, MI (1 Grooming Van) | \$10,430.00 | \$10,815.00 | \$8,070.00 | \$29,315.00 |
| ST. LOUIS, MO (1 Grooming Van) | \$17,435.00 | \$18,850.00 | \$17,790.00 | \$54,075.00 |
| SCOTTSDALE, AZ (2 Grooming Van) | \$30,270.00 | \$32,485.73 | \$36,274.00 | \$99,029.73 |
| SOUTHEAST VALLEY, AZ (1 Grooming Van) | \$3,505.00 | \$9,438.45 | \$10,480.00 | \$23,423.45 |
| YORK, SC (1 Grooming Van) | N/A | N/A | \$10,676.03 | \$10,676.03 |
| NASHVILLE, TN (1 Grooming Van) | \$11,530.00 | \$9,565.00 | \$10,065.00 | \$31,160.00 |
| Q4 TOTALS | \$356,379.17 | \$379,356.38 | \$400,218.65 | \$1,135,954.20 |

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

NOTES APPLICABLE TO ALL TABLES:

1. The term "Gross Revenues" includes all revenue, excluding only sales tax, tips left for groomers, credit card processing fees, refunds and discounts.
2. Written substantiation for the financial performance representations described above will be made available to you on reasonable request. Please carefully read all of the information in these financial performance representations, and the notes following the tables, in conjunction with your review of the historical data. The information presented above has not been audited.
- ~~3. We strongly urge you to consult with your financial advisor or personal accountant concerning the financial analysis that you should make in determining whether or not to purchase a DapperTails Franchised Business.~~

Other than the preceding financial performance representation, we do not make any representations about a franchisee's future financial performance or the past financial performance of any company-owned or franchised outlets. We also do not authorize our employees or representative 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 Chris Elias, DapperTails LLC, 4575 Artesa Way South, Palm Beach Gardens, FL 33418, 1-888-808-5475, the Federal Trade Commission, and the appropriate state regulatory agencies.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

EXHIBIT A

AGENCIES/AGENTS FOR SERVICE OF PROCESS

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

| State | State Administrator | Agent for Service of Process |
|--------------|---|--|
| California | Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013 1515 K651 Bannon Street, Suite 200-300 Sacramento, CA 9581495811 1-866-275-2677 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov | Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4th Street Los Angeles, CA 90013 www.dfpi.ca.gov Ask.DFPI@dfpi.ca.gov |
| Connecticut | The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299 | The Banking Commissioner The Department of Banking, Securities and Business Investment Division 260 Constitution Plaza Hartford, CT 06103-1800 Phone Number (860) 240-8299 |
| Hawaii | Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722 | Commissioner of Securities of the State of Hawaii Department of Commerce and Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 |
| Illinois | Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465 | Illinois Attorney General Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 |
| Indiana | Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 (317) 232-6681 | Secretary of State, Securities Division 302 West Washington Street, Room E-111 Indianapolis, IN 46204 |

EXHIBIT G

STATE SPECIFIC ADDENDA TO THE FRANCHISE DISCLOSURE DOCUMENT ~~AND~~, FRANCHISE AGREEMENT, MULTI-UNIT DEVELOPMENT AGREEMENT, AND ALL RELATED AGREEMENTS

The following State Specific Addendum applies to the DapperTails Disclosure Document and may supersede certain portions of the Franchise Agreement and all related agreements.

The provisions of this State Specific Addendum apply only to those franchisees residing or operating a DapperTails business in the following states: California, Illinois, Minnesota, New York, Virginia, or Washington.

CALIFORNIA

California Business and Professions Code Sections 20000 through 20043 provide rights to you concerning termination, transfer, or non-renewal of a franchise. If the Franchise Agreement or Agreement contains provisions that are inconsistent with the law, the law will control.

The Franchise Agreement provide 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 covenants not to compete which extend beyond the termination of the agreement. These provisions may not be enforceable under California law.

Section 31125 of the California Corporation Code requires the franchisor to provide you with a disclosure document before asking you to agree to a material modification of an existing franchise.

Neither the franchisor, any person or franchise broker in Item 2 of the 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. 79a *et. seq.*, suspending or expelling such persons from membership in such association or exchange.

Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of a franchise agreement restricting venue to a forum outside the State of California.

The franchise agreement requires a shortened statute of limitations period. Pursuant to Corporations Code Section 31512, this provision is void, to the extent that it is inconsistent with the provisions of Corporations Code Sections 31303 and 31304.

You must sign a general release if you renew or transfer your franchise. California Corporation Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

The Franchise Agreement contains a liquidated damages clause. Under California Civil Code Section 1671, certain liquidated damages clauses are unenforceable.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL 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.

The highest interest rate allowed by law in California is ten percent (10%) annually.

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.

Section 26.1 of the Franchise Agreement is deleted in its entirety.

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchisees until we have completed all of our pre-opening obligations and you are open for business. For California franchisees who sign a development agreement, the payment of the development and initial fees attributable to a specific unit in your development schedule is deferred until that unit is open.

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.

THIS ADDENDA MUST BE EXECUTED SIMULTANEOUSLY WITH THE FRANCHISE AGREEMENT.

| Franchisor | Franchisee |
|---------------------|-------------------|
| Signature | Signature |
| Name Chris Elias | Name |
| Title CEO | Title |
| Address | Address |
| Date | Date |

- 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.
- Minnesota Rules 2860.4400(G) prohibits a franchisor from imposing on a franchisee by contract or rule, whether written or oral, any standard of conduct that is unreasonable.

• Modifying Item 5 and Item 7 of the Disclosure Document and Section 4.1 of the Franchise Agreement, the franchisor will defer collection of all initial franchise fees until your business opens.

THIS ADDENDA MUST BE EXECUTED SIMULTANEOUSLY WITH THE FRANCHISE AGREEMENT AND/OR MULTI-UNIT DEVELOPMENT AGREEMENT.

| Franchisor | Franchisee |
|---------------------|-------------------|
| Signature | Signature |
| Name Chris Elias | Name |
| Title CEO | Title |
| Address | Address |
| Date | Date |

MARYLAND

As to franchises governed by MARYLAND ADDENDUM TO FRANCHISE DISCLOSURE DOCUMENT, FRANCHISE AGREEMENT AND MULTI-UNIT DEVELOPMENT AGREEMENT

To the extent the Maryland Franchise Registration and Disclosure Law, if any of Md. Code Bus. Reg. §§14-201 – 14-233 applies, the terms of the Franchise this Addendum apply.

Item 5, Additional Disclosure Document (FDD) and/or Franchise Agreement (FA) are inconsistent with:

Based upon the terms below, the terms below control 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." If the franchise offering includes an area development agreement, add: "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Item 17.b., Additional Disclosures:

Our termination of the FDD and Franchise Agreement because of your bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 et seq.). Section 2.2 of the FA is modified to also provide:

"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.u. of the FDD and Section 25.3 of the FA is modified to also provide:

"This Franchise Agreement provides that disputes are resolved through arbitration. However, you
You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law."

Item 17.v. of the FDD and Section 25.8 of the FA is modified to also provide:

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

The Franchise Agreement is amended to provide,

"All representations requiring prospective franchisees to assent to a general release, estoppel, or waiver required as a condition of liability are renewal, sale and/or assignment/transfer will not intended apply to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law."

"The provision in the FA which provides for The Franchise Agreement and Multi-Unit Development Agreement are amended to provide, and the following provisions supplement and, to the extent inconsistent, supersede the following sections of the Franchise Agreement and Multi-Unit Development Agreement:

Franchise Agreement Section 4.1 and Multi-Unit Development Agreement Paragraph 4: 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." If the franchise offering includes an area development agreement, add: "In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the development agreement opens.

Franchise Agreement Article XV; Multi-Unit Development Agreement Paragraph 8: Our termination ~~upon~~ of the Franchise Agreement or Multi-Unit Development Agreement because of your bankruptcy ~~of the franchisee~~ may not be enforceable under ~~the~~ applicable federal bankruptcy law (11 U.S.C. Section 1010 et seq.)."

"Franchise Agreement Article XXV; Multi-Unit Development Agreement Paragraph 9: You may bring a lawsuit in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

Franchise Agreement Section 25.8; Multi-Unit Development Agreement Paragraph 9: Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

Franchise Agreement Sections 2.2 and 14.3: The general release required as a condition of renewal, sale and/or assignment/transfer will not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

Franchise Agreement Article XXVI: These acknowledgment provisions do not apply in Maryland and are deleted in their entirety.

Franchise Agreement and Multi-Unit Development Agreement:

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."

[Signature Page Follows]

VIRGINIA

As to franchises governed by the Virginia Retail Franchising Act, if any of the terms of the Disclosure Document are inconsistent with the terms below, the terms below control.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document is amended as follows:

1. ~~Additional Disclosure:~~ The following statements are added to Item 17.h.

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the franchise agreement does not constitute “reasonable cause,” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

2. 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.

3. Under subsection D of § 13.1-559 of the Virginia Retail Franchising Act, for all franchises located in Virginia, the franchise contract or agreement offered or entered into pursuant to terms of this chapter shall be governed by the laws of the Commonwealth of Virginia.

4. Under subdivision A 4 of § 13.1-563 of the Virginia Retail Franchising Act (“Act”), it is unlawful to offer or enter into a franchise agreement that restricts the right of a franchisee to engage in the business of offering, selling, or distributing goods or services at retail after termination or expiration of the franchise agreement. However, subsection B of § 13.1-563 of the Act provides that if a franchisee sells a franchise at a mutually agreed upon price to a third party or back to the franchisor, such sale may include a term restricting the right of such franchisee to engage in the business of offering, selling, or distributing goods or services at retail for a period of no more than two years after such sale.

THIS ADDENDA MUST BE EXECUTED SIMULTANEOUSLY WITH THE FRANCHISE AGREEMENT AND/OR MULTI-UNIT DEVELOPMENT AGREEMENT.

| | |
|-------------------|-------------------|
| Franchisor | Franchisee |
|-------------------|-------------------|

EXHIBIT H
STATE EFFECTIVE DATES

The following states 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 Franchise Disclosure Document is registered, on file or exempt from registrations in the following states having franchise disclosure laws, with the following effective dates:

| State: | Effective Date: |
|---------------|--|
| California | Pending |
| Hawaii | Not Applicable |
| Illinois | Pending <u>April 14, 2026</u> |
| Indiana | Pending <u>April 15, 2026</u> |
| Maryland | Pending |
| Michigan | April 21, 2025 + April 21, 2026 |
| Minnesota | Pending |
| New York | Pending |
| North Dakota | Not Applicable |
| Rhode Island | Pending <u>April 24, 2026</u> |
| South Dakota | Not Applicable |
| Virginia | Pending |
| Washington | Pending |
| Wisconsin | April 6, 2026 |

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.