

FRANCHISE DISCLOSURE DOCUMENT



Top Tier K9 Franchising, LLC
A Florida limited liability company
3011 Garcon Point Rd.
Milton, Florida 32358
850-321-3253
minder.jeffrey@gmail.com
www.toptierk9franchising.com

As a Top Tier K9 franchisee, you will operate a dog training business that covers basic pet training, advanced pet training, working dog and service dog training.

The total investment necessary to begin operation of a Top Tier K9 franchise is \$48,150 to \$101,500. This includes \$29,500 that must be paid to the franchisor or affiliate.

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

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, please contact Jeffrey Scott Minder at 3011 Garcon Point Rd., Milton, Florida 32358 and 850-321-3253.

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, D.C. 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: July 7, 2025

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit D includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Top Tier K9 business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Top Tier K9 franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by arbitration or litigation only in Florida. Out-of-state arbitration or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to arbitrate or litigate with the franchisor 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 a longer operating history.

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.

**(THE FOLLOWING APPLIES TO TRANSACTIONS GOVERNED BY
THE MICHIGAN FRANCHISE INVESTMENT LAW ONLY)**

The state of Michigan prohibits certain unfair provisions that are sometimes in franchise documents. If any of the following provisions are in these franchise documents, the provisions are void and cannot be enforced against you.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

- (a) A prohibition on the right of a franchisee to join an association of franchisees.
- (b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a franchisee of rights and protection provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.
- (c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- (d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than 5 years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- (e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- (f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- (g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:
 - (i) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.

- (ii) The fact that the proposed transferee is a competitor of the franchisor or sub-franchisor.
- (iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision which permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000, the franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to:

State of Michigan Department of Attorney General
G. Mennen Williams Building, 7th Floor
525 W. Ottawa Street
Lansing, Michigan 48909
Telephone Number: (517) 373 7117

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Exhibits

- A. State Addendum to Disclosure Document
- B. State Administrators and Agents for Service of Process
- C. Top Tier K9 Franchise Agreement
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Item 1
THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

In this disclosure document, “we”, “us,” or “our” refers to Top Tier K9 Franchising, LLC. “You” means the person to whom we grant a franchise. If you are a corporation, limited liability company, or other entity, each owner of the franchise entity must sign our Guaranty and Non-Compete Agreement, which means that all of the franchise agreement’s provisions also will apply to your owners.

Us, Any Parents, and Certain Affiliates

Our name is Top Tier K9 Franchising, LLC. Our principal business address is 3011 Garcon Point Rd., Milton, Florida 32358. We do not have any parent entities. We do not have any affiliates that offer franchises in any line of business or provide products or services to our franchisees. Our affiliate, Top Tier K9, LLC is a Florida limited liability that was organized in March 2014. This affiliate’s business address is 3011 Garcon Point Rd., Milton, Florida 32358.

Our Predecessors

We do not have any predecessors.

Our Business Name

We use the names “Top Tier K9 Franchising, Inc.” and “Top Tier K9”. We do not intend to use any other names to conduct business.

Agent for Service of Process

Our agent for service of process in Florida is Jeffrey S. Minder, and the agent’s principal business address is 3011 Garcon Point Rd., Milton, Florida 32358. Our agents for service of process in other states are disclosed in Exhibit A.

Business Organization

We are a Florida limited liability company. We were formed on June 7, 2022.

Information About Our Business and the Franchises Offered

We do not operate businesses of the type being franchised.

We do not have any other business activities. We have not offered franchises in other lines of business.

If you sign a franchise agreement with us, you will develop and operate a business that engages in dog training, behavior modification and consulting services to dog owners under the trade name Top Tier K9. You will also have the option, upon your obtaining the required training and certifications from us to train dogs in bomb detection, narcotics detection, tracking, search and rescue, protection, and service dogs for people with disabilities. Our Affiliate engages in the business of pet training, and the training of service dogs, protection dogs and Police K9 at its current location in Florida.

Since approximately 2013, our Affiliate has offered training and certification to individuals who wish to acquire dog training skills for their own account or to open independent dog training businesses. Individuals that have been trained and certified by our Affiliate do not pay any continuing fees to us or use our Trademarks in the operation of their business and are not franchisees of us or of our Affiliate. Those persons or businesses may operate in the territory of a Top Tier K9 Franchisee. Our Affiliate may continue to offer those training programs.

The general market for dog training is well developed and competitive. You will compete with other businesses offering similar products and performing similar services, including other dog obedience, and training companies, kennel clubs and some veterinary offices that provide canine training, some of which are national chains, regional chains, and independent owners. Some of these competitors are franchised. Your customers will be primarily dog owners, but upon your completion of our optional advanced training and certification, you may also train dogs that will serve as Police K9, Military K9, service dogs, special security dogs, including family and Executive Protection dogs. Sales are not seasonal.

Laws and Regulations

We are not aware of any laws or regulations specific to our industry, but you may be required to obtain an animal handler permit or pass a background check to offer some of our training modules. There may also be local zoning, and other rules and regulations that may impact the location of your business. You alone are responsible for investigating and complying with all applicable laws and regulations, despite any information that we may give you. You should consult with a legal advisor about legal requirements that may apply to your business.

Prior Business Experience

We have offered franchises since July 2022. None of our affiliates has offered franchises in this or in any other lines of business. None of our affiliates provides products or services to our franchisees.

Our affiliate, Top Tier K9, LLC has operated a Top Tier K9 training facility in Madison, Florida since 2013.

Item 2 BUSINESS EXPERIENCE

Jeffrey Scott Minder – Founder and Chief Executive Officer. Jeffrey Scott Minder has been our Founder and Chief Executive Officer in Milton and Madison, Florida since June 7, 2022. He also serves as Chief Executive Officer of Top Tier K9, LLC in Madison Florida since March 15, 2013.

Item 3 LITIGATION

No litigation is required to be disclosed in this Item.

Item 4
BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5
INITIAL FEES

Franchise Fee

When you sign your franchise agreement, you must pay us \$29,500 as the initial franchise fee. This fee is uniform and is not refundable.

Item 6
OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty	7% of your Gross Revenue; minimum of \$400 per month	Monthly, on the 5 th day of the following month	See Notes 1, 2 and 3.
Brand Fund Contribution	1% of your Gross Revenue	Monthly, on the 5 th day of the following month	
Market Cooperative Contribution	As determined by the cooperative. Currently, none.	Monthly, on the 5 th day of the following month	We have the right to establish local or regional advertising cooperatives. The maximum contribution that a co-op may require is 5% of Gross Revenue.
Successor Franchise Fee	\$5,000	When you sign the successor franchise agreement	This fee compensates us for our legal and administrative expenses.
Technology Fee	Currently, none.	Monthly, on the 5 th day of the following month	We reserve the right to charge a commercially reasonable fee for software and other technology products and services we provide. The technology fee will not necessarily be a pass-through of our exact costs. We may add, remove, or alter the software or technology products or services that we provide.

Type of Fee	Amount	Due Date	Remarks
Third party vendors	Pass-through of costs, plus reasonable administrative charge. Currently, none.	Varies	We have the right to require franchisees to use third-party vendors and suppliers that we designate. Examples can include computer support vendors, mystery shopping, and customer feedback systems. The vendors and suppliers may bill franchisees directly, or we have the right to collect payment for these vendors together with a reasonable markup or charge for administering the payment program.
Software subscription	\$75-\$150 per month	As incurred	We require you to use certain software as described in Item 11. You pay subscription fees directly to the software supplier, and not to us.
Non-compliance fee	\$500	On demand	We may charge you \$500 if your business is not in compliance with our system specifications or the franchise agreement and you fail to correct the non-compliance after 30 days' notice. Thereafter, we may charge you \$250 per week until you correct such non-compliance.
Reimbursement	Amount that we spend on your behalf, plus 10%	Within 15 days of invoice	If we pay any amount that you owe or are required to pay to a third party, you must reimburse us.
Late fee	\$100 plus interest on the unpaid amount at a rate equal to 18% per year (or, if such payment exceeds the maximum allowed by law, then interest at the highest rate allowed by law)	On demand	We may charge a late fee if you fail to make a required payment when due.
Insufficient funds fee	\$30 (or, if such amount exceeds the maximum allowed by law, then the maximum allowed by law)	On demand	We may charge an insufficient funds fee if a payment made by you is returned because of insufficient funds in your account.
Costs of collection	Our actual costs	As incurred	Payable if we incur costs (including reasonable attorney fees) in attempting to collect amounts you owe to us.

Type of Fee	Amount	Due Date	Remarks
Special support fee	Our then-current fee, plus our expenses. Currently, \$600 per day.	On demand	If we provide in-person support to you in response to your request, we may charge this fee plus any out-of-pocket expenses (such as travel, lodging, and meals for employees providing onsite support).
Customer complaint resolution	Our expenses		We may take any action we deem appropriate to resolve a customer complaint about your business. If we respond to a customer complaint, we may require you to reimburse us for our expenses.
Records audit	Our actual cost	On demand	Payable only if (1) we audit you because you have failed to submit required reports or other non-compliance, or (2) the audit concludes that you under-reported gross sales by more than 3% for any month.
Special evaluation fee	Currently \$600, plus our out-of-pocket costs	On demand	Payable only if we conduct an in-person evaluation of your business because of a governmental report, customer complaint or other customer feedback, or your default or non-compliance with any system specification.
Non-compliance cure costs and fee	Our out-of-pocket costs and internal cost allocation, plus 10%	When billed	We may cure your non-compliance on your behalf (for example, if you do not have required insurance, we may purchase insurance for you), and you will owe our costs plus a 10% administrative fee.
Additional Training	Varies based on needs. The current fee for Phase 2 training is \$15,000, plus travel expenses.	As incurred	We will offer optional Phase 2 training and certification before you are permitted to train service dogs, special security dogs and protection dogs at our then-current fee. You must also pay tuition and travel and living expenses for any dog trainer you will have working in your franchise.
Transfer fee	50% of our then-current initial franchise fee plus any broker fees and other out-of-pocket costs we incur	When transfer occurs	Payable if you sell your business.

Type of Fee	Amount	Due Date	Remarks
Liquidated damages	An amount equal to royalty fees and marketing fund contributions for the lesser of (i) 2 years or (ii) the remaining weeks of the franchise term.	On demand	Payable if we terminate your franchise agreement because of your default, or if you terminate the franchise agreement without the right to do so.
Indemnity	All of our costs and losses from any legal action related to the operation of your franchise	On demand	You must indemnify and defend (with counsel reasonably acceptable to us) us and our affiliates against all losses in any action by or against us related to, or alleged to arise out of, the operation of your franchise (unless caused by our misconduct or negligence).
Prevailing party's legal costs	Our attorney fees, court costs, and other expenses of a legal proceeding, if we are the prevailing party	On demand	In any legal proceeding (including arbitration), the losing party must pay the prevailing party's attorney fees, court costs and other expenses.

All fees are payable only to us (other than software subscription charges). All fees are imposed by us and collected by us (other than software subscription charges). All fees are non-refundable. We do not represent that all fees are uniform for all franchisees; we reserve the right to change, waive, or eliminate fees for any one or more franchisees as we deem appropriate.

There are currently no marketing cooperatives, purchasing cooperatives, or other cooperatives that impose fees on you.

Notes

1. **“Gross Revenue”** means the aggregate of all monies and receipts derived from all services and products sold in your Top Tier K9 business; all revenue derived from the operation of the Franchised Business and the exploitation of the franchise system and/or the Marks by you and whether the Gross Revenue is evidenced by cash, credit, services, property, or other means of exchange. Gross Revenue also includes the proceeds of any insurance payments intended to replace your revenue as a result of the interruption of your business. Gross Revenue does not include (a) all sales taxes imposed by governmental authorities directly on sales and actually collected from customers, provided these taxes are added to the selling price, and are, in fact paid by you to the appropriate governmental authority, or (b) cash refunds and credit given to customers provided the related sales have been included in Gross Revenue for which royalties were previously paid.

2. You must report your gross sales to us each month. If you fail to report your gross sales, we will withdraw estimated royalty fees and marketing fund contributions based on 125% of the most recent gross sales you reported. We will true-up the actual fees after you report gross sales.

3. We currently require you to pay royalty fees and other amounts due to us by pre-authorized bank draft. However, we can require an alternative payment method.

Item 7
ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Initial franchise fee (see Note 1)	\$29,500 - \$29,500	Check or wire transfer	Upon signing the franchise agreement	Us
Rent, Utilities, and Leasehold Improvements (see Note 2)	\$0 - \$15,500	Not applicable	Not applicable	Not applicable
Market Introduction Program	\$1,500 - \$3,000	Check, debit, and/or credit	As incurred or when billed	Vendors and suppliers
Fixtures, and Equipment	\$1,000 - \$2,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Computer Systems	\$2,000 - \$4,000	Check, debit, and/or credit	As incurred	Vendors and suppliers
Insurance (3-12 months)	\$500 - \$7,000	Check	Upon ordering	Insurance company
Puppy for Foundation Dog Trainer (see Note 4)	\$0 - \$3,500	Check, debit and/or credit	As required by seller	Breeder
Signage	\$0 - \$500	Check, debit, and/or credit	Upon ordering	Vendor
Office Expenses	\$250 - \$500	Check, debit, and/or credit	As incurred	Vendors
Inventory	\$500 - \$2,500	Check, debit, and/or credit	Upon ordering	Vendors
Licenses and Permits	\$150 - \$500	Check	Upon application	Government
Dues and Subscriptions	\$250 - \$500	Check, debit, and/or credit	As incurred	Vendors, trade organizations
Professional Fees (lawyer, accountant, etc.)	\$500 - \$2,500	Check, debit, and/or credit	As incurred or when billed	Professional service firms

Type of expenditure	Amount	Method of payment	When due	To whom payment is to be made
Travel, lodging and meals for initial training	\$2,000 - \$5,000	Cash, debit, or credit	As incurred	Airlines, hotels, and restaurants
Additional funds (for first 3 months) (see Note 3)	\$10,000 - \$25,000	Varies	Varies	Employees, suppliers
Total	\$48,150 - \$101,500			

Notes

1. None of the expenditures in this table will be refundable. We may finance the Initial Franchise Fee to prospective franchisees who have been certified as a pet trainer by Top Tier K9.

2. We expect that the Franchisee will initially operate out of its residence (subject to local ordinances) until Franchisee requires additional space for its training business. Franchisees may operate out of leased premises at their discretion. We do not have minimum or maximum space requirements or provide plans or specifications for Franchisee's business premises.

3. This includes any other required expenses you will incur before operations begin and during the initial period of operations, such as payroll, additional inventory, and other operating expenses in excess of income generated by the business. It does not include any salary or compensation for you. In formulating the amount required for additional funds, we relied on the following factors, basis, and experience: the development of a Top Tier K9 business by our affiliate, and our general knowledge of the industry.

4. You must have a puppy that meets our breed or lineage requirement that you will train as part of the Phase 1 initial training. Upon your request, you may purchase a dog from Franchisor's Affiliate.

Item 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Generally

You must operate your Franchise according to our "System Standards." System standards may regulate, among other things, the service types, models and brands of required furnishings, equipment, signs, materials and supplies to be used in operating your Franchise, required or authorized products and product categories and designated or approved suppliers of these items. You may not resell any of the products used by you in the Franchised Business at wholesale. You may only sell the products in conjunction with the services that you provide to your customers. We reserve the right to modify the standards and specifications to achieve our quality and uniformity goals.

Specific Obligations

The following are our current specific obligations for purchases and leases:

A. Insurance. You must obtain insurance as described in the Franchise Agreement and in our Manual, which includes (i) Commercial General Liability insurance, including products liability coverage, and broad form commercial liability coverage, written on an “occurrence” policy form in an amount of not less than \$1,000,000 single limit per occurrence and \$2,000,000 aggregate limit, (ii) Business Automobile Liability insurance including owned, leased, non-owned and hired automobiles coverage in an amount of not less than \$1,000,000, and (iii) Workers Compensation coverage as required by state law. Your policies (other than Workers Compensation) must list us and our affiliates as an additional insured, must include a waiver of subrogation in favor of us and our affiliates, must be primary and non-contributing with any insurance carried by us or our affiliates, and must stipulate that we receive 30 days’ prior written notice of cancellation.

B. Computer software and hardware. You must purchase and use the computer software and hardware that we specify. See Item 11 for more details. You must purchase your training DVDs from us.

C. Equipment. You must purchase the Oculus virtual reality headset for used in our Virtual Reality training system. You will need at least 1 headset. You may purchase the headset from any vendor you choose. See Item 11 for more details.

Us or our Affiliates as Supplier

Under our Litters on the Ground program, we provide you with puppies for use in Foundation Dog trainer classes, Foundation Dogs, finished Foundation Dogs (service dogs, police K9, special security dogs, protection dogs). Other than the training DVDS and Virtual reality training system, neither we nor any affiliate is currently a supplier of any good or service that you must purchase, although we reserve to the right to be a supplier (or the sole supplier) of a good or service in the future.

Ownership of Suppliers

Our CEO owns an interest in us and our affiliate, which are suppliers to our franchisees.

Alternative Suppliers

If you want to use a supplier that is not on our list of approved suppliers, you must request our approval in writing. We will grant or revoke approvals of suppliers based on criteria appropriate to the situation, which may include evaluations of the supplier’s capacity, quality, financial stability, reputation, and reliability; inspections; product testing, and performance reviews. Our criteria for approving suppliers are not available to you. We permit you to contract with alternative suppliers who meet our criteria only if you request our approval in writing, and we grant approval. There is no fee for us to review or approve an alternate supplier. We will provide you with written notification of the approval or disapproval of any supplier you propose within 30 days after receipt of your request. We may grant approvals of new suppliers or revoke past approvals of suppliers on written notice to you, or by updating our Manual.

Issuing Specifications and Standards

We issue specifications and standards to you for applicable aspects of the franchise in our Manual and/or in written directives. We may issue new specifications and standards for any aspect of our brand system, or modify existing specifications and standards, at any time by revising our Manual and/or issuing new written directives (which may be communicated to you by any method we choose). We will generally (but are not obligated to) issue new or revised specifications only after evaluation of the intended changes. We may also conduct limited market testing in one or more outlets.

Revenue to Us and Our Affiliates

We currently do not derive revenue from the required purchases and leases by franchisees. However, the franchise agreement does not prohibit us from doing so.

Proportion of Required Purchases and Leases

We estimate that the required purchases and leases to establish your business is approximately 40% of your total purchases and leases to establish your business.

We estimate that the required purchases and leases of goods and services to operate your business is approximately 25% of your total purchases and leases of goods and services to operate your business.

Payments by Designated Suppliers to Us

We do not currently receive payments from any designated suppliers based on purchases by you or other franchisees. However, the franchise agreement does not prohibit us from doing so. We have the right to earn a profit from any product we supply or from designated suppliers. We are not required to give you an accounting of any payments we receive from designated suppliers, nor are we required to share any benefits of supplier payments with you or with any other franchisee.

Negotiated Arrangements

We do not negotiate purchase arrangements with suppliers, including price terms, for the benefit of franchisees. However, we may do so in the future.

Benefits Provided to You for Purchases

We do not provide any material benefit to you based on your purchase of particular goods or services, or your use of particular suppliers.

Websites

We or a designated third-party may design, update, and host the Websites. You may not operate or maintain a website for your Franchised Business or a website that uses the principal Trademarks, our proprietary information, our name or advertises your Franchised Business. The Websites will contain information on the services provided by the System. The Websites and their content are updated based upon our judgment of what is appropriate. All changes, deletions and additions will be made by us, at our sole discretion. You will be assigned one e-mail address in conjunction with the operation of your Franchised Business. You cannot create any other e-mail address for use in conjunction with the operation of your Franchised Business.

Local Advertising

You must spend a minimum of 2% of your monthly Gross Revenue on advertising and marketing in your local area. Upon our request, you must furnish documentation of the local advertising expenditures.

All advertising, marketing and promotional materials, signs, decorations, paper goods, including stationery and business cards (such materials whether created by Franchisor, Franchisee or any third-party are collectively defined as “Advertising Materials”), use of Social Media Platforms, Social Media Materials, and other items we designate must bear the Principal Trademarks in the form, color, location, and manner we prescribe. In addition, all your advertising, marketing, and promotion in any medium as well as your Social Media Platform usage must be conducted in a dignified manner and must conform to the standards and requirements in the Manual or otherwise approved by us in writing, including identifying you as an independent contractor.

You must obtain our approval (i) before you use any Advertising Materials and Social Media Materials if we have not prepared or approved such Advertising Materials or Social Media Materials within the previous twelve (12) months; and (ii) before you initially use any Social Media Platform. You must submit all unapproved Advertising Materials, Social Media Materials and requests to use Social Media Platforms to us via certified or electronic mail. We will approve or disapprove your request within ten (10) business days after submission. If you do not receive written approval within ten (10) business days after submission of your request for approval, such request will be deemed denied. We may withhold our approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform for any reason and no reason at all. You may not use any unapproved Advertising Materials, Social Media Materials or Social Media Platform. We have the right to revoke our prior approval of your use of any Advertising Materials, Social Media Materials or Social Media Platform. You must promptly discontinue use of any Advertising Materials, Social Media Materials or Social Media Platform whether or not previously approved, on notice from us. We have the right to require you to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. We have the right to access your Social Media Platform accounts to stop, revise, delete or remove any objectionable Social Media Material from any Social Media Platform, as determined by us in our sole discretion, including but not limited to any previously approved Social Media Material. You are required to give us your usernames, passwords, account information and all other information we may require in connection with your use of Social Media Platforms upon your initial use of a Social Media Platform and immediately upon our request.

Modifications to the System

Changes in the market, business conditions or other factors may occur during the term of your Franchise Agreement. As a result of those changes, we may make changes to the System which may include modifications to the services you must offer, required insurance policies and coverage, suppliers, specifications, and other aspects of the System. You must comply with all of the changes that we make.

Item 9
FRANCHISEE'S OBLIGATIONS

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

Obligation	Section in Agreement	Item in Disclosure Document
(a) Site selection and acquisition/lease	6.1	11
(b) Pre-opening purchases/leases	6.1; 6.8; 6.9; 6.11; 7.1	5, 7, 8
(c) Site development and other pre-opening requirements	6.1; 6.3	11
(d) Initial and ongoing training	6.6	6, 7, 11
(e) Opening	6.1; 6.3	5, 7
(f) Fees	Article 4	5, 6, 11
(g) Compliance with standards and policies/Operations Manual	6.9; Article 7	8, 11, 16
(h) Trademarks and proprietary information	Article 5; Article 11	13, 14
(i) Restrictions on products/services offered	6.9; 6.10	8, 16
(j) Warranty and customer service requirements	6.15	8, 11, 15, 16
(K9 Territorial development and sales quotas	1.4	12
(l) On-going product/service purchases	6.11	6, 8,
(m) Maintenance, appearance and remodeling requirements	6.8; 9.2; 9.3	12
(n) Insurance	Article 16	6, 7, 8
(o) Advertising	Article 8	6, 7, 11
(p) Indemnification	20.1	6, 13

Obligation	Section in Agreement	Item in Disclosure Document
(q) Owner's participation/management/staffing	6.7; 6.9	15
(r) Records and reports	Article 10	6, 9, 15
(s) Inspections and audits	6.17; Article 10	6, 8, 11
(t) Transfer	Article 13	6, 17
(u) Renewal	2.2	17
(v) Post-termination obligations	Article 15	17
(w) Non-competition covenants	Article 12	15
(x) Dispute Resolution	Article 16	17

Item 10 FINANCING

We offer financing of the Initial Franchise Fee of \$29,500 to prospective franchisees who have been certified as a pet trainer by Top Tier K9, LLC, over a term of 24 months without interest (0%). The financing will be offered by Franchisor and documented by a Promissory Note (the "Note") in the form of Schedule "I" to the Franchise Agreement. The Note will be personally guaranteed by the Franchisee's principal owner if the franchise is owned by a legal entity. The Note may be prepaid without penalty. In the event of a default of the Note, which is not timely cured, the Franchise Agreement may be terminated.

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

Except as listed below, Top Tier K9 Franchising, LLC is not required to provide you with any assistance.

Obligations Prior to Opening: Before you open your Franchised Business, we will provide you with the following assistance:

1. Protected Territory: We shall grant you a Protected Territory within which neither we nor any of our affiliates will sell, establish or operate another Top Tier K9 business (Franchise Agreement Section 1.1).

2. Site Selection: You may operate your Franchise from a home office or from any reasonable location we approve within your protected territory. We do not assist you in selecting or reviewing a proposed location for your business or in negotiating any lease (Franchise Agreement Section 3.1.2).

3. Confidential Operations Manual: After you sign your Franchise Agreement, and pay your Initial Franchise Fee, we will loan you or provide you with access to the electronic version of one copy of our Operations Manual which describes our methods of operation and includes other operational information. The Operations Manual remains our property, and you must give all parts, reproductions, etc. back to us when and if you no longer own and/or operate your Franchise. The Table of Contents of the Operations Manual is attached as Exhibit "F" to this Disclosure Document (Franchise Agreement Sections 3.1.1). The total number of pages in the Operations Manual is 92.

4. Training: We will furnish you with the Top Tier K9 Phase 1 Initial Training program (Franchise Agreement Section 3.1.4). Any additional trainings will be communicated as they are formulated and made available by the Franchisor.

5. Specifications for Equipment and Supplies: We will provide you with our mandatory specifications for the equipment and supplies you will need to operate your Franchised Business (Franchise Agreement Section 3.1.5).

6. Grand Opening Advertising: We will advise you on initial marketing plan for the Franchised Business (Franchise Agreement Section 3.1.3).

7. Internet Presence: We will establish a web presence for your business (Franchise Agreement Section 3.1.6).

Obligations During Operations: During your operation of your Franchise, we will provide you with the following assistance:

1. We will provide such general advisory assistance and field support as we deem helpful to you, in our discretion, in the ongoing operation, advertising and promotion of your Franchised Business (Franchise Agreement Sections 3.2.1).

2. We may also hold statewide, regional, or national conferences or conventions to discuss promotional techniques, performance standards, advertising programs and general topics. You are required to attend those conferences. We may charge a fee for these conferences; you must pay for all of your travel and lodging expenses (Franchise Agreement Section 3.2.5).

3. We will conduct periodic inspections of the Business licensed herein and periodic evaluation of the services rendered by the Franchisee (Franchise Agreement Section 3.2.7).

4. We will provide you with access to advertising and promotional items and materials that we may develop for promotion of the Top Tier K9 System. We are not however, required to develop any advertising or promotional items or materials. You will be required to purchase the advertising materials if we so direct and if you desire to use them, including all costs of shipping (Franchise Agreement Section 3.2.10).

5. We administer the Brand Fund (Franchise Agreement Section 3.2.2).
6. We will use our efforts to maintain high standards of quality, appearance and professionalism and service of your Franchise (Franchise Agreement Section 3.2.9).
7. We will, at your request, examine information or samples provided by you about products or services which are not approved by us but which you would like to offer from your Franchise. We will decide based on the information supplied by you and by information we might obtain somewhere else, whether or not to approve the product or service you have presented to us. We will provide you with our approval or disapproval within 90 days of receiving your written request. You must pay all of our expenses in connection with any examination, testing or inspection (Franchise Agreement Section 3.2.11).
8. Some of the additional/refresher training and/or continuing education may be mandatory, and some may be optional. These courses may be conducted at any location that we designate. We may charge you and any others who attend this training or continuing education courses our then-current Tuition Fee for this type of training/education. You are all responsible for all personal expenses in connection with all training programs, including costs and expenses for transportation, lodging, meals, wages, and employee benefits. (Franchise Agreement Section 3.2.12).

Computer Equipment and Software:

We may, in our sole discretion, require you to obtain and maintain computer hardware and software, including an office computer, a point of sale system, which enables us to maintain communication via a dedicated transmission line, a portable printer, information or communications systems that meet our criteria for design, function and capabilities and require you to utilize specific Internet Service providers, windows based operating software, communications software and other information technology, including back office administrative programs. We may reasonably specify computer hardware and software, including an office computer, a point-of-sale system, a portable printer, information, or communications systems.

You must purchase and use the QuickBooks accounting software. You must obtain upgrades and/or updates of the software no more than 1 time per calendar year. You must use the required software to optimally run your business. You must purchase a license from a software vendor designated by Franchisor. We have the right to modify our software requirements, without limitation.

You must obtain independent software and support for each of the computer hardware and software requirements and recommendations listed. You are also required to maintain an approved virus detection and cleaning software. We recommend that you use a firewall or other security measure to protect the data of your Franchise and the overall system. We estimate the cost of purchasing or leasing the computer system is between \$500 and \$1,500.

You must use any proprietary or other software or CRM system or application that we develop or require.

We reserve the right to change or to require you to upgrade or update the Computer System at any time. There are no contractual limitations on the frequency and cost of this obligation. We need not reimburse you for any of these costs. We are not required to provide ongoing maintenance, repairs, upgrades, or updates

to your Computer System. We anticipate the annual cost for you to maintain, repair or update the Computer System will be between \$100 and \$500. We have independent, unlimited access to the information generated by the computer system. We also have the right to use that information for the benefit of our franchise System in any manner we chose. We or our affiliates may condition any license of proprietary software to you, or your use of technology that we or our affiliates develop or maintain, on your signing the Software License Agreement or similar document that we or our affiliates prescribe to regulate your use of, and our and your respective rights and responsibilities concerning, the software or technology. We or our affiliates may charge you a monthly or other fee for any proprietary software or technology that we or our affiliates license to you and for other maintenance and support services that we or our affiliates provide during the franchise term.

Advertising

Local Advertising:

We require that you spend a minimum of 2% of your Gross Revenue per month for local advertising, marketing, and promotional programs in your Territory.

Most advertising, marketing and/or promotional placement is done on a local basis, typically with local advertisers, marketers and/or public relation companies hired by individual franchisees.

We will consult with you on the appropriate boundaries of the “local area.” We must approve all advertising, marketing, and promotional materials before you use it. Upon our request, you must submit an itemized report documenting proof of expenditures to us, in a form we may, in our sole discretion, require. In the event of your non-compliance of expenditures to the amounts specified, we may require you to contribute the remaining balance to the Brand Fund.

Your costs and expenditures for salaries and employee expenses, including but not limited to expenses incurred for attending advertising meetings or activities, as well as your expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials, may not be included in calculating your total Local Advertising expenditures, unless approved in advance by us in writing.

All Advertising Materials, Social Media Materials, and other items we designate must bear the Principal Trademarks in the form, color, location and manner we prescribe and must meet all of our standards and requirements. All Advertising Materials, Social Media Materials and Social Media Platforms used by you must be conducted in a dignified manner and must conform to the standards and requirements that we state in the Confidential Operating Manual or otherwise.

You must obtain our prior approval before: (i) you use any Advertising materials if we have not prepared or approved such Advertising Materials within the previous twelve (12) months. You must submit all unapproved Advertising Materials to us via certified or electronic mail. We will approve or disapprove such request within ten (10) business days after submission. If you do not receive written approval within ten (10) business days after submission of your request for approval, your request is deemed denied. We may withhold our approval of your use of any Advertising Materials for any reason or no reason at all. You may not use any unapproved Advertising Materials. You must promptly discontinue use of any Advertising Material, whether or not previously approved, on notice from us.

All Advertising Materials must indicate that you operate the Franchised Business as an independent franchisee of us. You will not employ any person to act as your representative in connection with local promotion of the Franchised Business in any public media without our prior written approval.

There are no franchisee advertising councils in the System at this time. We may create a franchisee advertising council.

We are not required to spend any amount on advertising in your Territory.

Advertising Cooperatives:

There currently is no Advertising Cooperative in place for the franchise system, nor do we have the authority to form an Advertising Cooperative or to require you to contribute to or participate in an Advertising Cooperative.

Brand Fund:

We require you to contribute a specified amount (the “Brand Fund Fee”) to a Brand Fund. The Brand Fund contributions will be payable by the 10th day of the month. The amount that you must contribute to the Brand Fund is 1% of Gross Revenue. (Franchise Agreement, Section 8.1).

All franchisees are required to contribute to the Brand Fund. Our Affiliates may contribute to the Brand Fund at a rate equal to or less than the required Brand Fund contribution rate required of franchisees. We may contribute or loan additional funds to the Brand Fund on any terms we deem reasonable.

We will direct all programs that the Brand Fund finances, with sole control over the creative concepts, materials and endorsements used and their geographic, market and media placement and allocation. The Brand Fund will pay for preparing and producing local, regional or national advertisements, video, audio and written materials and electronic media; administering regional and multi-regional marketing and advertising programs, (including, without limitation, using in-house or outside advertising, promotion and marketing agencies and other advisors to provide assistance); and supporting public relations, market research and other advertising, promotion and marketing activities. The Brand Fund periodically will give you samples of advertising, marketing and promotional formats and materials and we may require you to use a specific vendor to have these produced at a cost to you, plus related shipping, and handling charges.

We will account for the Brand Fund separately from our other funds (but we are not required to maintain a separate account for the Fund) and will not use the Brand Fund for any of our general operating expenses, except to compensate the reasonable salaries, administrative costs of the Fund), travel expenses and overhead we incur in administering the Brand Fund and its programs, including, without limitation, conducting market research, preparing advertising, promotion and marketing materials, and collecting and accounting for Brand Fund contributions. We reserve the right to use the Brand Fund for the Brand Internet site, including its maintenance and improvements, for national and regional marketing campaigns and for national and regional meetings and conventions of franchisees. The Brand Fund is not our asset. The Brand Fund is not a trust, and we do not owe you fiduciary obligations because of our maintaining, directing, or administering the Brand Fund or any other reason. We will not use Brand Fund contributions for advertising that is principally a solicitation for the sale of franchises except that in certain ads with available space, we may insert certain language as to the availability of franchise opportunities. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund contributions in that year; borrow from us or others to cover deficits or invest any surplus for future use. We will use all interest earned on Brand Fund contributions to pay costs before using the Brand Fund’s other assets. We will prepare an annual unaudited statement of Brand Fund collections and expenses and give you the statement upon written request. We may incorporate the Brand Fund or operate it through a separate entity whenever we deem appropriate. During our last fiscal year which ended on December 31, 2024 the Brand Fund was not in existence.

We intend the Brand Fund to maximize recognition of the Marks and patronage of Top Tier K9 businesses. Although we will try to use the Brand Fund to develop advertising and marketing materials and programs, and to place advertising and marketing, that will benefit all Businesses in the System, we need not ensure that National Brand Fund expenditures in or affecting any geographic area are proportionate or equivalent to the National Brand Fund contributions by Top Tier K9 businesses operating in that geographic area or that any Top Tier K9 business benefit directly or in proportion to its Brand Fund contribution from the development or placement of advertising and marketing materials. We may forgive, waive, settle and compromise all claims by or against the Brand Fund. We assume no direct or indirect liability or obligation to you for collecting amounts due to, maintaining, directing or administering the Brand Fund.

We may at any time defer or reduce the National Brand Fund contributions of a Top Tier K9 business and, upon thirty (30) days' prior written notice, reduce or suspend National Brand Fund contributions and operations for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If we terminate the Brand Fund, we will distribute all unspent monies to all Top Tier K9 businesses (whether franchised or operated by us or our affiliates) in proportion to their respective Brand Fund contributions during the preceding twelve (12) month period.

We are not obligated to expend the Brand Fund Fee or placement of advertising in territory, or to ensure that your franchise business benefits directly or pro-rata from advertising fee expenditures. We will not use the Brand Fund Fee for creating or placing any advertisements that principally solicit for new franchisees. However, we may use the Brand Fund to prepare general advertising that refers to or mentions advertising opportunities within the advertising creative. For instance, a portion of the Brand Fund Fee may be used to create and maintain one or more pages on our website devoted to advertising franchise opportunities and identifying and screening inquiries submitted by franchise candidates.

Our Control Over Your Advertising:

In order to promote a standard and professional marketing approach to the public, you may only use advertising and marketing materials that we have provided to you or that we have approved in advance. All advertising materials that we provide to you to promote your Franchised Business and the System generally are our property and we claim copyright protection over them (Franchise Agreement Section 8.2).

We have the right to approve the media in which you propose to advertise. You must submit to us at least 10 days in advance, any proposal describing the media in which you propose to advertise, providing sufficient detail to permit us to evaluate it. We will have 10 days to approve or disapprove the use of our materials in the media you propose. If we have not approved the use of the materials within 10 days, they are deemed not approved (Franchise Agreement Section 8.2).

We have the right to approve any advertising and marketing materials that you propose to use that we have not provided or supplied to you. We will have 10 days to approve or disapprove the use of our materials in the media you propose. If we have not approved the use of the materials within 10 days, they are deemed not approved (Franchise Agreement Section 8.2).

Opening

Site Selection:

You may operate your Franchised Business from premises that you own or lease. You may operate the Franchised Business from a home office. You must locate your business within your Territory. We will not unreasonably withhold our consent to your proposed location, but we will not provide any direct site selection assistance to you, and we will not review your lease. We do not provide any assistance to you with the construction, remodeling, or review of your plans for the construction or remodeling of the proposed site. We will evaluate your proposed location within 2 weeks of your submission to us of a complete site approval

package. The factors that we will consider in approving your site include; (i) whether the proposed location has sufficient space for your business; (ii) whether the proposed site has sufficient capacity for telephone and data lines; and (iii) whether the proposed site is consistent with our System standards as those standards may be modified from time to time. Our approval of a proposed location for your Franchised Business is not a representation or warranty of any kind, express or implied, that the site is suitable for the business, only that it meets our general criteria.

We estimate that the length of time between the signing of the Franchise Agreement or the first payment of consideration for the Franchise and the commencement of operation is approximately 60-90 days. In the event that we cannot agree on a mutually acceptable site for your Franchised Business within the Territory within 90 days of the signing of the Franchise Agreement we may terminate the Franchise Agreement unless you obtain an extension of time from us in writing. Factors that may impact your ability to open within that time period include obtaining any required licenses or permits, zoning, and other factors. You must open the franchised business within 6 months of the signing of the Franchise Agreement or we have the right to terminate the Agreement. We will grant reasonable extensions of time in the event the delay in opening is due to factors beyond your reasonable control.

Training Program:

You (or your operating principal if you are an entity) must attend and successfully complete Phase 1 of our Initial Training Program to our satisfaction prior to commencing operations of your Top Tier K9 Franchised Business. (Franchise Agreement Section 6.6) Phase 1 initial training is provided for the Franchisee or operating principal only at no cost. All employees who will provide the dog training must successfully complete training. You must offer only the 4 week “board and train” pet training program to your customers who hire you to provide training to their pet. No other pet training methods may be offered by Top Tier K9 franchisees. The training fee for additional employees will be at our then-current rate. We also provide optional Phase 2 training which must be successfully completed prior to training service dogs, police K9, security and protection dogs. The current tuition for Phase 2 training is \$15,000. You are responsible for other expenses including travel, room and board and salaries for any of your employees who attend the training.

The trainings are conducted via live webinars and recorded webinars that you will attend from your home and the on-site portions of the training programs will be conducted at our headquarters in Madison, Florida. If the franchisee is a business entity, each franchise owner who will conduct the dog training must attend and successfully complete Phase 1 of the Initial Training Program to our satisfaction. You must pay for training for additional dog trainers. We may conduct additional or remedial training on an as-needed basis. (Franchise Agreement Section 6.6.1)

We may also require additional training at your expense to be completed if certain performance criteria are not being met. Our Phase 1 Initial Training Program is mandatory for the franchisee (if an individual, or if an entity, its Operating Principal).

You must pay for all of the costs of travel, room and board and salaries incurred by you and any employee(s) during your initial training. You must pay for all additional training fees plus all of the costs of travel, lodging and meals incurred by you and your employee(s) during any additional training if you receive training elsewhere. You must pay for all of our costs of travel, lodging, meals, and expenses incurred, plus any training fee, if we train you at your location. (See Item 6, Franchise Agreement Section 6.6) We do not anticipate holding more than 2 additional training programs per year.

Phase 1 initial training is conducted approximately every 10 weeks. You must attend and successfully complete the next regularly scheduled Phase 1 training session after you sign the Franchise Agreement unless we agree otherwise.

Our Training Program is conducted by our employees, and independent contractors and is overseen by our Chief Executive Officer, Jeffrey S. Minder.

Our training program consists of the following:

TRAINING PROGRAM

Phase 1

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Pet trainer	3 hours per week 8 weeks (24)		Live Online
Pet trainer Certification		60 hours over 2 weeks	Onsite at our Milton, Florida campus
Total – Phase 1	24	60	

Phase 2 - Optional

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location
Foundation Dog Trainer Certification	0	60 hours over 2 weeks	Onsite at our Milton, Florida campus
Service Dog trainer & Certification	12 weeks (20 hours online)	60 hours over 2 weeks	Live on-line and on-site at our Milton, Florida campus
Special Security Dog trainer & Certification	12 weeks (20 hours online)	60 hours over 2 weeks	Live on-line and on-site at our Milton, Florida campus
Family/Executive Protection Dog trainer & Certification	12 weeks (20 hours online)	60 hours over 2 weeks	Live on-line and on-site at our Milton, Florida campus
Total – Dependent on which training module is selected by Franchisee			

Training will be held at our offices and business location in Madison, Florida. We reserve the right to vary the length and content of the initial training program based on the experience and skill level of any individual attending the initial training program.

The instructional materials consist of the Manual and other materials, lectures, discussions, DVDs, and on-the-job demonstration and practice.

Training classes will be led by Jeffrey S. Minder His experience is described in Item 2. He has 10 years of experience in our industry, and 10 years of experience with us or our affiliates.

Otherwise, we do not currently require additional training programs or refresher courses, but we have the right to do so.

Item 12 TERRITORY

Your Location

We anticipate that you will initially conduct your franchised business from your home or from a small office setting. Your primary office must be located in your territory.

Grant of Territory

Your franchise agreement will specify a territory which will have a population of approximately 100,000 people. The boundaries of your territory will be specified by zip codes, county or city lines, or some other limit, such as the population base's average income level per household. We use the latest U.S. Census or other demographic software to determine the territory.

Relocation; Establishment of Additional Outlets

You may relocate your business headquarters anywhere in your territory.

You do not have the right to establish additional franchised outlets or expand into additional territory. If you desire to do so, you must (1) meet our then-current criteria for new franchisees, (2) be in compliance with your franchise agreement at all times since opening your business, (3) have demonstrated your capability to operate a multi-territory franchise successfully, and (4) obtain our agreement.

Options to Acquire Additional Franchises

You do not receive any options, rights of first refusal, or similar rights to acquire additional franchises.

Exclusivity

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

Restrictions on Us from Soliciting or Accepting Orders in Your Territory

Except as described in this paragraph, we will not serve customers in your territory under our Top Tier K9 brand. However, we may serve (or authorize other franchisees to serve) customers in your territory if you are in default, or if you are incapable of meeting customer demand in your territory. We may also serve (or authorize another franchisee to serve) a particular customer in your territory if you fail to properly serve

such customer, or if we reasonably believe that you will not properly serve such customer. We reserve the right to use other channels of distribution, such as the internet, catalog sales, telemarketing, or other direct marketing sales, to make sales within your territory (i) using our principal trademarks, but only for sales of products or services different from the ones you will offer, and (ii) using trademarks different from the ones you will use. In the circumstances where the franchise agreement does not prohibit us from soliciting or accepting orders from inside your territory, we do not pay any compensation to you.

Soliciting by You Outside Your Territory

You cannot solicit or market to potential customers outside of your territory, except for solicitations or marketing which are primarily targeted inside the territory, and which incidentally reach potential customers outside of the territory. If you obtain our prior consent, you may solicit clients in contiguous territories that are not owned by another Top Tier K9 franchisee. You must, however, cease all such out-of-territory marketing in the event the territory is sold to another franchisee.

There are no geographic restrictions on the customers to which you may provide dog training services. You may serve customers who reside in the territory of other Top Tier K9 franchisees and other Top Tier K9 franchisees may serve customers who reside in your territory.

Competition by Us Under Different Trademarks

Neither we nor any of our affiliates operate franchises, or has plans to operate or franchise a business under a different trademark selling goods or services similar to those you will offer. However, the franchise agreement does not prohibit us from doing so.

Item 13 TRADEMARKS

Principal Trademark

The following are the principal trademarks that we license to you. These trademarks are owned by our affiliate, Top Tier K9, LLC. The Trademarks are registered on the Principal Register of the United States Patent and Trademark Office.

Trademark	Registration Date	Registration
Foundation Dog	February 11, 2020	5980786
Top Tier K9	September 26, 2023	7172937

Because the federal trademark registration is less than six years old, no affidavits are required at this time, and no required affidavits have been filed. The registration has not yet been renewed.

Determinations

There are no currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeal Board, or any state trademark administrator or court. There are no pending infringement, opposition, or cancellation proceedings.

Litigation

There is no pending material federal or state court litigation regarding our use or ownership rights in a trademark.

Agreements

There are no currently effective agreements that significantly limit our rights to use or license the use of trademarks listed above in a manner material to the franchise.

Top Tier K9, LLC, our affiliate, owns the trademarks described in this Item. Under an Intercompany License Agreement between us and Top Tier K9, LLC we have been granted the exclusive right to sublicense the trademarks to franchisees throughout the United States. The agreement has no expiration. It may be modified only by mutual consent of the parties. It may be terminated by our affiliate only if (1) we materially misuse the trademarks and fail to correct the misuse, or (2) we discontinue commercial use of the trademarks for a continuous period of more than one year. The Intercompany License Agreement specifies that if it is ever terminated, your franchise rights will remain unaffected.

Protection of Rights

We protect your right to use the principal trademarks listed in this Item, and we protect you against claims of infringement or unfair competition arising out of your use of the trademarks, to the extent described in this section.

The franchise agreement obligates you to notify us of the use of, or claims of rights to, a trademark identical to or confusingly similar to a trademark licensed to you. The franchise agreement does not require us to take affirmative action when notified of these uses or claims. We have the right to control any administrative proceedings or litigation involving a trademark licensed by us to you.

If you use our trademarks in accordance with the franchise agreement, then (i) we will defend you (at our expense) against any legal action by a third-party alleging infringement by your use of the trademark, and (ii) we will indemnify you for expenses and damages if the legal action is resolved unfavorably to you.

Under the franchise agreement, we may require you to modify or discontinue using a trademark, at your expense. You will have a reasonable period of time to comply with the change, not to exceed 90 days. After such period, you would no longer have the right to use the unmodified or discontinued trademark. Your rights under the franchise agreement do not change, other than the modification or discontinuation of the trademark.

Superior Prior Rights and Infringing Uses

We do not know of either superior prior rights or infringing uses that could materially affect your use of the principal trademarks.

Item 14
PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, patents that are material to the franchise. We do not have any pending patent applications.

Copyrights

All of our original works of authorship fixed in a tangible medium of expression are automatically protected under the U.S. Copyright Act, whether or not we have obtained registrations. This includes our Brand Standards Manual as well as all other sales, training, management, and other materials that we have created or will create. You may use these copyrighted materials during the term of the franchise, in a manner consistent with our ownership rights, solely for your franchised business.

We do not have any registered copyrights. There are no pending copyright applications for our copyrighted materials. There are no currently effective determinations of the U.S. Copyright Office (Library of Congress) or any court regarding any copyright.

There are no agreements currently in effect that limit our right to use or license the use of our copyrighted materials.

We have no obligation to protect any of our copyrights or to defend you against claims arising from your use of copyrighted items. The franchise agreement does not require us to take affirmative action when notified of copyright infringement. We control any copyright litigation. We are not required to participate in the defense of a franchisee or indemnify a franchisee for expenses or damages in a proceeding involving a copyright licensed to the franchisee. We may require you to modify or discontinue using the subject matter covered by any of our copyrights, at your expense.

We do not know of any copyright infringement that could materially affect you.

Proprietary Information

We have a proprietary, confidential Brand Standards Manual and related materials that include guidelines, standards and policies for the development and operation of your business. We also claim proprietary rights in other confidential information or trade secrets that include all methods for developing and operating the business, and all non-public plans, data, financial information, processes, vendor pricing, supply systems, marketing systems, formulas, techniques, designs, layouts, operating procedures, customer data, information, and know-how.

All customer data and point-of-sale data generated by your business is confidential information and is exclusively owned by us. We license such data back to you without charge solely for your use in connection with your Top Tier K9 business.

You (and your owners, if the franchise is owned by an entity) must protect the confidentiality of our Brand Standards Manual and other proprietary information, and you must use our confidential information only for your franchised business. We may require your managers and key employees to sign confidentiality agreements.

You must disclose to us all ideas, plans, improvements, concepts, methods, and techniques relating to your Top Tier K9 business that you conceive or develop. We will automatically own all such innovations, and we will have the right to incorporate any innovations into our system for use by all franchisees, without any compensation to you.

Item 15
OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Your Participation

In the Top Tier K9 franchise system the franchisee, if an individual, or the primary owner if the franchisee is a legal entity, is required to devote its full-time best efforts to the direct operation of the business and must be on-site at the business at all times. That person will be the initial trainer for franchisee's Top Tier K9 business.

If you are the sole owner of the business, then you are deemed the "Operating Principal". If the business is owned through a corporation or limited liability company, you must designate one person as your "Operating Principal". The Operating Principal is the person who is primarily responsible for the business and has decision-making authority on behalf of the business. The Operating Principal must own a majority interest in the business. The Operating Principal will be the Franchisor's primary point of contact and must attend all required training and meetings.

If your business is owned by an entity, all owners of the business must sign our Guaranty and Non-Compete Agreements.

None of your employees or contractors may perform dog training unless and until each has been trained by us and has obtained all certifications that we require. All trainers and other employees with management authority must sign a confidentiality and non-compete agreement.

As the needs of your business warrant, you may employ additional trainers and non-trainer employees. We have the right to approve any management personnel you seek to employ. Those management employees are not required to own equity in you.

Item 16
RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You must offer for sale only goods and services that we have approved.

You must offer only the 4-week board and train program to your customers to which you provide pet training. You must offer for sale all goods and services that we require. We have the right to change the types of authorized goods or services, and there are no limits on our right to make changes.

We do not restrict your access to customers. You must use a form of Service Agreement with your customers that we have approved in advance which is substantially in the form of Exhibit G. You must have the approved service agreement reviewed by an attorney licensed to practice law in your state to ensure its

legal compliance. We make no warranty that Exhibit G will conform to the laws of the state where your Franchised Business is located.

Item 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

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	2.1	Initial Term is for 10 years.
b. Renewal or extension of the term	2.2	If we are still franchising and you are in good standing, you may renew your franchise for 2 additional 5-year terms. Upon the grant of a renewal franchise, you will sign our then current franchise agreement, which may be materially different.
c. Requirements for franchisee to renew or extend	2.2	Give us timely notice; be in good standing under your current agreement; fulfilled all monetary obligations to us; have been in substantial compliance with the franchise agreement for its initial and any renewal terms and are in compliance at the time you request to renew; execute a release of claims against us; pay the renewal fee; sign then-current franchise agreement which may be materially different from the original franchise agreement; and meet all then-current training requirements.
d. Termination by franchisee	14.1	Franchisee may terminate upon written notice to, and written consent of Franchisor and you will be required to pay any outstanding obligations which may include payment of liquidated damages.
e. Termination by franchisor without cause	Not applicable	We will not terminate without cause.
f. Termination by franchisor with cause	14.2; 14.3; 14.4	Each of your obligations under the Franchise Agreement is a material and essential obligation, the breach of which may result in termination.

Provision	Section in Franchise Agreement	Summary
g. “Cause” defined – curable defaults	14.5	Curable defaults, which must be cured on ten (10) days’ written notice unless otherwise provided by law, include, among others: (i) non-payment within the time period required; (ii) default on any obligation to any Supplier; (iii) violation of transfer requirements; (iv) failure to comply with laws; (v) failure to maintain licenses or certificates; (vi) failure to comply with Operating Manual; (vii) operating at a risk to public safety or health; (viii) failure to meet any other obligation of the Franchise Agreement; (ix) failure to maintain required insurance; (x) failure to complete training; (xi) you or any of your employees or independent contractors engage in any dishonest or unethical conduct that adversely affects the reputation or goodwill of the System or Licensed Marks. Cure periods may be subject to state law.
h. “Cause” defined – non-curable defaults	14.4	Non-curable defaults include, among others: (i) insolvency or bankruptcy; (ii) breach of requirements relating to proprietary information or licensed marks; (iii) under reporting of gross revenues; (iv) unauthorized business activities; (v) conviction of a misdemeanor or felony charge related to mistreatment of animals; (vi) material, false statements or reports; (vi) breach of non-competition agreements; (viii) repeated events of default; (ix) failure to develop, open and operate the Franchised Business within time period required; (x) conviction of a plea of no contest to a felony; (xi) engaging in any dishonest or unethical conduct which adversely affects the reputation of the Franchised Business or the goodwill associated with the system or licensed marks; (xii) unauthorized disclosure of financial information; (xiii) abandonment of the Franchised Business; and (xiv) failure to pay taxes when due.
i. Franchisee’s obligations on termination/ non-renewal	Article 15	Your obligations include: cease operation of the Franchised Business; pay all sums due to us; return the Operations Manual and all trade secret and confidential materials; cancel all trade-name registrations; provide us with information concerning your employees, clients, etc.; cease use of our methods, procedures, technology and techniques; cease all use of the Marks; remove all trade dress and other indications that identify you as a former franchisee of ours. You and all covered persons must comply with the post-term covenant not to compete. If termination is the result of your default, you must pay our reasonable attorney’s fees and costs.

Provision	Section in Franchise Agreement	Summary
j. Assignment of contract by franchisor	13.1	No restriction on our right to assign.
k. "Transfer" by franchisee - defined	13.3	Includes the direct or indirect sale, assignment, transfer, conveyance, gift, pledge, mortgage or otherwise encumbering any interest in the Franchise Agreement, the business or its assets, or any ownership change in you or your owners.
l. Franchisor approval of transfer by franchisee	13.3	We have the right to approve all transfers in writing and will not unreasonably withhold approval.
m. Condition for franchisor approval of transfer	13.3	We will approve a proposed transfer if : (i) all of your accrued monetary obligations to us have been paid; (ii) all existing defaults under the Franchise Agreement have been cured; (iii) you execute a general release in favor of us and our affiliates; (iv) you provide us a copy of the executed purchase agreement; (v) the proposed transferee meets our qualifications; (vi) the transferee executes our then-current franchise agreement; (vii) you or the transferee pays us the transfer fee; (viii) the transferee successfully completes our Phase 1 training program; (ix) you comply with the post-term provisions of the Franchise Agreement; (x) the transferee obtains all necessary licenses and permits required to operate the Franchised Business; (xi) the transfer is made in compliance with all applicable laws; (xii) the purchase price and terms of the proposed transfer are not so burdensome to the prospective transferee as to impair or materially threaten its future operation of the Franchised Business; (xiii) our approval of the transfer shall not constitute a waiver of any claims we may have against the transferor; (xiv) we shall have the right to disclose to any prospective transferee such revenue reports and other financial information concerning you and your Business as you have supplied to us; (xv) Franchisee must execute a covenant not to compete; and (xvi) we may withhold or condition our consent to any transfer as we deem appropriate based on the circumstances of the transfer or otherwise.
n. Franchisor's right of first refusal to acquire franchisee's business	13.10	We can match any purchase of franchise.
o. Franchisor's option to purchase franchisee's business	15.2	Other than by asset purchase on termination, nonrenewal or right of first refusal, we have no right or obligation to purchase your Franchised Business.

Provision	Section in Franchise Agreement	Summary
p. Death or disability of franchisee	13.7	Upon your death or disability, your representative must transfer your interest to an approved party within six (6) months. Such a transfer is subject to the same terms and conditions as any other transfer; no transfer fee if transferred to immediate family member.
q. Non-competition covenants during the term of the franchise	12.1	No direct or indirect involvement in a competing business. The term “ Competitive Business ” means any business that provides dog training, or other services that you offer as part of the Franchised Business, or in any business which grants franchises or licenses to others to operate such a business other than a Top Tier K9 business operated under a Franchise Agreement with us. You must not divert any business from your business or from us.
r. Non-competition covenants after the franchise is terminated or expires	12.1.3	For a period of 24 months from the termination or expiration of the Franchise Agreement, you may not engage in a Competitive Business in your former Territory, within 20 miles of your former Territory, or within 20 miles of any other Top Tier K9 Franchisee as of the termination date (same restrictions apply after transfer)
s. Modification of the agreement	Article 9; 1.2	The Franchise Agreement may not be modified except by a written agreement that you and we both have signed. We can modify or change the System Standards through changes to the Operation Manual and you are bound by those changes.
t. Integration/merger clause	Article 25	Only terms of the franchise agreement are binding (subject to state law). Nothing in the agreement or in any related agreement is intended to disclaim the representations franchisor made in the franchise disclosure document. Any representations or promises outside of the disclosure document and franchise agreement may not be enforceable.
u. Dispute resolution by arbitration or mediation	Article 16	Except for certain claims, all disputes are subject to binding arbitration in Madison, Florida (subject to state law).
v. Choice of forum	16.7	Subject to arbitration requirements. We have the right to seek injunctive relief and you agree to be subject to the exclusive jurisdiction of the Madison County, Florida Courts (subject to state law).

Provision	Section in Franchise Agreement	Summary
w. Choice of law	Article 23	Except for the Federal Arbitration Act and other federal law, Florida law governs (subject to state law). The provisions of the Non-Competition Covenants will be interpreted pursuant to the laws of the state in which the Franchisee's business is located.

A provision in your franchise agreement that terminates the franchise agreement on your bankruptcy may not be enforceable under Title 11, Businesses States Code Section 101 *et seq.*

Item 18 PUBLIC FIGURES

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

Item 19 FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in 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.

We do not make any 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 Jeffrey Scott Minder, 3011 Garcon Point Rd., Milton, Florida 32358, and 850-321-3253, the Federal Trade Commission, and the appropriate state regulatory agencies.

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Item 20
OUTLETS AND FRANCHISEE INFORMATION

Table 1
Systemwide Outlet Summary
For Years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	0	4	+4
	2023	4	7	+3
	2024	7	8	+1
Company-Owned	2022	1	1	0
	2023	1	1	0
	2024	1	1	0
Total Outlets	2022	1	5	+4
	2023	5	8	+3
	2024	8	9	+1

Table 2
Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)
For Years 2022 to 2024

State	Year	Number of Transfers
All States	2022	0
	2023	0
	2024	0
Total	2022	0
	2023	0
	2024	0

Table 3
Status of Franchised Outlets
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Termi- Nations	Column 6 Non- Renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations – Other Reasons	Column 9 Outlets at End of the Year
Alabama	2022	0	0	0	0	0	0	0
	2023	0	0	0	0	0	0	0
	2024	0	1	0	0	0	0	1
Colorado	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Florida	2022	0	2	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Indiana	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Missouri	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Pennsylvania	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
West Virginia	2022	0	0	0	0	0	0	0
	2023	0	1	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Totals	2022	0	4	0	0	0	0	4
	2023	4	3	0	0	0	0	7
	2024	7	1	0	0	0	0	8

Table 4
Status of Company-Owned Outlets
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets Opened	Column 5 Outlets Reacquired From Franchisee	Column 6 Outlets Closed	Column 7 Outlets Sold to Franchisee	Column 8 Outlets at End of the Year
Florida	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Totals	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1

The Company owned units shown in Item 20 are owned by our affiliate.

Table 5
Projected Openings As Of December 31, 2024

Column 1 State	Column 2 Franchise Agreements Signed but Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Next Fiscal Year
Alabama	0	1	0
Florida	0	1	0
Totals	0	2	0

Current Franchisees

Exhibit F contains the names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets.

Former Franchisees

Exhibit F contains the name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date.

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

Confidentiality Clauses

In the last three fiscal years, no franchisees have signed any contract, order, or settlement provision that directly or indirectly restricts a current or former franchisee from discussing his or her personal experience as a franchisee in our system with any prospective franchisee.

Franchisee Organizations

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21 FINANCIAL STATEMENTS

We have not been in business for three years or more, and therefore cannot include all financial statements required by the Franchise Rule of the Federal Trade Commission. Exhibit D contains our audited financial statement as of December 31, 2022, December 31, 2023, and December 31, 2024 and our unaudited balance sheet and profit and loss statement as of June 30, 2025. Our fiscal year end is December 31.

Item 22 CONTRACTS

Copies of all proposed agreements regarding this franchise offering are attached as the following Exhibits:

Exhibit "C"- Franchise Agreement

- Schedule A - Initial Franchise Fee, Territory, Ownership and Related Matters
- Schedule B - State Law Addendum
- Schedule C - Authorization for Electronic Funds Transfer
- Schedule D - Personal Guaranty
- Schedule E - Confidentiality, Non-Use, and Non-Competition Agreement
- Schedule F - Confidentiality and Non-Solicitation Agreement for Employees
- Schedule G - Assignment of Telephone and Internet Listings and Advertisements
- Schedule H - Form of Release
- Schedule I - Form of Promissory Note

Item 23
RECEIPTS

Detachable documents acknowledging your receipt of this disclosure document are attached as the last two pages of this disclosure document.

EXHIBIT "A"

STATE REGULATIONS AND REQUIREMENTS ADDENDUM

The following are additional disclosures for our Multistate Franchise Disclosure Document. Various state franchise laws require us to make these additional disclosures. These additional disclosures will not apply to you unless you meet the jurisdictional requirements of the applicable state franchise registration and disclosure law independently without reference to these additional disclosures. These disclosures supplement our Disclosure Document and supersede any conflicting information contained in the main body of the Disclosure Document:

FOR THE STATE OF CALIFORNIA

1. 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.
2. Section 31125 of the California Corporations Code requires us to give you a disclosure document, in a form containing the information that the commissioner may by rule or order require, before a solicitation of a proposed material modification of an existing franchise.

You must sign a general release if you renew or transfer your franchise. California Corporations 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).

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. 78a et seq., suspending or expelling these persons from membership in the association or exchange.

3. Item 17 of the Disclosure Document is amended to add the following:

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

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

The Franchise Agreement contains a covenant not to compete that extends beyond the term of the agreement. This provision might not be enforceable under California law.

The Franchise Agreement requires litigation to be conducted in a court located outside of the State of California. This provision might not be enforceable for any cause of action arising under California law.

The Franchise Agreement requires application of the laws of a state other than the State of California. This provision might not be enforceable under California law.

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

The Franchise Agreement requires binding arbitration. The arbitration will occur at the forum indicated in Item 17 with the costs being borne by the non-prevailing party. Prospective franchisees are encouraged to consult legal counsel to determine the applicability of California and federal laws (including Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281, and the Federal Arbitration Act) to any provisions of the Franchise Agreement restricting venue to a forum outside the State of California.

The following URL address is for the franchisor's website:

[www.Top Tier K9.com](http://www.TopTierK9.com)

FRANCHISOR'S WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. 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.

FOR THE STATE OF CONNECTICUT

1. Item 3 is amended to read as follows:

Neither the Franchisor nor any person identified in Items 1 or 2 above has any administrative, criminal or material civil action (or a significant number of civil actions irrespective of materiality) pending against him alleging a violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations.

Neither the Franchisor nor any other person identified in Items 1 or 2 above has during the ten (10) year period immediately preceding the date of this Disclosure Document, been convicted of a felony or pleaded nolo contendere to a felony charge or been held liable in any civil action by final judgment, or been the subject of any material complaint or other legal proceeding where a felony, civil action, complaint or other legal proceeding involved violation of any franchise law, fraud, embezzlement, fraudulent conversion, restraint of trade, unfair or deceptive practices, business opportunity law, securities law, misappropriation of property or comparable allegations or which was brought by a present or former purchaser-investor or which involves or involved the business opportunity relationship.

Neither the Franchisor nor any person identified in Items 1 or 2 above is subject to any currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state or Canadian franchise, securities, business opportunity, antitrust, trade regulation or trade practice law as a result of concluded or pending action or proceeding brought by a public agency, or is a party to a proceeding currently pending in which an order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud,

including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

Neither Franchisor nor any person identified in Item 2 above 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) suspending or expelling these persons from membership in the association or exchange.

FOR THE STATE OF HAWAII

1. The Franchise Agreement has been amended as follows:

The Hawaii Franchise Investment Law provides rights to the franchisee concerning non-renewal, termination and transfer of the Franchise Agreement. If the Franchise Agreement, and more specifically, Sections 4.2, 16.2 and 18, contains a provision that is inconsistent with the Hawaii Franchise Investment Law, the Hawaii Franchise Investment Law will control.

The Franchise Agreement require franchisee to sign a general release as a condition of renewal or transfer of the franchise; this release shall exclude claims arising under the Hawaii Franchise Investment Law.

The Franchise Agreement provides for the termination the Franchise Agreement upon the bankruptcy of the franchisee; that may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, et seq.).

2. The Receipt Pages are amended to add the following:

THIS FRANCHISE WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

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

FOR THE STATE OF ILLINOIS

1. This Agreement shall be governed by Illinois law.
2. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.

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

4. Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

5. Item 5 of the Disclosure Document is amended to add the following: The payment of the Initial Franchise Fee is deferred until franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General's Office imposed this deferral requirement due to Franchisor's financial condition.

FOR THE STATE OF INDIANA

1. Item 8 of the Disclosure Document is amended to add the following:

Under Indiana Code Section 23-2-2.7-1(4), the franchisor will not obtain money, goods, services, or any other benefit from any other person with whom the franchisee does business, on account of, or in relation to, the transaction between the franchisee and the other person, other than for compensation for services rendered by the franchisor, unless the benefit is promptly accounted for, and transmitted by the franchisee.

2. Items 6 and 9 of the Disclosure Document are amended to add the following:

The franchisee will not be required to indemnify franchisor for any liability imposed upon franchisor as a result of franchisee's reliance upon or use of procedures or products that were required by franchisor, if the procedures or products were utilized by franchisee in the manner required by franchisor.

3. Item 17 of the Disclosure Document is amended to add the following:

Indiana Code 23-2-2.7-1(7) makes unlawful unilateral termination of a franchise unless there is a material violation of the Franchise Agreement and termination is not in bad faith.

Indiana Code 23-2-2.7-1(5) prohibits a prospective general release of claims subject to the Indiana Deceptive Franchise Practices Law.

Item 17(r) is amended subject to Indiana Code 23-2-2.7-1(9) to provide that the post-term non-competition covenant shall have a geographical limitation of the territory granted to Franchisee.

Item 17(v) is amended to provide that Franchisees will be permitted to commence litigation in Indiana for any cause of action under Indiana Law.

Item 17(w) is amended to provide that in the event of a conflict of law, Indiana Law governs any cause of action that arises under the Indiana Disclosure Law or the Indiana Deceptive Franchise Practices Act.

FOR THE STATE OF MARYLAND

1. Item 5 of the Disclosure Document is amended to add the following:

The general release required as a condition of sale shall not apply to any liability under the Maryland Franchise Registration and Disclosure Law.

2. Item 17 of the Disclosure Document is amended to add the following:

Under the Maryland Franchise Registrations and Disclosure Law, no general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.

Any litigation between Franchisee and Franchisor may be instituted in any court of competent jurisdiction, including a court in the State of Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

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

In the event of a conflict of laws if required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.

The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101, *et seq.*).

The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

3. Exhibit G to the Disclosure Document is amended as follows:

Any portion of the Statement of Prospective Franchisee which requires prospective franchisees to disclaim the occurrence and/or acknowledge the non-occurrence of acts would constitute a violation of the Maryland Franchise Registration and Disclosure Law. Any of these representations 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.

FOR THE STATE OF MINNESOTA

1. Item 6 of the Disclosure Document is amended to add the following: NSF checks are governed by Minnesota Statute 604-113, which puts a cap of \$30 on service charges.

2. Item 13 of the Disclosure Document is amended as follows:

As required by the Minnesota Franchise Act, Minn. Stat. Sec. 80C.12(g), we will reimburse you for any costs incurred by you in the defense of your right to use the marks, so long as you were using the marks in the manner authorized by us, and so long as we are timely notified of the claim and given the right to manage the defense of the claim including the right to compromise, settle or

otherwise resolve the claim, and to determine whether to appeal a final determination of the claim.

3. Item 17 of the Disclosure Document is amended as follows:

With respect to franchises governed by Minnesota law, we will comply with Minn. Stat. Sec. 80C.14, Subds. 3, 4 and 5, which require, except in certain specified cases, that you be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice of non-renewal of the Agreement.

Item 17 shall not provide for a prospective general release of claims against us that may be subject to the Minnesota Franchise Law. Minn. Rule 2860.4400D prohibits a franchisor from requiring a franchisee to assent to a general release.

Item 17 is amended that the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if bond is required.

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J prohibit us from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

FOR THE STATE OF NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT B OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 28 LIBERTY STREET, 21ST FLOOR, NEW YORK, NEW YORK 10005. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

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

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchises and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, anti-fraud or securities law, fraud; embezzlement, fraudulent conversion or misappropriation of property, unfair or deceptive practices; or comparable allegations.

D. No such party is subject to a currently effective injunction or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Neither the Franchisor, its affiliate, its predecessor, officers, or general partner during the 10 year period immediately before the date of the offering circular: (a) filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) obtained a discharge of its debts under the bankruptcy code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after that officer or general partner of the franchisor held this position in the company or partnership.

4. The following language replaces the “Summary” section of Item 17(d), titled “**Termination by Franchisee**”:

You may terminate the agreement on any grounds available by law.

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

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

FOR THE STATE OF NORTH DAKOTA

1. Item 5 of the Disclosure Document is amended by the addition of the following language to the original language:

Refund and cancellation provisions will be inapplicable to franchises operating under North Dakota Law, North Dakota Century Code Annotated Chapter 51-19, Sections 51-19-01 through 51-19-17. If franchisor elects to cancel this Franchise Agreement, franchisor will be entitled to a reasonable fee for its evaluation of you and related preparatory work performed and expenses actually incurred.

2. Item 6 of the Disclosure Document is amended to add the following:

No consent to termination or liquidated damages shall be required from franchisees in the State of North Dakota.

3. Item 17 of the Disclosure Document is amended to add the following:

No general release shall be required as a condition of renewal, termination and/or transfer that is intended to exclude claims arising under North Dakota Law.

In the case of any enforcement action, the prevailing party is entitled to recover all costs and expenses including attorneys' fees.

The Franchise Agreement is amended to state that the statute of limitations under North Dakota Law will apply.

Items 17(i) and 17(q) are amended to state that covenants not to compete upon termination or expiration of the Franchise Agreement are generally unenforceable in the State of North Dakota except in limited instances as provided by law.

Item 17(v) is amended to state a provision requiring litigation to be conducted in a forum other than North Dakota is void with respect to claims under North Dakota Law.

Item 17(w) is amended to state in the event of a conflict of laws, North Dakota Law will control.

OHIO ADDENDUM TO DISCLOSURE DOCUMENT

In the State of Ohio only, this Disclosure Document is amended by adding the following two cover pages to this Disclosure Document:

TOP TIER K9 FRANCHISING, LLC

_____, 2025

READ THIS DISCLOSURE DOCUMENT CAREFULLY

The state of Ohio has not reviewed and does not approve, recommend, endorse, or sponsor this or any franchise. If you have any questions about this franchise, the information contained in this disclosure document should be reviewed with an attorney or financial advisor before you sign any agreement.

The following disclosure document contains the disclosures required by Ohio law.

FOR THE STATE OF RHODE ISLAND

Item 17 of the Disclosure Document is amended to add the following:

The Rhode Island Franchise Investment Act, R.I. Gen. Law Ch. 395 Sec. 19-28.1-14 provides that a provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under the Rhode Island Franchise Investment Act.

Any general release as a condition of renewal, termination or transfer will be void with respect to claims under the Rhode Island Franchise Investment Act.

FOR THE COMMONWEALTH OF VIRGINIA

Please consider the following RISK FACTOR before you buy this franchise:

THIS IS A DEVELOPMENT STAGE COMPANY WHICH ENTAILS ADDITIONAL RISK OF FINANCIAL LOSS.

In recognition of the restrictions contained in Section 13.1-564 of the Virginia Retail Franchising Act, the Franchise Disclosure Document for Top Tier K9 Franchising, LLC for use in the Commonwealth of Virginia shall be amended as follows:

The following statements are added to Item 17.h:

Under Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise agreement without reasonable cause. If any grounds for default or termination stated in the franchise agreement or development agreement, do 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.

The following statements are added to Item 17:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to use undue influence to induce a franchisee to surrender any right given to him under the franchise. If any provisions of the Franchise Agreement involve the use of undue influence by the franchisor to induce a franchisee to surrender any rights given to him under the franchise, that provision may not be enforceable.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.
6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's

reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. **Questionnaires and Acknowledgments.** 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

The undersigned parties do hereby acknowledge receipt of this Addendum.

Dated this _____ day of _____ 20_____.

Signature of Franchisor Representative

Signature of Franchisee Representative

Title of Franchisor Representative

Title of Franchisee Representative

FOR THE STATE OF WISCONSIN

Item 17 of the Disclosure Document is amended to add the following:

The Wisconsin Fair Dealership Law Title XIV-A Ch. 135, Section 135.01-135.07 may affect the termination provision of the Franchise Agreement.

EXHIBIT “B”

**LIST OF STATE ADMINISTRATORS AND
AGENTS FOR SERVICE OF PROCESS**

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
CALIFORNIA	Commissioner of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 (415) 972-8559	Commissioner of Financial Protection and Innovation 2101 Arena Blvd. Sacramento, CA 95834 (415) 972-8559
HAWAII	Commissioner of Securities of The State of Hawaii Business Registration Division Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii Business Registration Division Dept. of Commerce and Consumer Affairs Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722
ILLINOIS	Franchise Division Attorney General State of Illinois 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois 62706 (217) 782-4465
INDIANA	Securities Commissioner Indiana Securities Division Room E-111 302 West Washington Street Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House 200 West Washington Street Indianapolis, Indiana 46204

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
MARYLAND	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, Michigan 48913 (517) 373-7117	Michigan Department of Commerce Corporations and Securities Bureau 670 Law Building Lansing, Michigan 48913
MINNESOTA	Minnesota Department of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600	Minnesota Commissioner of Commerce 85 7 th Place East, Suite 280 St. Paul, Minnesota 55101
NEW YORK	New York State Department of Law Investor Protection Bureau Franchise Section 28 Liberty St. 21 st Fl New York, New York 10005 (212) 416-8222	New York Department of State One Commerce Plaza 99 Washington Avenue, 6 th Floor Albany, New York 12231- 0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505 (701) 328-4712	North Dakota Securities Commissioner 600 East Boulevard, Fifth Floor Bismarck, North Dakota 58505

STATE	STATE ADMINISTRATOR	AGENT FOR SERVICE OF PROCESS
RHODE ISLAND	Division of Securities John O. Pastore Complex, Bldg. 69-1 Cranston, Rhode Island 02920 (401) 426-9500	Director of the Rhode Island Department of Business Regulation 1511 Pontiac Avenue Cranston, Rhode Island 02920
SOUTH DAKOTA	Department of Labor and Regulation Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501 (605) 773-4823	Director of South Dakota Division of Securities 124 S. Euclid, Suite 104 Pierre, SD 57501
VIRGINIA	State Administrator Division of Securities and Retail Franchising 1300 East Main Street Richmond, Virginia (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street 1 st Floor Richmond, Virginia 23219
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 9033 Olympia, Washington 98501-9033 (360) 902-8760	Director, Dept. of Financial Institutions Securities Division 150 Israel Road Tumwater, Washington 98501
WISCONSIN	Commissioner of Securities 111 West Wilson Street P.O. Box 1768 Madison, Wisconsin 53701 (608) 266-1365	Commissioner of Securities 111 West Wilson Street P.O. Box 1768 Madison, Wisconsin 53701

EXHIBIT “C”



**FRANCHISE AGREEMENT BETWEEN
TOP TIER K9 FRANCHISING, LLC**

AND

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SCHEDULES:

Schedule A -	Initial Franchise Fee, Territory, Ownership and Related Matters
Schedule B -	State Law Addendum
Schedule C -	Authorization for Electronic Funds Transfer
Schedule D -	Personal Guaranty of Franchisee's Principal Owners
Schedule E -	Confidentiality, Non-Use, and Non-Competition Agreement
Schedule F -	Confidentiality, Non-Use, and Non-Competition Agreement for Employees
Schedule G -	Assignment of Telephone and Internet Listings
Schedule H -	Form of Release
Schedule I	Form of Promissory Note

**TOP TIER K(FRANCHISING, LLC
FRANCHISE AGREEMENT**

THIS FRANCHISE AGREEMENT (the “Agreement”) is made and entered into as of the ____ day of _____, 2024 (the “Effective Date”), by and between **TOP TIER K9 FRANCHISING, LLC**, a Florida limited liability company (“we,” “us,” “our,” or “Franchisor”), and _____, whose place of organization, form, and principal business address are set forth on Schedule “A” attached to this Agreement (“Franchisee”, “you” or “your”).

RECITALS

WHEREAS, Franchisee desires to enter into an agreement with Franchisor to obtain the rights to operate an TOP TIER K9 business (the “Franchised Business”) using the system developed by Franchisor or its affiliate, including standardized methods and procedures for the operation of a business offering pet dog training and advanced training of service dogs, protection and security dogs and police dogs as may be developed by Franchisor in the future, distinctive specifications for products, sales techniques, marketing, advertising, and procedures for operation and management of an Top Tier K9 business in the manner set forth in this Agreement and in the Operations Manual provided by Franchisor and modified from time to time (the “Top Tier K9 System” or “System”); and

WHEREAS, Franchisor and its franchisees use certain trademarks including, without limitation, the trademarks “TOP TIER K9” and “Foundation Dog” in connection with the System (the “Licensed Marks”). The rights to all such Licensed Marks as are now, or hereafter will be, designated as part of the Top Tier K9 System will be owned exclusively by Franchisor or its affiliate and be used for the benefit of Franchisor, its affiliate, and Franchisor’s franchisees to identify to the public the source of the products and services marketed thereunder; and

WHEREAS, you have applied to us for a franchise to use the System, and we desire to grant you a franchise to use the System, all subject to the terms and conditions of this Agreement and such application has been approved in reliance upon all of the representations made therein; and

WHEREAS, the Franchisee appreciates and acknowledges the importance of the Franchisor’s standards of quality, appearance, and service as a necessity of owning and operating a franchise outlet in conformity with the Franchisor’s standards and specifications, and

WHEREAS, the Franchisee represents and warrants that the Franchisee is not a party to or subject to any order or decree of any court or government agency which would limit or interfere in any way with the performance by the Franchisee of the obligations under this Franchise Agreement; and

WHEREAS, the Franchisee represents and warrants that neither the Franchisee nor any person or firm cooperating, assisting or acting with the Franchisee in connection with the opening of this franchise, or upon whom or which he may be relying for any assistance in this matter, direct or indirect, financial or otherwise, is a party to any contract, agreement or arrangement which limits, prohibits or purports to limit or prohibit the Franchisee’s entering into this Franchise Agreement or performing the Franchisee’s obligations hereunder;

NOW, THEREFORE, the parties in consideration of the undertakings and commitments of each party to the other party set forth herein, hereby mutually agree as follows:

1. GRANT OF FRANCHISE

1.1 Grant of Franchise. Subject to the terms and conditions of this Agreement, Franchisor grants to the Franchisee, the right and license and Franchisee accepts the right and obligation to operate a dog training business under the trade name and style TOP TIER K9 and to use in connection therewith the Franchisor's System at, and only at, a mutually agreeable location and which shall be provided for on Schedule "A" within ten (10) days of the date of the Franchisor's approval of the Franchisee's location for the Franchised Business (hereinafter referred to as the "Premises") and within the geographic area specified in Schedule "A" (the "Territory").

1.2 Uniform Standards. You acknowledge and agree that the central feature of a franchise system is a consistent method of operation at all Top Tier K9 Franchised Businesses in the System; and that, as a result, it is essential to the high standards and goodwill of the franchise system that each franchisee, including you, strictly comply with all of our rules, guidelines, standards, specifications, plans, programs, methods, techniques, and procedures, all of which are contained in our confidential operations manual ("Operations Manual") and this Agreement. You also acknowledge and agree (i) that we may modify all or any part of the System to adapt to changes in the marketplace, economic conditions, business conditions, the demands of consumers, our business needs and the needs of the System; (ii) that such modifications may include additions to, deletions from, or modifications to the services or products you offer for sale, sell or deliver in your Franchised Business, which modifications may include modifications to our proprietary Marks; (iii) that you agree that you expect us to change or modify the System; (iv) that you covenant, warrant, represent, and agree that you will comply with all rules, guidelines, standards, specifications, plans, programs, methods, techniques and procedures, and the Operations Manual related to the System, as we add to, delete from, and modify any or all of them from time to time, and with this Agreement. We agree that no modifications will materially and unreasonably increase your obligations as are set forth in this Agreement.

1.3 Non-Exclusivity. The parties expressly agree that the license granted herein relates solely to the Territory identified on Schedule "A" (the "Protected Territory") and affords to the Franchisee no rights regarding such other franchises or other territories, if any, as the Franchisor in its sole discretion may elect to make available to the Franchisee or to other franchisees or for the Franchisor's own use in the future. The Franchisee expressly acknowledges and agrees that this license is non-exclusive, and that the Franchisor retains, among others, the right, in its sole discretion:

1.3.1 To grant other franchises and/or licenses for its Proprietary Marks in addition to those franchises and/or licenses already granted to existing franchisees on any terms and conditions we deem appropriate outside of Franchisee's Territory.

1.3.2 To develop and establish other franchise or licensed systems for the same or similar products or services utilizing the same or similar Proprietary Marks, or any other Proprietary Marks now or hereafter designated as part of the System licensed by this Agreement and to grant franchises and/or licenses thereto without providing the Franchisee any right therein.

1.3.3 To operate, and to grant others the right to operate Top Tier K9 Franchised Businesses located anywhere outside your Protected Territory under any terms and conditions we deem appropriate and regardless of proximity to your business location.

1.3.4 To use alternate channels of distribution such as direct mail, catalogue sales, telemarketing, and the internet both within and outside of your Protected Territory to sell or distribute products under the Marks or under other trademarks or service marks.

1.3.5 To acquire the assets or ownership interests of one or more businesses providing services similar to those provided by Top Tier K9 businesses, and franchising, licensing, or creating similar arrangements with respect to these businesses once acquired, wherever these businesses (or the franchisees or licensees of these businesses) are located or operating (including in Franchisee's Protected Territory).

1.3.6 To be acquired (whether through acquisition of assets, ownership interests or otherwise, regardless of the form of transaction), by a business providing products and services similar to those provided by Top Tier K9 businesses, even if such business operates, franchises and/or licenses competitive businesses in your Protected Territory.

1.4 **Operation of Franchise Not Limited to Territory; Incidental Advertising.** Franchisee may not directly solicit business outside of the Protected Territory unless otherwise approved in writing by Franchisor. In order to be granted the right to solicit business outside of the Protected Territory, Franchisee must meet the following conditions:

1.4.1 Franchisee may not explicitly direct any advertising to clients or potential clients outside the Protected Territory.

1.4.2 When the area is granted to another franchisee, Franchisee agrees to immediately stop soliciting to clients in the area. Franchisee will immediately take all steps necessary to completely discontinue any advertising that Franchisee has directed to clients in the area.

1.4.3 Franchisee is permitted to provide dog training services to clients regardless of the location of the client.

1.6 **Reasonable Business Judgment.** We acknowledge and agree that we will, and you acknowledge and agree that we may, use Reasonable Business Judgment, as defined in Paragraph 23.4.2 of this Agreement, in the exercise of our rights, discharge of our obligations, and exercise of our discretion under this Agreement, and in all circumstances where we are required to give our consent, unless this Agreement expressly provides some other standard.

2. **TERM AND RENEWAL**

2.1 **Initial Term.** This term of this Agreement shall commence upon its execution by all parties (the "Effective Date"), and unless previously terminated pursuant to this Agreement the term of this Franchise Agreement shall be for a period of ten (10) years (the "Initial Term").

2.2. **Successor Term.** The Franchisee shall have the right to enter into successor agreements for this franchise at the expiration (but not the termination) of the initial term for two (2) additional terms of five (5) years each (each, a “Successor Term”) the Franchisee shall provide Franchisor written notice of its request to enter into a successor agreement, not less than nine (9) months or more than twelve (12) months prior to the end of the term of this Franchise Agreement. Franchisor shall not unreasonably withhold its approval of such request provided, however, that in order to be considered for a successor term, the Franchisee agrees to comply with the following conditions:

2.2.1 Franchisor is currently offering franchises in the geographical area in which the Franchised Business is located;

2.2.2 The Franchisee is not, when the request for renewal is made, nor at any time between the request and the date of the successor agreement, in default of any provision of this Franchise Agreement, any amendment hereof, or successor hereto or any other agreement between the Franchisee and Franchisor or its affiliates, and the Franchisee has been in substantial compliance with the terms and conditions of all such agreements during the term of this Agreement;

2.2.3 The Franchisee has fulfilled all of its monetary obligations towards Franchisor, Franchisor’s affiliates, and designated suppliers;

2.2.4 The Franchisee executes Franchisor’s then-current Franchise Agreement for renewal franchises, which may contain terms and conditions materially different from those set forth herein, including, without limitation, the then-current rate for royalties, advertising and other payments as such Franchise Agreement may provide, but not franchisee’s Protected Territory; provided, however, that the Franchisee shall not be required to pay any additional initial franchise fee as may be set forth in the then-current Franchise Agreement.

2.2.5 Franchisee shall pay a Successor Fee of Five Thousand (\$5,000) Dollars.

2.2.6 The Franchisee shall execute a general release under seal, in a form satisfactory to Franchisor, substantially similar to Schedule “H”, of any and all claims it may have against Franchisor and its officers, directors, shareholders, members, managers and employees, in their corporate and individual capacities, including without limitation, all claims arising under any federal, state, or local law, rule or ordinance. If this franchise is situated in a state whose law, at the time of renewal, prohibits the giving of a general release as a condition for the renewal of a franchise, then this Paragraph 2.2.6 shall not, in such event, be a condition to renewal of this franchise, unless a release of some, but not all, claims is permitted, in which instance the Franchisee shall give a release to the extent permitted.

2.2.7 The Franchisee has made or has provided for such renovation and modifications as Franchisor then requires of new franchisees entering the System, including, without limitation, computer hardware and software, equipment, furnishings, and vehicles in accordance with the standards of the Company.

2.2.8 The Franchisee completes any additional education or training programs that the Company may then require for franchisees upon renewal.

2.3 Within sixty (60) days of receipt of Franchisee's notice of its desire to enter into a successor franchise agreement, Franchisor shall give Franchisee written notice ("Successor Notice") of Franchisor's decision:

2.3.1 to grant Franchisee a successor agreement; or

2.3.2 to grant Franchisee a successor agreement on the condition that Franchisee corrects existing deficiencies of the Franchised Business or in its operation of the Franchised Business;

2.3.3 not to grant Franchisee a successor agreement based on Franchisor's determination, in its sole discretion that it is not offering franchises in the geographical area in which the Franchised Business is located; or

2.3.4 not to grant Franchisee a successor agreement based on Franchisor's determination, in its sole discretion, that Franchisee and its Owners have not substantially complied with the provisions of Section 2.2.

2.4 If Franchisor elects to grant a successor franchise, Franchisee's right to acquire the successor franchise is subject to its full compliance with all of the terms and conditions of this Agreement through the date of its expiration, in addition to its compliance with the obligations described in the Successor Notice.

2.5 If the Successor Notice states that Franchisee must cure certain deficiencies of the Franchised Business or its operation as a condition to Franchisor's granting Franchisee a successor franchise, Franchisor will give Franchisee a written notice of its decision not to grant a successor franchise based upon Franchisee's failure to cure those deficiencies, not less than thirty (30) days before this Agreement expires. However, that Franchisor need not give Franchisee these thirty (30) days' notices if Franchisor decides not to grant to Franchisee a successor franchise due to Franchisee's breach of this Agreement during the thirty (30) day period before this Agreement expires.

2.6 At its option, Franchisor may extend the term of this Agreement for the time period necessary to give Franchisee either a reasonable time to correct the deficiencies, execute a successor agreement or to provide Franchisee with thirty (30) days' notice of Franchisor's refusal to grant a successor franchise.

2.7 If Franchisee fails to notify Franchisor of its election to acquire a successor franchise within the prescribed time period, Franchisor is not obligated to grant Franchisee's successor franchise.

3. OPERATING ASSISTANCE

3.1 **Assistance Prior to Opening.** Prior to Franchisee's Opening Date, Franchisor will provide Franchisee with the following assistance, on the same basis as it will from time to time make available to other Top Tier K9 franchisees:

3.1.1 Loan Franchisee or provide Franchisee with access to the electronic version of one copy of the Operations Manual. Franchisor may modify the Operations Manual by written or on-line supplements of which Franchisee will receive copies or receive links to print documents.

3.1.2 Franchisor will provide reasonable assistance to Franchisee with the formulation of an initial marketing plan for the Franchised Business.

3.1.3 Franchisor will provide Phase 1 initial training to Franchisee.

3.1.4 Franchisor will provide franchisee with Franchisor's mandatory specifications for required equipment and supplies needed to operate the Franchised Business.

3.1.5 Franchisor will establish a presence for the Franchised Business on any internet web site that Franchisor has established for the Franchise System.

3.2 **Ongoing Assistance.** After Franchisee's Opening Date, Franchisor or its designee will make the following assistance available to Franchisee:

3.2.1 Provide reasonable consultation and advice in response to Franchisee's inquiries about specific administrative and operating issues. Franchisee is solely responsible for the day to day operation of the Franchised Business. Franchisor may decide how best to communicate such consultation and advice to Franchisee, whether by telephone, in writing, electronically or in person. The method chosen by Franchisor may be different than the methods used by Franchisor for other franchisees.

3.2.2 Administer the Brand Fund and approve advertising that Franchisee creates for Franchisee's local use.

3.2.3 Make goods and services available to Franchisee either directly or through approved suppliers.

3.2.4 Periodically revise the Operations Manual to incorporate new developments and changes in the Top Tier K9 System and provide Franchisee with a hard copy or electronic copy of all updates.

3.2.5 Make available optional Phase 2 training to Franchisee.

3.2.6 We may also hold statewide, regional, or national conferences to discuss promotional techniques, performance standards, advertising programs and general topics. You are required to attend those conferences. We may charge a fee for these conferences; you must pay for all of your travel and lodging expenses.

3.2.7 Provide such general advisory assistance and field support as we deem helpful to you, in our discretion, in the ongoing operation, advertising and promotion of your Franchised Business.

3.2.8 We will conduct periodic inspections of the Business licensed herein and periodic evaluation of the services rendered by the Franchisee.

3.2.9 Provide Franchisee with access to advertising and promotional items and materials that Franchisor may develop for promotion of the System. Franchisor is not however, required to develop any advertising or promotional items or materials. Franchisee will be required to purchase the

advertising materials if Franchisor so directs and if Franchisee desires to use them, including all costs of shipping.

3.2.10 Use our efforts to maintain high standards of quality, appearance and professionalism and service of the Franchised Business.

3.2.11 We will provide training on new products and services that we may make available to you to offer at the Franchised Business.

3.2.12 We will, at your request, examine information or samples provided by you about products or services which are not approved by us but which you would like to offer from your Franchise. We will decide based on the information supplied by you and by information we might obtain somewhere else, whether or not to approve the product or service you have presented to us. We will provide you with our approval or disapproval within 90 days of receiving your written request. You must pay all of our expenses in connection with any examination, testing or inspection.

4. FEES AND OTHER PAYMENTS.

In consideration of the license granted herein, the Franchisee shall pay to Franchisor the following fees:

4.1 **Initial Franchise Fee.** Simultaneously with the execution of this Agreement, and in consideration of the execution of this Agreement, Franchisee agrees to pay Franchisor an initial franchise fee of Twenty-Nine Thousand Five Hundred (\$29,500.00) Dollars (the “Initial Franchise Fee”). The Initial Franchise Fee is not refundable and is fully earned upon payment and receipt by Franchisor.

4.2 **Continuing Royalty Fee.** The Franchisee shall pay to the Franchisor, a continuing monthly royalty fee (the “Royalty Fee”), during the term of this Franchise Agreement, without offset, credit or deduction of any nature, the following sum, based upon Franchisee’s Gross Revenue during the previous month; the greater of seven (7%) percent, with a minimum monthly Royalty Fee of Four Hundred (\$400.00) Dollars. The Royalty Fee is payable monthly on the fifth (5th) day of each month.

4.3 **Brand Fund Contribution.** Franchisor reserves the right to establish a fund for the purpose of conducting advertising, marketing and promotional programs and for using Social Media Platforms (defined as web platforms such as Facebook, Twitter, Instagram, LinkedIn, blogs and other networking and sharing sites) using Social Media Materials (defined as any material on any Social Media Platform that makes use of Franchisor’s Trademarks, name, brand, products, services or the Franchised Business whether created by Franchisor, Franchisee, or any third-party) to enhance, promote and protect the goodwill and public image of the System (“Brand Fund”). Franchisee shall pay to the Brand Fund, a monthly continuing contribution (“Brand Fund Contribution”) in the amount of (1%) percent of Gross Revenue.

4.4 **“Gross Revenue”** means the aggregate of all monies and receipts derived from all services and products sold in your Top Tier K9 business; all revenue derived from the operation of the Franchised Business and the exploitation of the franchise system and/or the Marks by you and whether the Gross Revenue is evidenced by cash, credit, services, property, or other means of exchange. Gross

Revenue also includes the proceeds of any insurance payments intended to replace your revenue as a result of the interruption of your business. Gross Revenue does not include (a) all sales taxes imposed by governmental authorities directly on sales and actually collected from customers, provided these taxes are added to the selling price, and are, in fact paid by you to the appropriate governmental authority, or (b) cash refunds and credit given to customers provided the related sales have been included in Gross Revenue for which royalties were previously paid.

4.5 Payment of Royalties, Brand Fund Contributions and Fees

4.5.1 Royalties, Brand Fund Contributions and any other fees required by this Agreement, shall be payable monthly based on the Gross Revenues for the preceding month and are payable to Franchisor and/or the Brand Fund, as applicable, by electronic funds transfer (“EFT”) pursuant to the EFT Authorization attached hereto as Schedule “C” or such other method as Franchisor shall designate, from Franchisee’s designated bank account on the date due. Franchisee agrees to comply with Franchisor’s payment instructions.

4.5.2 Each Royalty payment will be preceded or accompanied by a report (“Royalty Report”) that itemizes Gross Revenues for the preceding month generated by the Franchised Business. Franchisor may provide the information in the Royalty Report via electronic data communication, facsimile transmission or such other method as Franchisor may reasonably designate. Franchisor may require other periodic payments at any time upon reasonable notice, which shall be provided in writing.

4.5.3 Franchisor shall issue a draft against the savings, checking and/or operating accounts of Franchisee for the Royalty, Brand Fund Contributions and any other fees required by this Agreement when due. In the event that Franchisee fails to provide a Royalty Report by the fifth (5th) day of any month, then Franchisor shall be authorized to issue a draft against the savings, checking and/or operating accounts of Franchisee in an amount equal to the amount payable for the immediately preceding month or an amount estimated by Franchisor to be payable for the current month, whichever is greater, subject to later adjustment upon Franchisee’s submission of the required Royalty Report.

4.5.4 Franchisee authorizes Franchisor and its affiliates to initiate debit entries and credit correction entries to Franchisee’s savings, checking, operating or other accounts for the payment of the Royalty, Brand Fund Contributions, and any other amounts due from Franchisee under this Agreement or otherwise. Franchisee shall comply with the procedures and instruction in connection with the direct debit process and sign any documents and take any actions that may be required to affect this authorization.

4.6 Other Fees and Payments

4.6.1 **Transfer Fees.** Except for the transfer by Franchisee to a corporation or limited liability company formed solely for the convenience of ownership, or a transfer to Franchisee’s (or an Owner’s) spouse, parent, or child in the event of Franchisee’s death or disability, for which there shall be no fee, in the event of any transfer of the franchise Franchisee shall pay a transfer fee of \$10,000 plus any broker fees associated with the transfer.

4.6.2 **Late Charge.** Franchisee shall pay to Franchisor a late charge in the amount of \$100 plus interest at the rate of 1.5% per month on all past due amounts, as provided herein.

4.6.3 Deficiency Cure Expense. In the event Franchisee fails to cure after notice, any deficiency in the Franchised Business location or operations of the Franchised Business, then Franchisor may, at its option, correct such deficiency in which event Franchisee shall pay to Franchisor, on demand, the reasonable cost, and fees to correct such deficiency.

4.6.4 Accounting Fees. Franchisor has the right to conduct an audit of the books and records of Franchisee, including all sales and income records and tax returns, as provided herein. If Franchisor elects to conduct such an audit, Franchisor will provide Franchisee with written notice ten (10) days prior to conducting the audit. The audit may be conducted by Franchisor or other persons designated by Franchisor. Franchisor may conduct the audit in Franchisee's offices, Franchisor's offices or at the office of a third party. Franchisee may be required to send such records to such location as Franchisor may designate in its sole discretion and at Franchisee's expense. If Franchisee fails to furnish reports, supporting documents or other information as required by Franchisor in writing, Franchisor may elect to conduct an audit of the books and records of Franchisee and Franchisee shall pay the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and reasonable accounting and legal fees incurred by Franchisor.

- (a) The disclosure of certain information by an audit will cause specific consequences, as follows:
- (b) If Franchisee has understated Gross Revenues in any report or statement by less than five percent (5%), Franchisee shall pay Franchisor the underreported amount plus late charges within fifteen (15) days of Franchisee's receipt of Franchisor's written notice;
- (c) If Franchisee has understated Gross Revenues in any report or statement by five percent (5%) or more, Franchisee shall pay the underreported amount plus late charges together with the cost of conducting the audit, including without limitation, travel, lodging, meals, wages, expenses and reasonable accounting and legal fees incurred by Franchisor within fifteen (15) days of Franchisee's receipt of Franchisor's written notice;
- (d) If Franchisee has understated Gross Revenues in any report or statement by five percent (5%) or more then, in addition to the above, Franchisor may also, in its sole discretion, require Franchisee to provide periodic audited financial statements to Franchisor;
- (e) If Franchisee has understated Gross Revenues in any report or statement by five percent (5%) or more then, in addition to the above, Franchisor may terminate this Agreement, without an opportunity cure, pursuant to Article 14; and
- (f) If Franchisee has understated Gross Revenues in any report or statement by more than two (2%) percent three (3) or more times in any thirty-six (36) month period, Franchisor may terminate this Agreement, without opportunity for cure, pursuant to Article 14.

4.6.6 Technology Fee. Franchisor shall have the right to impose a fee for Franchisee's use of designated software which may include proprietary or non-proprietary software that may be developed by Franchisor, Franchisor's affiliate, or a designated vendor. The Technology Fee may be imposed and subject to change upon thirty (30) days' advance notice to Franchisee by Franchisor.

4.6.7 De-identification Expenses. In addition to Franchisee's obligations to de-identify the premises and Service Vehicle, upon termination or expiration of this Agreement for any reason, Franchisor shall have the right but not the obligation to modify, alter or de-identify the Franchised Business. If Franchisor undertakes efforts to modify, alter or de-identify the Franchised Business, Franchisee shall pay to Franchisor the reasonable cost of such modification, alteration, or de-identification, including but not limited to reasonable attorneys' fees.

4.6.8 National Meeting Fee. Franchisor may, in its sole discretion, host a national meeting between the Franchisor and Top Tier K9 franchisees. In the event that Franchisor hosts a national meeting, Franchisor may charge Franchisee up to \$1,000 to cover expenses associated with the national meeting whether Franchisee attends or does not attend the national meeting. If Franchisor schedules a national meeting, Franchisee or its principal owner will be required to attend. If Franchisee or its principal owner fails to attend a national meeting, Franchisor may charge Franchisee an additional fee of \$1,000. Franchisee may bring its employees to a national meeting, upon Franchisor's prior written consent, which Franchisor may, in its sole discretion, withhold. Franchisee, at its sole expense, shall be responsible for paying for all travel, room and board, and wages relating to its attendance at the national meeting.

4.7 Application of Payments. Franchisee acknowledges and agrees that Franchisor may apply payments received to amounts due and payable in the order Franchisor determines in its sole discretion.

4.8 The EFT Account. Franchisor shall establish an EFT account as described in the Operating Manual or otherwise in writing and Franchisor shall be authorized to make such transfers as are authorized on a separate authorization attached hereto as Schedule "C".

4.9 Reporting Requirements. From time to time, Franchisee shall submit to Franchisor such other forms, reports, records, information, and data, in the form and format, and at the time and places reasonably required by Franchisor. Those requirements may be stated in the Operating Manual, or according to Franchisor's then-current financial reporting practices and standards. Franchisee acknowledges and agrees that such reporting is required in addition to and not in lieu of the Royalty Reports.

4.10 Index. The parties agree that all fixed dollar amounts set out in this Agreement are subject to adjustment up or down, depending on changes in the Index. For the purpose of this Agreement, the term Index is agreed to mean the Consumer Price Index (1982-84=100: all items; CPI-U; all urban consumers) published by the U.S. Bureau of Labor Statistics (or if the Index is no longer published, a successor index that Franchisor may reasonably specify in writing). Franchisor has the right to decide whether or not to make adjustments to fixed dollar amounts set out in this Agreement and if Franchisor decides to invoke that right, Franchisor will make changes not more than once each year by sending Franchisee written notice, but Franchisor will not do so until after the first calendar year after execution of this Agreement.

4.11 Payment and Interest on Late Payments. Except as may otherwise be provided in this Agreement, fees, and other amounts due under this Agreement, must be paid 10 days after the date of the invoice from Franchisor. Franchisor will initiate payment on all invoices from Franchisee's bank account 10 days after the date of the invoice by electronic funds transfer as provided in Section 4.1.12, above. If

any fee or other amount due under this Agreement is not paid when it is due, Franchisee will pay a late fee of One Hundred (\$100.00) Dollars plus interest on any balance due from the date due until such amount is paid in full at the highest then-applicable legal rate for open account business credit not to exceed one and one-half percent (1.5%) per month. This charge will accrue whether or not Franchisor or Franchisee exercise their respective rights to terminate this Agreement pursuant to Article 14 hereof.

4.12 Taxes on Payments and Currency. In the event that any taxing authority, wherever located, imposes any future tax, levy, or assessment on any payment Franchisee makes to Franchisor, (excluding income tax) Franchisee must, in addition to all payments due to Franchisor, pay such tax, levy, or assessment. All fees and other amounts due Franchisor, or any affiliate thereof, under this Agreement, or any other agreement related to Franchisee's ownership or operation of the Franchised Business, are stated in United States dollars, and must be paid in United States dollars.

4.13 Insufficient Funds, Closed Accounts, and Other Payment Issues. It is the responsibility of the Franchisee to maintain an account or credit card on file with the Franchisor to properly ACH, Charge, or Debit any applicable fees owed to the Franchisor. It is the responsibility of the Franchisee to ensure that proper balances are available to cover any and all fees that may be pulled, charged or debited. In the event that the Franchisee uses the payment method on file for the Franchisee, and the amounts are unable to be charged by the Franchisor for any reason, a fee of \$50 per occurrence will be charged to the account of the Franchisee. Upon notice of the inability to charge the account, the Franchisee shall have 15 days to remedy the issue and submit updated information for the Franchisor to resubmit any and all charges. In the event that the issue is not remedied, or a Franchisee refuses to remit an acceptable payment method for the Franchisor to keep on file, a fee of \$50 will be charged to the account of the Franchisee every 15 days, until the issue is resolved.

5. LICENSED MARKS

5.1 Ownership. Franchisee expressly acknowledges Franchisor's rights in and to the Licensed Marks and agrees not to represent in any manner that Franchisee has acquired any ownership rights in the Licensed Marks. Franchisee agrees not to use any of the Licensed Marks or any marks, names or indicia which are or may be confusingly similar in its own corporate or business name, e-mail address or domain name except as authorized in this Agreement. Franchisee further acknowledges and agrees that any and all goodwill associated with the Top Tier K9 System and identified by the Licensed Marks will inure directly and exclusively to the benefit of Franchisor and that, upon the termination or expiration of this Agreement for any reason, no monetary amount will be assigned as attributable to any goodwill associated with Franchisee's use of the Licensed Marks.

5.2 Authorized Use. Franchisee understands and agrees that any use of the Licensed Marks other than as expressly authorized by this Agreement, without Franchisor's prior written consent, may constitute an infringement of Franchisor's rights therein and that the right to use the Licensed Marks granted herein does not extend beyond the expiration or termination of this Agreement. Franchisee expressly covenants that, during the term of this Agreement and thereafter, Franchisee will not, directly or indirectly, commit any act of infringement or contest or aid others in contesting the validity of Franchisor's right to use the Licensed Marks or take any other action in derogation thereof. Franchisee must identify itself as the owner of the Franchised Business (in the manner Franchisor prescribes) in conjunction with any use of the Licensed marks including, without limitation, on invoices, contracts,

timesheets, checks, receipts, and business stationery, as well as such conspicuous locations as Franchisor may designate in writing at the premises of the Franchised Business.

5.3 Infringement. Franchisor will have the sole right to handle disputes with third parties concerning Franchisor's ownership of rights in, or Franchisee's use of, the Licensed Marks or the Top Tier K9 System. Franchisee must immediately notify Franchisor in writing if Franchisee receives notice, or learns, of any: (i) improper use of any of the Licensed Marks or elements of the Top Tier K9 System; (ii) use by any third party of any mark, design, logo or commercial symbol which, in Franchisee's judgment, may be confusingly similar to any of the Licensed Marks; (iii) use by any third party of any business practice which, in Franchisee's judgment, unfairly simulates the Top Tier K9 System in a manner likely to confuse or deceive the public; or (iv) claim, challenge, suit or demand asserted against Franchisee based on Franchisee's use of the Licensed Marks or the Top Tier K9 System. Franchisor will have the right to take any action it deems appropriate, including, without limitation, to take no action, and the sole right to control any legal proceeding or negotiation arising out of any infringement, challenge or claim or otherwise relating to the Licensed Marks or the System. Franchisee must not settle or compromise any claim, suit or demand asserted against it and agrees to be bound by Franchisor's decisions in handling disputes regarding the Licensed Marks and the Top Tier K9 System. Franchisee must cooperate fully with Franchisor and execute any documents and perform any actions that, in Franchisor's judgment, may be necessary, appropriate, or advisable in the defense of such claims, suits or demands and to protect and maintain Franchisor's rights in the Licensed Marks and the System. Unless it is established that a third-party claim asserted against Franchisee is based, directly or indirectly, on Franchisee's misuse of the Licensed Marks or the Top Tier K9 System, Franchisor agrees to defend Franchisee against the third-party claim, and hold Franchisee harmless from any claims or damages, provided Franchisee has notified Franchisor immediately after learning of the claim and fully cooperates in the defense of the action. Because Franchisor will defend the third-party claim, Franchisee is not entitled to be reimbursed for legal or other professional fees or costs paid to independent legal counsel or others in connection with the matter. Franchisee, on behalf of itself and its owners, hereby waives any claim against Franchisor, Franchisor's Affiliates, and their respective officers, directors, shareholders, employees, and agents based on third party claims involving the Licensed Marks or the System including, without limitation, for lost profits or consequential damages of any kind.

5.4 Operation Under Licensed Marks. Franchisee must use only the Licensed Marks which Franchisor designates and must use them only in the manner Franchisor authorizes and permits. Franchisee further agrees and covenants to operate and advertise only under the names or marks from time to time designated by Franchisor for use by similarly situated franchisees of Franchisor; to adopt and use the Licensed Marks solely in the manner prescribed by Franchisor, to refrain from using the Licensed Marks to perform any activity or to incur any obligation or indebtedness in such a manner as may, in any way, subject Franchisor to liability therefore; to observe all laws with respect to the registration of trade names and assumed or fictitious names, to include in any application therefore a statement that Franchisee's use of the Licensed Marks is limited by the terms of this Agreement, and to provide Franchisor with a copy of any such application and other registration document(s); to observe such requirements with respect to trademark and service mark registrations and copyright notices as Franchisor may, from time to time, require, including, without limitation, affixing "®" adjacent to all such Licensed Marks in any and all uses thereof; and to utilize such other appropriate notice of ownership, registration and copyright as Franchisor may require. The Franchisee shall not use the Licensed Marks or any part or form thereof as part of the Franchisee's corporate or other legal name.

5.5 Modification/Replacement of Licensed Marks. Franchisor reserves the right to designate one or more new, modified or replacement Licensed Marks for use by franchisees and to require the use by Franchisee of any such new, modified or replacement Licensed Marks in addition to or in lieu of any previously designated Licensed Marks. Any expenses or costs associated with the use by Franchisee of any such new, modified or replacement Licensed Marks will be the sole responsibility of Franchisee.

5.6 Non-Exclusive License. The license of the Licensed Marks granted to Franchisee herein is nonexclusive and Franchisor retains the right, among others, to (i) use the licensed marks itself in connection with selling products and services; (ii) grant other licenses for the Licensed Marks; and (iii) develop and establish other systems using the Licensed Marks, similar marks, or any other marks, and to grant licenses thereto without providing any rights therein to Franchisee.

6. STANDARDS OF OPERATION

6.1 Site Location and Lease of Premises. Franchisee may operate the Franchised Business from a home office, or at Franchisee's option, may secure real estate, by purchase or lease, for the operation of the Franchised Business, which must be within the Territory. Within sixty (60) days of the Effective Date of this Agreement, Franchisee agrees to acquire a proposed location (the "Premises") for the Franchised Business that is acceptable to Franchisor. If Franchisee does not operate the Franchised Business from a home-based office, Franchisee agrees to use the Premises solely for the operation of the Franchised Business in the manner and pursuant to the standards prescribed herein, in the Operations Manual or otherwise in writing, and to refrain from using or permitting the use of the Premises for any other purpose or activity at any time.

6.2 Relocation. Franchisee shall not relocate the Franchised Business location except with the prior written consent of Franchisor. Franchisee acknowledges and agrees that as a material condition of Franchisor's approval of Franchisee's relocation of the Franchised Business location, Franchisee and its owners shall execute a General Release, in a form attached as Schedule "H" hereto in favor of Franchisor, its Affiliates and all of their respective owners, officers, directors, agents, and employees.

6.3 Opening of the Franchised Business. Franchisee must open its Top Tier K9 business for business within ninety (90) days of the Effective Date of this Agreement provided that Franchisee has successfully completed its Phase 1 initial training.

6.4 Quality Standards for Equipment and Supplies. All equipment, vehicles and supplies for the Franchised Business must meet the quality standards set forth in Franchisor's Operations Manual or otherwise in writing, subject to compliance with applicable laws and regulations.

6.5 Signage. Subject to compliance with applicable laws and regulations, Franchisee must acquire all signs as required by Franchisor for use at or in connection with the Franchised Business and the Service Vehicle.

6.6 Training. Following the execution of this Franchise Agreement, Franchisee must commence Franchisor's next scheduled Phase 1 initial training program ("Phase 1 Training"). Franchisee's Operating Principal, if Franchisee is not an individual, must complete Franchisor's Phase 1 Training program to the satisfaction of Franchisor which includes pet training certification and Foundation Dog training. In addition, all persons who will conduct dog training must successfully complete the Phase 1

Training to Franchisor's satisfaction. Franchisee must pay the Franchisor's then current training costs for additional trainees. Franchisee's failure to successfully complete Phase 1 Training may result in the termination of this Agreement.

6.6.1. To assist Franchisee in the operation of Franchisee's business, Franchisor may offer additional training programs and/or refresher courses to Franchisee and Franchisee's trainers. Franchisee must attend and satisfactorily complete training on any new products or services offered by Franchisor as a condition to receive Franchisor's permission to offer those products and services to customers. Franchisor may require Franchisee's attendance at these programs and/or courses. Franchisee is responsible for the expenses of Franchisee, and Franchisee's employees, including transportation to and from the training site and lodging, meals, and salaries during such training. The additional training programs and refresher courses will be at Franchisor's then-current tuition for such training.

6.6.2 Designation of Operating Principal. If Franchisee is not an individual, it must designate the majority equity owner as Franchisee's Operating Principal. The Operating Principal will be Franchisor's designated point of contact and shall have full authority to bind Franchisee. The Operating Principal shall attend all required meetings and conferences as determined by Franchisor.

6.7 Hiring and Supervision.

6.7.1 Franchisee will have sole authority and control over the day-to-day activities of its employees. Franchisee must hire and at all times maintain a sufficient number of qualified, competent personnel, in order to offer prompt, courteous and efficient service to the public, and otherwise operate the Franchised Business in compliance with the System. To protect and maintain the goodwill of the Marks and the System, all employees, engaged in the operation of Franchisee's Franchised Business during working hours must dress conforming to Franchisor's standards, must present a neat and clean appearance (wearing Franchisor's uniforms) in conformance with Franchisor's reasonable standards and must render competent professional service to the customers of Franchisee's business.

6.7.2 The Franchised Business must be under the supervision of the Franchisee (or, if the Franchisee is a business entity, the Franchisee's designated and fully trained Manager) who will devote his or her full time and energy to the operation of the Franchised Business.

6.7.3 All management personnel and all certified trainers of Franchisee are required to enter into the confidentiality and non-competition covenants as required under Sections 11 and 12 of this Agreement, in the form attached hereto as Schedule "F".

6.7.4 Franchisee is responsible for all employment decisions of the Franchised Business, including hiring, firing, training, promotion, wage and hour requirements, recordkeeping, supervision, and discipline of employees. All employees must pass any applicable tests required by any governmental entity, submit to pre-employment and random drug tests, and have a criminal background investigation performed. Franchisee is responsible and assumes liability for all hiring decisions. We will not be considered as "joint-employers" of any of your employees.

6.8 Maintenance of Premises. Franchisee agrees to maintain the Premises, and all fixtures, furnishings, signs, and equipment thereon, in conformity with Franchisor's then-current standards at all

times during the term of this Agreement and to make such repairs and replacements thereto as Franchisor may require. Without limiting the generality of the foregoing, Franchisee specifically agrees:

6.8.1 To keep the Premises at all times in a high degree of repair, order, and condition, including, without limitation, replacement of, and/or maintenance and repair to, all fixtures, furnishings, signs and equipment as Franchisor may from time to time reasonably direct;

6.8.2 To meet and maintain at all times all governmental standards and ratings applicable to the operation of the Franchised Business or such higher minimum standards and ratings as set forth by Franchisor from time to time in its Operations Manual or otherwise in writing; and

6.8.3 To cause its employees to wear apparel which conforms strictly to the specifications, design, color, and style approved by Franchisor from time to time.

6.9 Operation of the Franchised Business. Franchisee agrees to comply with all rules, regulations, policies, and standards for the Top Tier K9 System, which by their terms are mandatory, including, without limitation, those contained in the Manual. Franchisee must operate and maintain the Franchised Business solely in the manner and pursuant to the standards prescribed herein, in the Manual or in other written or electronically published materials provided by Franchisor to Franchisee from time to time and must make such repairs and replacements to the Premises as Franchisor may require to ensure that Franchisor's required degree of quality, service and image is maintained and must refrain from deviating therefrom and from otherwise operating in any manner which adversely reflects on Franchisor's name and goodwill or on the Licensed Marks. Without limiting the generality of the foregoing, Franchisee specifically agrees as follows:

6.9.1 To purchase, install and use, at Franchisee's expense, all such fixtures, furnishings, signs, and equipment, all as may be required by Franchisor, as Franchisor may prescribe from time to time and to refrain from purchasing, installing, or using on, about or in connection with the Premises any such item not meeting Franchisor's standards and specifications.

6.9.2 To maintain in sufficient supply, and use at all times, only operating products, materials, supplies and expendables, as conform with Franchisor's then-current standards and specifications and to refrain from using non-conforming items without Franchisor's prior consent.

6.9.3 To sell and to offer for sale all such services and products as Franchisor may, from time to time require, and only those which Franchisor may, from time to time approve, which are not subsequently disapproved, as meeting its quality standards and specifications. In addition to any remodeling, repairs, replacement, and redecoration required by this Article 6, in order to introduce new services and product through all Top Tier K9 Businesses, Franchisee may be required to expend additional amounts on new, different or modified software, equipment or fixtures necessary to offer such new services or products.

6.9.4 To use such standardized accounting forms, accounting systems, reporting forms and other forms as may be developed from time to time by Franchisor and to file such forms with Franchisor in a timely manner as may be required by Franchisor.

6.9.5 To record all billings and maintain all business information and records associated with the Franchised Business using the reporting systems, business management software, and associated equipment specified by Franchisor in the Manual and to maintain, without alteration, all information and categories required by Franchisor. Franchisee hereby authorizes Franchisor to access all information maintained by Franchisee whether by inspection of the Premises or through other means of electronic retrieval, as Franchisor deems necessary in its sole discretion at any time. Franchisee acknowledges that all of Franchisee's business information, customer information and customer lists are the property of Franchisor.

6.9.6 To obtain and install and maintain at the Franchised Business, at Franchisee's sole cost and expense, all computer hardware and software Franchisor requires. Franchisee will use such computer systems and software to record all client information, for your accounting and bookkeeping functions, for scheduling, for Internet communication and email, for extranet programs, and as Franchisor may otherwise specify. Franchisee must obtain independent support for all hardware and software. Franchisee must obtain and maintain an approved Payment Card Industry (PCI) compliance program for the Franchised Business. Franchisor may suggest third party PCI compliance vendors to Franchisee, but Franchisee is solely responsible for its own PCI compliance at the Franchised Business.

6.10 **Participation in Promotions.** Franchisee agrees to participate in system-wide and applicable regional promotions and advertising campaigns that Franchisor originates or approves. These may include promotions via the Internet, e-commerce, electronic media, or other media. Franchisee also agrees to participate at its sole expense in all client loyalty, gift certificate and similar programs created by Franchisor.

6.11 **Purchases.** Franchisee acknowledges and agrees that Franchisee's obligations set forth in this Agreement and the Operations Manual are reasonable and necessary for the operation of the Franchised Business and to maintain uniformity throughout the Top Tier K9 System. Franchisee acknowledges that Franchisor may designate a sole approved supplier of any product and that Franchisor or Franchisor's affiliated companies may be the sole source of supply.

Franchisee is required to purchase and maintain a product inventory level sufficient to meet the current needs of its customers. Franchisee must adhere to the standards and specifications set forth in this Agreement and the Manual and any revisions or amendments to same. Franchisee must use signs, furnishings, supplies, fixtures, equipment and inventory, and marketing which comply with Franchisor's then-current standards and specifications (including, without limitation, standards and specifications for products, services, equipment, furnishings, advertising materials, and signage) which Franchisor establishes from time to time. Franchisor has the right to change Franchisor's standards and specifications. Franchisee acknowledges that Franchisee may incur an increased cost to comply with such changes at Franchisee's expense.

6.11.1 Recognizing that preservation of the Top Tier K9 System depends upon product and service uniformity and the maintenance of Franchisor's trade dress, Franchisee agrees to purchase certain signs, furnishings, supplies, fixtures, equipment, inventory, and all items bearing the Marks or logo exclusively from Franchisor or from approved or designated third party suppliers as Franchisor specifies, from time to time, in the Operations Manual and otherwise in writing. Franchisee hereby acknowledges that Franchisor, Franchisor's affiliate and/or a third party may be one of several, or the only, approved supplier of any item.

6.11.2 In the event Franchisee wishes to purchase any unapproved item, including inventory, and/or acquire approved items from an unapproved supplier, Franchisee must provide Franchisor the name, address and telephone number of the proposed supplier, a description of the item Franchisee wishes to purchase, and purchase price of the item, if known. Franchisee also must pay Franchisor the current Supplier Evaluation Fee as described in Section 4.7. At Franchisor's request, Franchisee must provide Franchisor, for testing purposes, a sample of the item Franchisee wishes to purchase. If Franchisor incurs any costs in connection with testing a particular product or evaluating an unapproved supplier at Franchisee's request, Franchisee or the supplier must reimburse Franchisor for Franchisor's reasonable testing costs, regardless of whether Franchisor subsequently approves the item or supplier. Nothing in the foregoing will be construed to require Franchisor to approve any particular supplier. Franchisor may base Franchisor's approval of any such proposed item or supplier on considerations relating not only directly to the item or supplier itself, but also indirectly to the uniformity, efficiency, and quality of operation Franchisor deems necessary or desirable in Franchisor's System as a whole. Nothing herein will require Franchisor to approve any suppliers for a given item, which approval might, in Franchisor's judgment, result in higher costs or prevent the effective or economical supervision of approved suppliers. Franchisor may revoke Franchisor's approval of particular products or suppliers when Franchisor determines that such products or suppliers no longer meet Franchisor's standards. Upon receipt of written notice of such revocation, Franchisee must cease purchasing products from such supplier. Franchisee must use products purchased from approved suppliers solely in connection with the operation of Franchisee's business and not for any competitive business purpose.

Franchisor may establish business relationships, from time to time, with suppliers who may produce, among other things, certain furnishings, supplies, fixtures, equipment, and inventory according to Franchisor's proprietary standards and specifications or private label goods which Franchisor has authorized and prescribed for sale by System franchisees ("System Suppliers"). Franchisee recognizes that such products are essential to the operation of the Franchised Business and to the System generally. Franchisee further recognizes that Franchisee's failure to pay System Suppliers may interfere with such suppliers' willingness to supply the System which may result in other System franchisees' inability to obtain product or ability to obtain product only on less favorable credit terms. Accordingly, Franchisee agrees to pay System Suppliers as and when due.

6.12 Hours of Business. Unless otherwise specifically approved by Franchisor, Franchisee's business must be open for the conduct of business at such times and for the minimum number of hours specified by Franchisor in the Operations Manual, as may be amended from time to time or, if different, for such hours as may be required by the terms of any lease of the Premises; and Franchisee must at all times staff the Franchised Business with such number of employees and operate the business diligently so as to maximize the revenues and profits therefrom.

6.13 Printed Materials. Franchisee must use only business stationery, business cards, marketing materials, advertising materials, printed materials or forms which have been approved in advance by Franchisor. Any and all supplies or materials purchased, leased, or licensed by Franchisee must always meet those standards specified by Franchisor in the Operations Manual or otherwise in writing. Franchisor also reserves the right to specify the useful life or promotional timeline of the advertising materials and additionally where they can be purchased to adhere to brand standards.

6.14 Identification of the Franchised Business. In all advertising displays and materials at the Franchised Business, Franchisee must, in such form and manner as may be specified by Franchisor in the Operations Manual, notify the public that Franchisee is operating the business licensed hereunder as a Franchisee of Franchisor and must identify its Top Tier K9 Business in the manner specified by Franchisor in the Operations Manual. Franchisee will also post a notice at its Franchised Business notifying all of its employees that they are employees of Franchisee and not Franchisor in the manner prescribed by Franchisor.

6.15 Client Complaints. Franchisee must respond promptly to client complaints and take such other steps as may be specified by Franchisor in the Operations Manual or otherwise to ensure positive client relations.

6.16 Third Party Actions. Franchisee must notify Franchisor in writing within five (5) days of any written threat or the actual commencement of any action, suit or proceeding, or of the issuance of any order, writ, injunction, award or decree of any court, agency or other governmental instrumentality which may adversely affect the operation or financial condition of the Franchised Business.

6.17 Inspection of the Business Premises. Franchisee hereby grants to Franchisor and its agents the right to enter upon the Premises, without notice, at any reasonable time for the purpose of conducting inspections of the Premises, Franchisee's books, records, computer hardware and software, and other business equipment and vehicles, and Franchisee agrees to render such assistance as may reasonably be requested and to take such steps as may be necessary immediately to correct any deficiencies detected during such an inspection upon the request of Franchisor or its agents.

6.18 Possible Variation in Certain Standards. Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population of trade area, licensing requirements, existing business practices or any other conditions which Franchisor deems to be of importance to the successful operation of such franchisee's business. Franchisee will have no recourse against Franchisor on account of any variation from standard specifications and practices granted to any franchisee and will not be entitled to require Franchisor to grant Franchisee a like or similar variation hereunder.

6.19 Attendance at Convention. Franchisor may hold an annual conference (the "Convention") at a location we select. We will determine the topics and agenda for the Convention to serve the purpose among other things, of updating franchisees on new developments affecting franchisees, exchanging information between franchisees and our personnel regarding business operations, and recognizing franchisees for their achievements. Franchisee or Franchisee's representative must attend the Convention and to pay our then-current registration fee. If we charge a registration fee for the Annual Convention, you must pay the fee regardless of whether you attend. All expenses, including Franchisee's and Franchisee's employees' transportation to and from the Convention, and lodging, meals, and salaries during the Convention, are the responsibility of Franchisee.

6.20 Intellectual Property Belongs to Franchisor. If Franchisee, Franchisee's employees, or principals develop any new concept, process or improvement in the operation or promotion of the Franchised Business, or the System, Franchisee will promptly notify Franchisor and provide Franchisor with all necessary related information, without compensation. Any such concept, process, or improvement

will become Franchisor's sole property and Franchisor will be the sole owner of all patents, patent applications, trademarks, copyrights, and other intellectual property rights related thereto. Franchisee and Franchisee's principals hereby assign to Franchisor any rights Franchisee may have or acquire therein, including the right to modify such concept, process, or improvement, and otherwise waive and/or release all rights of restraint and moral rights therein and thereto. Franchisee and Franchisee's principals agree to assist Franchisor in obtaining and enforcing the intellectual property rights to any such concept, process, or improvement in any and all countries and further agree to execute and provide Franchisor with all necessary documentation for obtaining and enforcing such rights. Franchisee and Franchisee's principals hereby irrevocably designate and appoint Franchisor as Franchisee's agent and attorney-in-fact to execute and file any such documentation and to do all other lawful acts to further the prosecution and issuance of patents or other intellectual property rights related to any such concept, process, or improvement. In the event that the foregoing provisions of this Section 6.20 are found to be invalid or otherwise unenforceable, Franchisee and Franchisee's principals hereby grant to Franchisor a worldwide, perpetual, non-exclusive, fully-paid license to use and sublicense the use of the concept, process or improvement to the extent such use or sublicense would, absent this Agreement, directly or indirectly infringe Franchisee's rights therein.

6.21 Personal Guaranty of Franchisee's Principal Owners. Franchisee covenants, warrants, and agrees that when Franchisee signs this Agreement, and at all times thereafter, Franchisee will cause each owner of 10% equity in Franchisee, (each, a "Principal Owner") and each successor to any or all of them, to execute and deliver, in his or her individual capacity, the form of Personal Guaranty attached to this Agreement as Schedule "D".

6.22 Compliance with Laws. Franchisee will operate the Franchised Business in strict compliance with all applicable federal, state, and local statutes, regulations, rules, ordinances. Franchisee will: (i) strictly comply with all applicable wage, hour, anti-discrimination, and anti-harassment Laws, and the Americans with Disabilities Act, as amended from time to time; and the successor legislation to any and all of them; (ii) duly file all tax returns Franchisee is required to file; (iii) duly pay all taxes Franchisee is obligated to pay; and (iv) obtain and maintain in good standing all necessary licenses, permits, and other required forms of governmental approval required of Franchisee in order to operate the Franchised Business. You must furnish us with copies of all licenses upon our request.

6.23 Patriot Act Compliance. Franchisee hereby covenants, warrants, agrees, represents, and certifies to Franchisor that neither Franchisee nor any of Franchisee's directors, officers, shareholders, partners, members, employees, or agents, nor any of Franchisee's affiliates, or their directors, officers, shareholders, partners, members, employees, or agents, nor any other direct or indirect interest holders of any of the foregoing: (i) are or have been listed on any Governmental Lists (as defined in Paragraph 6.23.1 of this Agreement); (ii) are or have been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No.13224 (Sept. 23, 2001), or any other similar prohibitions contained in the rules and regulations of OFAC (as defined in Paragraph 6.23.2 of this Agreement) or in any enabling legislation or other Presidential Executive Orders in respect thereof; (iii) have been indicted for or convicted of any felony involving a crime or crimes of moral turpitude or for any offenses under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "USA Patriot Act"); (iv) are or have been under investigation by any Governmental Authority (as defined in Paragraph 7.5.3 of this Agreement) for alleged criminal activity; or (v) have or have had a reputation in the community for criminal or unethical behavior. As used in this Paragraph 6.23 of this Agreement, the following definitions apply:

6.23.1 “Governmental Lists” means any of the following lists: (i) the “Specially Designated Nationals and Blocked Persons List” maintained by OFAC; (ii) any other list of terrorists, terrorist organizations, or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC; or (iii) any similar list maintained by the United States Department of State, the United States Department of Commerce, or any other Governmental Authority, or pursuant to any Executive Order of the President of the United States.

6.23.2 “OFAC” means the Office of Foreign Assets Control, United States Department of the Treasury, or any other office, agency, or department that succeeds to the duties of OFAC.

6.23.3 “Government Authority” means all federal, state, local, foreign, or other governmental or regulatory agencies, authorities (including self-regulating authorities), instrumentalities, commissions, boards, and bodies.

6.24 **Security Interest.** Franchisee hereby grants to Franchisor and its affiliates a security interest in any and all of Franchisee's inventory, equipment, furniture, fixtures, Operating Assets, all other assets, and any proceeds thereof (including but not limited to all accounts receivable and the proceeds of any insurance). The security interest granted herein secures: (a) all of Franchisee's obligations to Franchisor and its affiliates under this Agreement and any other agreement between Franchisee and Franchisor or its Affiliates; and (b) all costs and expenses which Franchisor and its affiliates may incur in the administration and collection of these obligations. This Agreement shall constitute a security agreement and upon request of Franchisor or its Affiliates, Franchisee shall execute any additional instruments required to perfect this security interest including without limitation, a standard Uniform Commercial Code (“UCC”) financing statement. Franchisee authorizes Franchisor and/or its Affiliates:

6.24.1 To file a copy of this Agreement, a UCC financing statement and any other documents that may be necessary to perfect the security interest granted herein; and

6.24.2 To sign on behalf of Franchisee and to file in any jurisdiction with or without signature of Franchisee, financing statements with respect to this security interest and security agreement.

7. OPERATIONS MANUAL

7.1 **Compliance with Operations Manual.** In order to protect the reputation and goodwill of the businesses operating under the Top Tier K9 System and to maintain standards of operation under the Licensed Marks, Franchisee must conduct the Franchised Business operated under the System in accordance with various written instructions, including technical bulletins and confidential manuals (hereinafter and previously referred to collectively as the “Manual”), including such amendments thereto, as Franchisor may publish from time to time, all of which Franchisee acknowledges belong solely to Franchisor and are on loan from Franchisor during the term of this Agreement. When any provision in this Agreement requires that Franchisee comply with any standard, specification, or requirement of Franchisor, unless otherwise indicated, such standard, specification or requirement will be as set forth in this Agreement or as may, from time to time, be set forth by Franchisor in the Operations Manual.

7.2 **Confidential Use.** Franchisee must at all times use its best efforts to keep the Manual and any other manuals, materials, goods, and information created or used by Franchisor and designated

for confidential use within the System and the information contained therein as confidential and limit access to employees of Franchisee on a need-to-know basis. Franchisee acknowledges that the unauthorized use or disclosure of Franchisor's confidential information or trade secrets will cause irreparable injury to Franchisor and that damages are not an adequate remedy. Franchisee accordingly covenants that it will not at any time, without Franchisor's prior written consent, disclose, use, permit the use thereof (except as may be required by applicable law or authorized by this Agreement), copy, duplicate, record, transfer, transmit or otherwise reproduce such information, in any form or by any means, in whole or in part, or otherwise make the same available to any unauthorized person or source. Any and all information, knowledge and know-how not known about the System and Franchisor's products, services, standards, procedures, techniques and such other information or material as Franchisor may designate as confidential will be deemed confidential for purposes of this Agreement.

7.3 **Revisions.** Franchisee understands and acknowledges that Franchisor may, from time to time, revise the contents of the Operations Manual to implement new or different requirements for the operation of the Franchised Business, and Franchisee expressly agrees to comply with all such changed requirements which are by their terms mandatory, provided that such requirements will also be applied in a reasonably nondiscriminatory manner to comparable businesses operated under the Top Tier K9 System by other franchisees. Franchisee acknowledges that Franchisor may provide updates to the Operations Manual electronically over its website. Franchisee agrees, therefore, to periodically check Franchisor's website on at least a weekly basis, for such updates. The implementation of such requirements may require the expenditure of reasonable sums of money by Franchisee. Franchisee must at all times ensure that its copy of the Operations Manual is kept at the Premises and kept current and up to date. In the event of any dispute as to the contents thereof, the terms and dates of the master copy thereof maintained by Franchisor at its principal place of business will be controlling.

8. ADVERTISING AND MARKETING

8.1 Brand Fund.

8.1.1 Franchisor has established a separate fund for the purpose of enhancing the goodwill and public image of the System through promoting and protecting the Brand ("Brand Fund"). All franchisees will be required to make Brand Fund Contributions in an amount of One (1%) percent of Gross Revenue per month as indicated in Section 4.4 herein. Company-owned units may, in their sole discretion, contribute to the Brand Fund.

8.1.2 The Brand Fund will be administered by Franchisor or its designee. Any unused funds in any fiscal year will be applied to the following fiscal year's Brand Fund. Franchisor reserves the right to contribute or loan additional funds to the Brand Fund on any terms Franchisor deems reasonable. Since the Brand Fund is not audited, Franchisor will not make audited financial statements available to Franchisee. Upon Franchisee's written request, within one hundred twenty (120) days after the fiscal year end, Franchisor will provide an un-audited accounting from the Brand Fund that shows how the Brand Fund proceeds have been spent for the previous year. Franchisor shall not be required to provide such accounting more than one time per fiscal year, nor will Franchisor be required to provide any other periodic accounting of the Brand Fund.

8.1.3 Franchisor or its designee will administer the Brand Fund with sole discretion over all operational and advertising decisions including: (i) the creative concepts, materials, endorsements

and media used in connection with such programs (which may include television, radio, internet and print advertising, maintenance of a website and use of Social Media Platforms as funds permit); (ii) the source of the advertising, marketing, lead generation and/or promotional efforts (which may be in-house or through an outside agency located locally, regionally or nationally); (iii) the placement and allocation of such programs (which will be local or regional); and (iv) the composition of all geographic territories and market areas for the development and implementation of such programs.

8.1.4 The Brand Fund will not be used primarily by Franchisor to advertise and promote the sale of franchises. Franchisor intends the Brand Fund to maximize recognition of the Principal Trademarks and patronage of the System in any manner Franchisor determines will be effective, including but not limited to expenditures related to the development and maintenance of the Websites, and direct mail programs. Franchisor may structure the organization and administration of the Brand Fund in any way it determines best benefits the System in its sole discretion. Franchisor will attempt to spend Brand Fund expenditures in such a way as to provide benefits to all participating franchisees but makes no guarantees that Franchisee will benefit pro rata or at all from its Brand Fund Contributions. Franchisor need not ensure that Brand Fund expenditures in or affecting any geographic area, are proportionate or equivalent to Brand Fund Contributions by Top Tier K9 franchisees operating in that geographic area. The Brand Fund will not be used to advertise and promote any individual franchised business, except to benefit the System as determined by Franchisor in its sole discretion.

8.1.5 Franchisee further acknowledges and agrees that Franchisor may use Brand Fund Contributions to duplicate, print and purchase logo items including but not limited to any sales, advertising and point of purchase materials to be resold to Top Tier K9 franchisees and any profits from such sales shall be paid to the Brand Fund.

8.1.6 Franchisee further acknowledges and agrees that Franchisor may use Brand Fund Contributions to pay for expenses incurred in connection with meetings between Franchisor and Top Tier K9 franchisees, including the Convention.

8.1.7 Franchisor will account for the Brand Fund separately from its other funds and not use the Brand Fund for any of its general operating expenses. However, Franchisor may use the Brand Fund to pay the reasonable salaries and benefits of personnel who manage and administer the Brand Fund, the Brand Fund's other administrative costs, travel expenses of personnel while they are on Brand Fund business, meeting costs, overhead relating to the Brand Fund business, costs relating to maintaining the Top Tier K9 Websites and Business Center, and other expenses that Franchisor incurs in activities reasonably related to administering or directing the Brand Fund and its programs, including, without limitation, conducting market research, public relations, preparing Advertising Materials, Social Media Materials, and collecting and accounting for Brand Fund Contributions.

8.1.8 The Brand Fund will not be Franchisor's asset. Although the Brand Fund is not a trust, Franchisor will hold all Brand Fund contributions for the benefit of the contributors and use contributions only for the purposes described in this Section. Franchisor does not owe any fiduciary obligation to Franchisee for administering the Brand Fund or for any other reason. The Brand Fund may spend in any fiscal year more or less than the total Brand Fund Contributions in that year, borrow from Franchisor or others (paying reasonable interest) to cover deficits, or invest any surplus for future use. The Brand Fund will use all interest earned on Brand Fund Contributions to pay costs before using the Brand Fund's other assets. Franchisor reserves the right to establish an advisory council or

subcommittee for advertising, which if established, would only have advisory responsibilities and authority.

8.1.9 Franchisor may at any time defer or reduce Franchisee's Brand Fund Contribution rate. Franchisor may upon thirty (30) days' prior notice to Franchisee, reduce or suspend Brand Fund operations and contributions for one or more periods of any length and terminate (and, if terminated, reinstate) the Brand Fund. If Franchisor terminates the Brand Fund, Franchisor will distribute all unspent monies to its franchisees and Affiliates in proportion to their respective Brand Fund Contributions during the preceding twelve (12) month period.

8.1.10 Franchisor has the right but not the obligation to use collection agents and institute legal proceedings to collect Brand Fund Contributions at the Brand Fund's expense. Franchisor may also forgive, waive, settle, and compromise all claims by or against the brand Fund. Except as expressly provided in this Subsection, Franchisor assumes no direct or indirect liability or obligation to Franchisee for collecting amounts due to, maintaining, direct or administering the Brand Fund.

8.2 Local Advertising.

8.2.1 Franchisee shall spend a minimum of Two (2%) per cent of your monthly Gross Revenue on local advertising, marketing, and promotional programs ("Local Advertising"). The minimum local advertising and marketing expenditure includes the cost of any memberships in professional or trade organizations that Franchisor may require. Franchisor must approve all advertising before Franchisee uses it.

8.2.2 All Local Advertising will be conducted in accordance with the requirements set forth in the Operating Manual or otherwise in writing by Franchisor.

8.2.3 Costs and expenditures that Franchisee incurs for any of the following are excluded from Franchisee's calculation of Local Advertising expenditures, unless approved in advance by Franchisor in writing:

- (a) Salaries and expenses of any of Franchisee's employees, including salaries or expense for attendance at advertising meetings or activities;

- (b) Expenditures relating to the use of Social Media Platforms and/or the development and/or use of Social Media Materials; and

- (c) Seminar and educational costs and expenses of Franchisee's employees.

8.2.4 Upon Franchisor's request, Franchisee must provide Franchisor with an itemized report documenting proof of Local Advertising expenditures to Franchisor in a form Franchisor may require in its sole discretion. Upon discovery of Franchisee's non-compliance with its Local Advertising requirements, Franchisor reserves the right to require that Franchisee contribute to the Brand Fund any amount required but not spent by Franchisee on Local Advertising.

8.2.5 If required, all Advertising Materials and other items Franchisor designates must bear the Licensed Marks in the form, color, location, and manner Franchisor prescribes and must meet all

of Franchisor's standards and requirements. Franchisee's Advertising must be conducted in a dignified manner and conform to Franchisor's standards as stated in the Operating Manual or otherwise.

8.2.6 Franchisee must obtain Franchisor's written approval before Franchisee uses any Advertising Materials if Franchisor has not prepared or approved such materials within the previous twelve (12) months. Franchisee must submit all unapproved Advertising materials and requests to use Social Media Platforms to Franchisor via certified mail or electronic mail. Franchisor will approve or disapprove such request within ten (10) business days after submission. If Franchisee does not receive written approval within ten (10) business days after submission, the request shall be deemed denied. Franchisor may withhold its approval of any Advertising Materials for any reason and no reason at all. Franchisee may not use any unapproved Advertising Materials. Franchisor has the right to revoke its prior approval of any Advertising Materials. Franchisee must promptly discontinue use of any Advertising Materials whether or not previously approved, on notice from Franchisor.

8.2.7 All Advertising Materials must indicate that Franchisee is operating the Franchised Business as an independent franchisee of Franchisor.

8.2.8 Franchisee shall not employ any person to act as a representative of Franchisee in connection with the local promotion of the Franchised Business in any public media without the prior written approval of Franchisor.

9. MODIFICATIONS.

9.1 **Modifications to the System.** Franchisee agrees that Franchisor may modify all or any part of the System to adapt to changes in the marketplace, economic conditions, business conditions, the law, demands of consumers, Franchisor's business needs, and the needs of the System. Franchisee further agrees that such modifications may include additions to, deletions from, or modifications to the products and services Franchisee offers for sale or deliver through the Franchised Business; modifications to any or all of the rules, guidelines, standards, specifications, plans, programs, methods, techniques, and procedures related to the Franchised Business; and additions, deletions, from, and modifications of the Marks. Franchisee agrees that it expects Franchisor to change the System and warrants, covenants, and agrees to comply with all rules, guidelines, standards, specifications, plans, programs, methods, techniques, procedures, and Manuals, related to the System, as we add to, delete from, and modify any or all of them from time to time, and with this Agreement. Franchisor agrees that such additions to, deletions from, and modifications of such rules, guidelines, standards, specifications, plans, programs, methods, techniques, procedures, and Manuals, will not materially and unreasonably increase Franchisee's obligations set forth in this Agreement. Notwithstanding the foregoing, the addition of other products and services to the System may result in the requirement that you purchase additional equipment. Franchisee, shall, however, not be required to add additional optional product or service offerings to its Franchised Business. Franchisor reserves the right to change or modify the Licensed Marks. Franchisor may adopt and use new or modified trade names, trademarks, service marks, logos, equipment, software, products, techniques, or concepts. Franchisor may add new and different services and products and withdraw services or products or change their names or image; redesign the trade dress, software programs and equipment or fixture standards; or discontinue them as Franchisor considers appropriate. Franchisee must accept and use the changes as if they were part of this Agreement. If changes are related to the Licensed Marks, then Franchisee will have one hundred twenty (120) days from the date of notice to implement any such changes under this Section 9.1.

9.2 **Test Marketing.** If Franchisor permits Franchisee to participate in any new service or product concept test, Franchisee agrees to do so in compliance with Franchisor's standards and requirements.

10. STATEMENTS, RECORDS AND FEE PAYMENTS

10.1 **Maintenance of Records.** Franchisee must obtain the right to use, maintain and update (including any required replacements) the accounting system prescribed by Franchisor in the Operations Manual, or otherwise. Franchisee must, in a manner satisfactory to Franchisor, maintain original, full, and complete register records, accounts, books, data, licenses, contracts and supplier invoices which will accurately reflect all particulars relating to Franchisee's business and such statistical and other information or records as Franchisor may require and keep all such information for not less than seven (7) years, even if this Agreement is no longer in effect. Upon Franchisor's request, from time to time, Franchisee must furnish Franchisor with copies of any or all supply invoices reflecting purchases by the Franchised Business. In addition, Franchisee must compile and provide to Franchisor any statistical or financial information regarding the operation of the Franchised Business, the products sold by it or data of a similar nature as Franchisor may reasonably request for purposes of evaluating or promoting the Franchised Business or the Top Tier K9 System in general.

10.2 **Reports.** Upon Franchisor's request, Franchisee will prepare and furnish Franchisor with signed reports and returns of customer billings, bank statements, monthly unaudited profit and loss statements, use and gross receipt taxes and complete copies of any state or federal income tax returns covering the operation of the Franchised Business and such other reports as Franchisor may reasonably request, all of which Franchisee must certify as true and correct.

10.3 **Unaudited Annual Statements.** In addition to the foregoing statements, within forty-five (45) days after the close of each fiscal year of Franchisee, Franchisee must furnish to Franchisor financial statements which will include a statement of income and retained earnings, a statement of changes in financial position and a balance sheet of Franchisee, all as of the end of such fiscal year, which must be certified to by Franchisee as being true and correct.

11. CONFIDENTIALITY

11.1 **Franchisee Defined.** Unless otherwise specified, the term "Franchisee" as used in this Article 11 will include, collectively and individually, all owners, guarantors, officers, directors, members, managers, partners, as the case may be, and holders of any ownership interest in Franchisee.

11.2 **Confidential Information.** For purposes of this Agreement, "Confidential Information" means any information that the Franchisor regards as confidential or proprietary. "Confidential Information" includes, but is not limited to, the whole or any portion of know-how, knowledge, methods, specifications, processes, procedures and/or improvements relating to the Top Tier K9 System, the Manual, the methods of site selection, marketing methods, recruiting, service analysis and selection, service methods and skills, prospective and current customer information, employee information, and any other business information that is not generally known to Franchisor's competitors, as well as the content of this Agreement and any other document executed in connection with this Agreement.

11.3 Non-Use and Non-Disclosure of Confidential Information. Franchisee acknowledges that over the term of this Agreement, Franchisee will receive Confidential Information which Franchisor has developed over time and at great expense. Franchisee acknowledges and agrees that Franchisor's Confidential Information is not generally known in the industry and is beyond Franchisee's own present skills and experience, and that it would be expensive, time consuming and difficult for Franchisee to develop. Franchisee further acknowledges that Franchisor's Confidential Information provides a competitive advantage and would be valuable to Franchisee in the development of its business. Accordingly, Franchisee acknowledges that it will not, during the term of this Agreement or for a continuous period of twenty-four (24) months immediately following the expiration, transfer, or termination of this Agreement, use any Confidential Information for any purpose except to operate the Franchised Business. Franchisee will not disclose any Confidential Information to any individual, entity, or organization, except to any of Franchisee's representatives to the extent necessary for the operation of the Franchised Business, and only after the representatives are advised of the confidential nature of the information and agree to maintain its confidentiality.

Notwithstanding the foregoing, you are authorized to disclose the terms of this Agreement to any lender providing you financing for the Franchised Business as well as to your landlord. The protections granted hereunder will be in addition to and not in lieu of all other protections for such trade secrets and Confidential Information as may otherwise be afforded in law or in equity.

12. COVENANTS

12.1 Covenants

12.1.1 Franchisee and its Owners acknowledge that Franchisor has granted it the franchise in consideration of and reliance upon the agreement of Franchisee and its Owners to: deal exclusively with Franchisor; maintain the confidentiality of all of the Confidential Information; refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Article 11 above; and protect and preserve the goodwill of the Franchisor.

12.1.2 Franchisee and its Owners further acknowledge and agree that (i) pursuant to this Agreement, they will have access from the Franchisor and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) Franchisor would be unable to adequately protect the System, its trade secrets and its Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Top Tier K9 franchises if franchisees and their owners were permitted to hold an interest in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee and its Owners.

12.1.3 Accordingly, Franchisee and its Owners covenant and agree that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless

of the cause for termination) or expiration of this Agreement; or (ii) the Transfer, as defined herein; Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(a) Divert or attempt to divert any actual or potential business, customer, or past customer of the Franchised Business to any competitor;

(b) Take any action injurious or prejudicial to the goodwill associated with the Licensed Marks and the System;

(c) Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its Affiliates, or any Top Tier K(franchisee; or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission;

(d) Solicit, encourage, or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(e) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below). Notwithstanding the foregoing, equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

12.1.4 During the term of this Agreement, there is no geographic limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 2.1.3 at any location. During the two (2) year period following the later of: (i) the termination (regardless of the cause for termination) or expiration of this Agreement; or (ii) the Transfer of the franchise; these restrictions shall apply:

(a) at the location of the Franchised Business;

(b) within the Territory assigned to the Franchised Business and within twenty (20) miles of the outer boundaries of the Territory assigned to the Franchised Business; or

(c) within twenty (20) miles of the location of any Top Tier K9 business.

12.2 Franchisee and its Owners further covenant and agree that for a period of two (2) years following the expiration or termination (regardless of the cause for termination) of this Agreement or a Transfer, Franchisee and its Owners will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Franchised Business location to any person, firm, partnership corporation or other entity that Franchisee or its Owners know or has reason to know intends to operate a Competitive Business at the Franchised Business location.

12.3 Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, Franchisor's enforcing the covenants made in Section 12.1 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

12.4 Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographic area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates. Franchisee and its Owners also agree and acknowledge that the legitimate business interests of Franchisor and its affiliates include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business location, within the Territory assigned to the Franchised Business and within the territorial boundaries of the restrictive covenant described above in subsection 12.1; (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and/or (v) protecting the System as a whole including the franchisee network. If any provision of Section 12.1 (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed, and this Agreement modified to the extent necessary to render it valid and enforceable.

12.5 Franchisor shall have the right, in its sole discretion, to reduce the scope of any covenant contained in Section 12.1 effective immediately upon Franchisee's receipt of written notice and Franchisee agrees to comply forthwith with any covenants as so modified.

12.6 Enforcement of Covenants Not To Compete and Confidentiality

12.6.1 Franchisee and its Owners acknowledge and agree that Franchisor has a compelling interest in protecting the System and that the provisions of this Article 12 protect Franchisor's System. Franchisee and its owners acknowledge that violation of the provisions of this Article 12 would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its Affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions on the use of Confidential Information set forth in Articles 11 or 12 without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms, covenants and/or restrictions of Articles 11 or 12 was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee or its Owners may have against Franchisor and its affiliates, whether or not arising from this Agreement, will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in Articles 11 or 12 by Franchisor and/or its Affiliates. Franchisee and its Owners agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses obligation) incurred by Franchisor and/or its Affiliates in connection with the enforcement of the terms, covenants and/or restrictions of Articles 11 or 12.

12.7 Definitions

12.7.1 The term “affiliates” (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

12.7.2 The term “control” shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

12.7.3 The term “Competitive Business” means (i) any business that engages in dog training, (ii) any business authorized by Franchisor to be conducted by System Franchisees under the Licensed Mark; or (iii) any business granting franchises or licenses to others to operate such a business (other than a franchised business operated under a franchise agreement with Franchisor).

12.7.4 The term “Owners” shall mean any individual or entity (including all spouses, partners, members, or shareholders of such individual or entity) that has any direct or indirect ownership interest of over ten percent (10%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term “Owners” shall also include individuals, partners, members, and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of more than ten percent (10%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

12.8 Procurement of Additional Covenants

Franchisee acknowledges and agrees to require and obtain the execution of the Confidentiality, Non-Use and Non-Competition Agreement Form (Schedule “F”): (i) Franchisee’s manager at the same time as the execution of this Agreement (or at such later time as he/she assumes such status) and his/her spouse; (ii) before employment or any promotion of all personnel Franchisee employs who have received training from Franchisor or from Franchisee or who will have access to the Confidential Information; and (iii) Franchisee’s Owners, at the same time as the execution of this Agreement (or at such later time as they assume such status); and (iv) all other personnel designated by Franchisor. Franchisee agrees to furnish Franchisor with copies of all executed Confidentiality, Non-Use, and Non-Competition Agreement Forms upon Franchisor’s request.

12.9 Franchisee’s Enforcement of Confidentiality, Non-Use, and Non-Competition Agreements

Franchisee and its Owners acknowledge and agree to vigorously and vigilantly prosecute breaches of any Confidentiality, Non-Use and Non-Competition Agreement Form executed by any of the individuals referenced herein. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Moreover, if provisions of Franchisor’s Confidentiality, Non-Use and Non-Competition Agreement Form have been breached by an individual employed, engaged, or otherwise serving the Franchised Business, but who has not executed a Confidentiality, Non-Use and Non-Competition Agreement Form, Franchisee must nevertheless vigorously and vigilantly prosecute such conduct to the fullest extent permitted by law. Franchisee agrees to prosecute such actions to the fullest extent permitted by law. Franchisee and its Owners acknowledge Franchisor’s right, to be exercised in Franchisor’s sole

judgment, to enforce the terms of each such executed Confidentiality, Non-Use, and Non-Competition Agreement Forms against any of the individuals referenced herein. Franchisee further acknowledges that Franchisor shall have the right, but not the obligation, to bring civil actions to enforce its terms. In the event Franchisor elects to exercise its rights to enforce the provisions of the Confidentiality, Non-Use and Non-Competition Agreement Form from any of the individuals referenced herein, Franchisee shall be required to reimburse Franchisor for Franchisor's reasonable attorney's fees, experts' fees, court costs and all other expenses of litigation in connection with Franchisor's enforcement of the provisions of any Confidentiality, Non-Use, and Non-Competition Agreement Form against any of the individuals referenced herein.

12.10 Lesser Included Covenants Enforceable At Law

If all or any portion of the covenants not to compete set forth in this Article are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator, or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Article 12 as if the resulting covenants were separately stated in and made a part of this Agreement.

12.11 Severability of Covenants

The parties agree that each of the covenants contained in this Article 12 shall be construed independent of each other and any other covenant or provision within this Agreement.

13. TRANSFER AND ASSIGNMENT

13.1 Transfer by Franchisor. Franchisee acknowledges that Franchisor maintains a staff to manage and operate the System and that staff members can change as employees come and go. Franchisee represents that it has not signed this Agreement in reliance on any particular shareholder, director, officer, or employee remaining with Franchisor in that capacity or no capacity at all. Franchisor may change its ownership or form and/or assign this Agreement and any other agreement to a third party without restriction. In the event of Franchisor's assignment of this Agreement to a third party who expressly assumes the obligations under this Agreement, Franchisor no longer will have any performance or other obligations under this Agreement.

13.2 Transfer by Franchisee. Franchisee understands and acknowledges that the rights and duties created by this Agreement are personal to Franchisee and that Franchisor has granted Franchisee the right to operate the Franchised Business in reliance on many factors, including, without limitation, the individual or collective character, skill, aptitude and business and financial capacity of Franchisee and Franchisee's principals. Accordingly, neither Franchisee nor any person owning any direct or indirect equity interest therein, will, without Franchisor's prior written consent, directly or indirectly sell, assign, transfer, convey, give away, pledge, mortgage or otherwise encumber any interest in this Agreement or any portion or aspect thereof, or any equity or voting interest in Franchisee (any such act or event is referred to as a "Transfer"). Any such purported Transfer occurring by operation of law or otherwise, including any assignment by a trustee in bankruptcy, without Franchisor's prior written consent will be a material default of this Agreement.

13.3 Representations as to Ownership. Franchisee represents that as of the execution of this Agreement its equity and voting control is owned as shown in Schedule “A” hereto. If Franchisee, or any approved successor thereof, is a partnership, limited liability company or privately held corporation, Franchisee will submit to Franchisor prior to any proposed Transfer of an equity or voting interest, and at any other time upon request, a list of all Owners reflecting their respective present and/or proposed direct or indirect interests in Franchisee, in such form as Franchisor may require.

13.4 Conditions to Franchisor’s Consent to Transfer. Franchisee understands and acknowledges the vital importance of the performance of Franchisee to the market position and overall image of Franchisor. Franchisee also recognizes the many subjective factors that comprise the process by which Franchisor selects a suitable Franchisee. Franchisor will not unreasonably withhold its consent to a Transfer by Franchisee of any interest in this Franchise or any equity or voting interest in Franchisee and such consent will remain a subjective determination and will include, but not be limited to, the following conditions:

13.4.1 The transferee must demonstrate to Franchisor’s sole satisfaction that it meets all of Franchisor’s requirements for becoming a Franchisee, including, without limitation, that it meets Franchisor’s financial, entrepreneurial, and managerial and business standards then in effect for similarly situated franchisees, possesses a good moral character, business reputation and satisfactory credit rating, will comply with all instruction and training requirements of Franchisor and has the aptitude and ability to operate the Franchised Business (as may be evidenced by prior related business experience or otherwise).

13.4.2 As of the effective date of the proposed Transfer, all obligations of Franchisee hereunder and under any other agreements between Franchisee and Franchisor are fully satisfied.

13.4.3 Franchisee has satisfied all monetary obligations owed to Franchisor, its affiliates and its designated suppliers.

13.4.4 Franchisee has been in substantial compliance with the Franchise Agreement and all other agreements between Franchisee and Franchisor, its affiliates, or its designated suppliers through the initial and any renewal term of this Agreement;

13.4.5 As of the effective date of the proposed Transfer, all obligations of the proposed transferee to the Franchisor, its affiliates, and designated suppliers (if any) must be fully satisfied.

13.4.6 As of the effective date of the proposed Transfer, the transferee must have the unconditional right to occupy the Premises.

13.4.7 The proposed transferee does not have an interest in a business which is competitive with the Franchised Business.

13.4.8 Franchisee or the transferee must pay to Franchisor the Transfer Fee.

13.4.9 The transferor must execute a general release under seal where required, in a form satisfactory to Franchisor, of any and all claims against Franchisor, its parent, subsidiaries, affiliates and their officers, directors, attorneys, Owners and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state and local laws, rules and ordinances

arising out of, or connected with, the performance of this Agreement in the form substantially similar to Schedule “H”.

13.4.10 The proposed transferee must execute Franchisor’s then-current form of franchise agreement, which may contain terms and conditions substantially different from those in this Agreement.

13.4.11 The transferee and/or its designated managerial personnel must have completed, to Franchisor’s satisfaction, the training then required of comparable System franchisees.

13.4.12 The transferee must obtain all licenses and/or registrations necessary to operate the Franchised Business.

13.4.13 Franchisor may, depending on all of the applicable circumstances, waive any of the above conditions and qualifications, especially for transfers among original Owners, transfers to trusts created for the benefit of a spouse or children and transfers to family members.

13.4.14 Franchisee and its principals, owners, officers, directors, and employees agree to comply with the post-termination provisions of this Agreement, including the non-competition and non-disclosure covenants.

13.4.15 Franchisee and Transferee agree to perform all maintenance and upgrades required to bring the Franchised Business up to Franchisor’s then-current standards, including upgrading any computer hardware and software, as Franchisor may require.

13.4.16 Franchisee or transferee must provide Franchisor a copy of the executed purchase agreement relating to the proposed transfer with all supporting documents and schedules, including transferee’s assumption of and agreement to faithfully perform all of Franchisee’s obligations under this Agreement, for Franchisor’s prior written approval.

13.4.16 Franchisee must request that Franchisor provide the prospective transferee with Franchisor’s current form of disclosure document.

13.4.17 Franchisor’s approval of the transfer will not constitute a waiver of any claims Franchisor may have against the transferring party.

13.4.18 Franchisor will have the right to disclose to any prospective transferee such revenue reports and other financial information concerning Franchisee and Franchisee’s Business as Franchisee has supplied Franchisor hereunder.

13.4.19 If Franchisee finances any part of the purchase price, Franchisee agrees that all of the transferee’s obligations under any promissory notes, agreements, or security interests reserved in the Franchised Business are subordinate to the transferee’s obligation to pay Royalties, Brand Fund Contributions, and any other amounts due to Franchisor, its Affiliates, Suppliers and otherwise to comply with this Agreement.

13.4.20 In any event, Franchisor may withhold or condition Franchisor's consent to any transfer as Franchisor deems appropriate based on the circumstances of the transfer or otherwise.

13.5 Transfer to Entity. If the Franchisee wishes to transfer the Franchise Agreement or any interest therein to a corporation or limited liability company which shall be controlled by the Franchisee, which entity is being formed for the financial planning, tax or other convenience of the Franchisee, the Company's consent to such transfer shall be conditioned upon the following requirements:

13.5.1 The corporate Franchisee shall be newly organized, and its articles of incorporation (or like documents) shall provide that its activities are confined exclusively to the operation of the Franchised Business.

13.5.2 The Franchisee shall retain total ownership of the outstanding stock or other capital interest in the transferee entity, and the Franchisee shall act as the principal officer or officers and directors thereof.

13.5.3 All obligations of the Franchisee to Franchisor and to the landlord shall be fully paid and satisfied prior to the Company's consent.

13.5.4 The entity assignee shall enter into a written agreement with Franchisor expressly assuming the obligations of this Franchise Agreement and all other agreements relating to the operation of this business or the use and occupancy of the Premises. If the consent of any other contracting party to any such agreement be required, the Franchisee shall have obtained such written consent and provided the same to the Franchisor prior to the Franchisor's consent.

13.5.5 All owners of ten (10%) percent of the stock or other ownership interest of the transferee entity shall enter into an agreement with the Franchisor jointly and severally guaranteeing the full payment of the entity's obligations to the Franchisor and the performance by the transferee entity of all the obligations of the Franchise Agreement.

13.5.6 Each stock certificate or other ownership interest certificate of the transferee entity shall have conspicuously endorsed upon the face thereof a statement in a form satisfactory to the Company that it is held subject to, and that further assignment or transfer thereof is subject to, all restrictions imposed upon transfers and assignments by this Franchise Agreement.

13.5.7 Copies of the transferee entity's Articles of Incorporation, Articles of Organization, or documents including resolutions of the Board of Directors authorizing entry into this Franchise Agreement shall be promptly furnished to the Company. Any amendment to any such documents shall also be furnished to the Company immediately upon adoption.

13.5.8 The term of the transferred franchise shall be the unexpired term of this Franchise Agreement.

13.5.9 The payment of an administrative fee of Five Hundred and No/100 (\$500.00) Dollars.

13.6 Franchisee May Not Encumber this Agreement. The Franchisee shall not, without the prior written consent of the Franchisor, enter into any agreement to borrow money ancillary to which the lender acquires or purports to acquire the right, upon default by the borrower, to assume ownership or control of, or to execute upon, any franchise rights or any ownership interest in this Franchise Agreement. This franchise and this Franchise Agreement may not be used as collateral for borrowing without the prior written consent of the Franchisor. The Franchisee, in connection with any borrowing, will provide to the lender a copy of this Franchise Agreement and call the lender's attention specifically to this provision.

13.7 Transfer in the Event of Death or Mental Incapacity. Upon the death or mental incapacity (as reasonably determined by an independent third party such as a licensed doctor) of any person with any direct or indirect interest in Franchisee, the executor, administrator, or personal representative of such person must transfer his interest to a third party approved by Franchisor within six months after the death or incompetence. Such transfers will be subject to the same conditions as set forth in Section 13.4. If the heirs or beneficiaries of any such person are unable to meet the conditions in Section 13.4 hereof, Franchisor may terminate this Agreement. If the transfer is to the spouse or adult child who has otherwise been approved by Franchisor, no Transfer Fee shall be charged.

13.8 Consent to Transfer Not a Waiver. Franchisor's consent to a Transfer of any interest in Franchisee will not constitute a waiver of any claims it may have against the transferring party, nor will it be deemed a waiver of Franchisor's right to demand exact compliance with any of the terms of this Agreement by the transferee.

13.9 Noncompliance. Any Transfer that does not comply with this Article 13 shall be null and void.

13.10 Franchisor's Right of First Refusal. If Franchisee determine at any time to Transfer any interest in Franchisee or the Franchised Business as set forth in Article 13 of this Agreement, Franchisee will obtain a bona fide executed written offer to purchase such interest from a responsible and fully disclosed purchaser and will submit an exact copy of such offer to Franchisor, along with any other information concerning the proposed transfer and/or transferee as Franchisor may request. Franchisor will, for a period of thirty (30) days from the date Franchisor receives such documented offer, have the right, but not the obligation, exercisable by written notice to Franchisee, to purchase all of such interest for the price, minus any sales commission that would have been payable as a result of the proposed sale, and on substantially the terms and conditions contained in such offer; provided, however, Franchisor may substitute cash for any other form of consideration proposed in such offer. Franchisor may deduct from the purchase price any unpaid debts Franchisee owes to Franchisor and may pay out of the purchase price any of Franchisee's unpaid trade creditors. If Franchisor does not exercise such right of first refusal, Franchisee may complete such Transfer of such interest to such purchaser on the same terms as offered to Franchisor, subject to the provisions of Article 13. If such Transfer to such proposed Transferee is not completed within sixty (60) days after delivery of such offer to Franchisor, or if the proposed Transferee makes any proposed material modification to such offer, Franchisor will again have the right of first refusal set forth in this Section 13.10.

14 DEFAULT AND TERMINATION

14.1 Termination By Franchisee. Franchisee may terminate this Agreement only upon written notice to and written consent of Franchisor, which consent may be withheld for any reason or no

stated reason. Franchisee shall remain obligated to comply with all post-termination covenants and outstanding obligations, which may include, but are not limited to the payment of liquidated damages to Franchisor as provided herein.

14.2 Termination by Franchisor With Cause. Franchisor may terminate this Agreement if Franchisee defaults under the Agreement as provided herein or is in default under any other agreement with Franchisor, its Affiliates or third parties. Franchisor's election to terminate this Agreement with Franchisee in no way constitutes a waiver of Franchisor's rights hereunder or any other rights or remedies available at law or in equity, including its right to damages. Termination of this Agreement encompasses termination of any and all rights granted to Franchisee by Franchisor hereunder.

14.3 Termination Without Notice. This Agreement will automatically terminate without notice or an opportunity to cure upon the occurrence of any of the following, which Franchisee agrees constitute good cause for termination:

14.3.1 Voluntary Bankruptcy. If Franchisee makes an assignment for the benefit of creditors, files a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent, files or acquiesces in the filing of a petition seeking reorganization or arrangement under any federal or state bankruptcy or insolvency law, or consents to or acquiesces in the appointment of a trustee or receiver for Franchisee or the Franchised Business.

14.3.2 Involuntary Bankruptcy. If proceedings are commenced to have Franchisee adjudicated bankrupt or to seek Franchisee's reorganization under any state or federal bankruptcy or insolvency law, and such proceedings are not dismissed within sixty (60) days, or a trustee or receiver is appointed for Franchisee or the Franchised Business without Franchisee's consent, and the appointment is not vacated within 60 days.

14.3.3 Unauthorized Transfer. If Franchisee purports to sell, transfer or otherwise dispose of Franchise or any interest in the Franchise Business in violation of Section 13 hereof.

14.3.4 Use of Unapproved or Unauthorized Products. If Franchisee uses any chemical or product in the delivery of its services to any customer of its Franchised Business that has not been approved or authorized by Franchisor.

14.4 Termination With Notice and Without Opportunity to Cure. Franchisor has the right to terminate this Agreement upon notice without providing Franchisee an opportunity to cure for any of the following breaches or defaults:

14.4.1 Criminal Acts/Other Misconduct. If Franchisee or Franchisee's principals are convicted of or plead guilty or no contest to a felony or take part in any criminal misconduct including but not limited to any offense relating to animal cruelty that negatively impacts the Licensed Marks or the operation of the Franchised Business.

14.4.2 Fraud. If Franchisee or Franchisee's Principal Owners commit any fraud or misrepresentation in the operation of the Franchised Business.

14.4.3 Misrepresentation. If Franchisee or Franchisee's Principal Owners make any misrepresentation or omission in connection with Franchisee's franchise application, including but not limited to any financial misrepresentation.

14.4.4 Failure to Complete Training. If Franchisee fails to complete the Initial Training or such other training as Franchisor may require.

14.4.5 Repeated Breaches. Franchisee (or any of its owners) (a) fails on three (3) or more separate occasions within any twelve (12) consecutive month period to comply with this Agreement, whether or not Franchisor notifies Franchisee of the failures, and, if Franchisor does notify Franchisee of the failures, whether or not Franchisee corrects the failures after Franchisor's delivery of notice; or (b) fails on two (2) or more separate occasions within any six (6) consecutive month period to comply with the same obligation under this Agreement, whether or not Franchisor notifies Franchisee of the failures, and if Franchisor does notify Franchisee of the failures, whether or not Franchisee corrects the failures after Franchisor's delivery of notice.

14.4.6 Misuse of the Licensed Marks or Confidential Information. If Franchisee or Franchisee's principals materially violate any provision hereof pertaining to the Licensed Marks or Confidential Information or misuse the Licensed Marks or Confidential Information.

14.4.7 Violation of Health or Safety Code. If Franchisee violates any health, safety or sanitation law, ordinance or regulation or operates the Franchised Business in a manner that presents a health or safety hazard to customers, or the general public and fails to cure said violation within seventy-two (72) hours of receiving notice from Franchisor or any third party any third party.

14.4.8 Violation of In-term Restrictive Covenant. If Franchisee violates the in-term restrictive covenant contained in Article 12.

14.4.9 Liens. If a levy of writ of attachment or execution or any other lien is placed against Franchisee or any of Franchisee's principals or any of their assets which is not released or bonded against within 30 days.

14.4.10 Insolvency. If Franchisee or any of Franchisee's principals become insolvent.

14.4.11 Abandonment. If Franchisee voluntarily or otherwise abandons the Franchised Business. The term "abandon" includes any conduct which indicates a desire or intent to discontinue the Franchised Business in accordance with the terms of this Agreement and will apply if Franchisee fails to operate the Franchised Business for a period of three (3) or more consecutive business days without Franchisor's prior written approval.

14.4.12 Insurance. Franchisee fails to maintain insurance or to repay Franchisor for insurance paid for by it, or otherwise fail to adhere to the requirements of Section 16.

14.4.13 Government Regulations. Franchisee fails, within thirty (30) calendar days after notification of non-compliance by federal, state, or local government authorities to comply with any law or regulation applicable to the Franchised Business.

14.4.14 Government Actions. Any government action is taken against Franchisee that results in any obligation upon Franchisor which in Franchisor's sole judgment is uneconomical, not in the best interests of Franchisor, or would result in Franchisor having an unintended relationship or obligation.

14.4.15 Anti-Terrorist Activities. Franchisee fails to comply with the provisions of Section 6.23.

14.4.16 Franchisee underreports Gross Revenues by five (5%) percent or more in any Royalty Report or Franchisee underreports Gross Revenues by more than two (2%) percent in three (3) Royalty Reports during any thirty-six (36) month period.

14.4.17 Breach of Other Agreements. If Franchisee commits any fraud, criminal acts or other misconduct or makes any misrepresentation or omission to Franchisor relating to any other agreement with Franchisor or Franchisor's affiliates.

14.4.18 If Franchisee defaults in the Promissory Note and fails to cure the default in accordance with the terms of the Promissory Note.

14.5 Termination by Franchisor After Notice and Opportunity to Cure. Franchisee will have ten (10) days, or any greater number of days permitted by Franchisor or required by law, to cure any default for which Franchisor has given written notice of termination to Franchisee under this Section 14.5 and to provide Franchisor with evidence of the cure. If a default is not cured within that period, or any longer period permitted by Franchisor or required by law, this Agreement will terminate without the need for further notice to Franchisee, effective immediately on the expiration of the ten (10) day cure period permitted by Franchisor or required by law. Franchisor may give written notice of termination under this Section 14.5 if any of the following events occur, or conditions exist:

14.5.1 Nonpayment. If Franchisee fails to pay when due any sums owed to Franchisor, any of Franchisor's affiliates, or any of Franchisor's suppliers or vendors.

14.5.2 Failure to Open. If Franchisee fails to commence operations of the Franchised Business by the Opening Date, as described in Section 6.2 of this Agreement.

14.5.3 Deviation from Training Standards. If Franchisee fails to follow or deviates from Franchisor's approved methods of training.

14.5.3 Interruption of Service. If Franchisee fails to maintain the prescribed months, days, or hours of operation at the Franchised Business.

14.5.4 Failure to Personally Supervise Business Operations or Employ Adequate Personnel. If Franchisee fails to personally, or through an approved manager, supervise the day-to-day operation of the Franchised Business or fails to employ a sufficient number of qualified, competent personnel as Franchisor requires from time to time.

14.5.5 Quality Control. If Franchisee fails to maintain the strict quality controls reasonably required by this Agreement and/or the Operations Manual.

14.5.6 Licenses and Permits. Franchisee fails to procure or maintain any licenses, certifications, or permits necessary for the operation of the Franchised Business.

14.5.7 Franchisee fails to comply with the transfer requirements of Article 13.

14.5.8 Except as provided herein, Franchisee (or any of its Owners) fails to comply with any other provision of this Agreement, any System Standards or as specified in the Operating Manual, or otherwise by Franchisor in writing.

14.5.9 Franchisee fails to make the required Local Advertising expenditures.

14.5.10 Franchisee or its owners default in any other agreement with Franchisor, its Affiliates, any supplier or third-party and such default is not cured in accordance with the terms of such agreement.

14.6 **Nonwaiver.** Franchisor's delay in exercising or failing to exercise any right or remedy under this Agreement or Franchisor's acceptance of any late or partial payment due hereunder will not constitute a waiver of Franchisor's rights against Franchisee.

14.7 **Step In Rights.** In addition to Franchisor's right to terminate this Agreement, and not in lieu of such right, or any other rights Franchisor may have against Franchisee, upon a failure to cure any default within the applicable time period (if any), Franchisor has the right, but not the obligation, to enter upon the premises of the Franchised Business and exercise complete authority with respect to the operation of the Franchised Business until such time as Franchisor determines that the default has been cured, and Franchisee is otherwise in compliance with this Agreement. In the event Franchisor exercises the rights described in this Section, Franchisee must reimburse Franchisor for all reasonable costs and overhead, if any, incurred in connection with its operation of the Franchised Business including, without limitations, costs of personnel for supervising and staffing the Franchised Business and their travel and lodging accommodations, as well as pay a fee of up to \$500 per day. If Franchisor undertakes to operate the Franchised Business pursuant to this Section, Franchisee agrees to indemnify and hold Franchisor (and Franchisor's representative(s) and employees) harmless from and against any fines, claims, suits or proceedings which may arise out of Franchisor's operation of the Franchised Business.

14.8 **Franchisor's Right to Withhold Services or Products.** During any period of uncured default by Franchisee, Franchisor shall have the right to withhold or discontinue providing all services to Franchisee, including but not limited to the right to suspend Franchisee's right to purchase products from Franchisor's affiliates.

15. POST TERM OBLIGATIONS

15.1 **Obligations upon Termination, Expiration, Non-Renewal or Transfer.** Upon the termination, expiration, non-renewal, or transfer of this Agreement for any reason, Franchisee must immediately:

15.1.1 Cease to be a franchisee of Franchisor under this Agreement and cease to operate the former Franchised Business under the System. Franchisee must not thereafter, directly, or indirectly,

represent to the public that the former Franchised Business is or was operated or in any way be connected with the Top Tier K9 Franchise System, or hold itself out as a present or former Franchisee of Franchisor;

15.1.2 Pay all sums owing to Franchisor. Upon termination for any default by Franchisee, such sums will include actual damages, costs, and expenses, including, without limitation, reasonable attorneys' fees, incurred by Franchisor as a result of the default;

15.1.3 Return to Franchisor the Operations Manual, Confidential Information, and all trade secrets, confidential materials, and other property owned by Franchisor. Franchisee may not retain a copy or record of any of the foregoing, provided, however, that Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law. Business cards, brochures, marketing materials and other promotional materials must be returned to Franchisor.

15.1.4 Provide Franchisor a complete list of Franchisee's employees, clients, customers, and contacts and their respective addresses and any outstanding obligations Franchisee may have to any third parties, and all business records of Franchisee that Franchisor may request;

15.1.5 Cease to use in any manner whatsoever, including in Franchisee's business operations and advertising, any methods, procedures, technology, or other component of the Top Tier K9 System in which Franchisor has any right, title or interest. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes and take possession of such items at Franchisee's sole risk and expense and without liability for trespass or compensation to Franchisee; and

15.1.6 Cease to use the Licensed Marks and any other marks and indicia of operation associated with the Top Tier K9 System including stationary and other printed matter and remove all trade dress, physical characteristics, color combinations and other indications of operation under the Top Tier K9 System from the Premises. Without limiting the generality of the foregoing, Franchisee agrees that in the event of any termination or expiration of this Agreement, it will remove all signage bearing the Licensed Marks, and remove any items which are characteristic of the System's trade dress from the Premises. Franchisee agrees that Franchisor or a designated agent may enter upon the Premises at any time to make such changes at Franchisee's sole risk and expense and without liability for trespass or compensation to Franchisee.

15.1.7 Franchisee agrees to take the action required to cancel all fictitious or assumed name or equivalent registrations relating to its use of any Principal Trademark within fifteen (15) days;

15.1.8 Franchisee must de-identify the Franchised Business by making all physical changes necessary, including but not limited to removing any and all trade dress, decor, physical characteristics, color combination, signage, and uniforms indicative of the System. Franchisee agrees to return to Franchisor (at no charge or cost to Franchisor) within thirty (30) days all signs, sign-faces, sign-cabinets, Advertising Materials, Social Media Materials, forms, and other materials containing any Licensed Mark or otherwise identifying or relating to the Franchised Business that Franchisor requests and to allow Franchisor, without liability to Franchisee or third parties, to remove these items from the Franchised Business location and to make any change Franchisor deems appropriate including the removal of any of the aforementioned items from the Franchised Business location;

15.1.9 Franchisee shall immediately cease using the Confidential Operating Manual, training materials, proprietary software, database material, customer lists, records, files, instructions, forms, advertising and promotional materials, signs and related items which bear the Principal Trademarks, all trade secrets and any Confidential Information and any copies, equipment and other property owned by Franchisor or its Affiliates and shall return such to Franchisor (at no charge or cost to Franchisor) within thirty (30) days of termination or expiration of this Agreement. Franchisee shall retain no copy or record of any of the foregoing, provided however, Franchisee may retain its copy of this Agreement, any correspondence between the parties and any other document which Franchisee reasonably needs for compliance with any applicable provision of law;

15.1.10 Franchisee and its Owners shall comply with all post-term covenants as set forth in Article 12 of this Agreement and the Confidentiality, Non-Use and Non-Competition provisions of Schedules "E" and "F", all of which shall survive termination or expiration of this Agreement;

15.1.11 Franchisee shall notify the telephone company, all telephone directory publishers, Internet and website listing services and directories, websites, URLs, domain name registers, email hosts and providers and any and all other web based platforms or programs or other media, including but not limited to all Social Media Platforms in which the Franchised Business is listed or Licensed Marks displayed of the termination or expiration of its right to use any telephone, facsimile or other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform accounts and other media in which the Franchised Business is listed or the Licensed Marks is displayed;

15.1.12 Franchisee shall allow Franchisor to utilize the Assignment of Telephone and Internet Listings and Advertisements attached hereto as Schedule "G";

15.1.13 Franchisee shall authorize and not interfere with the transfer of Franchisee's telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, Social Media Platform accounts and other media in which the Franchised Business is listed, or the Licensed Marks displayed to Franchisor;

15.1.14 Franchisor shall instruct the telephone company, all websites, URLs and any other advertising entities or websites to forward all calls made to Franchisee's telephone, facsimile or other numbers as well as Internet and website searches made for Franchisee's websites and URLs, to those telephone number(s) and website(s) and URL(s) that Franchisor specifies and Franchisee shall take all actions necessary to effectuate the forwarding of such calls and Internet and website searches to telephone number(s), website(s) and/or URL(s) Franchisor specifies;

15.1.15 Franchisee agrees and acknowledges that in addition to any other rights and remedies to which Franchisor and its affiliates may be entitled, Franchisor and its affiliates may enforce any rights and remedies of a secured party under the UCC as enacted in the state where the Territory is located, pursuant to the security interest granted in Section 6.24 herein, including but not limited to the right to enter the Franchised Business location to remove and repossess any products or goods in which Franchisor and its affiliates have been granted a security interest, without notice to Franchisee. Franchisee hereby waives and releases Franchisor and its affiliates from any and all claims in connection therewith

and arising therefrom. At the request of Franchisor or its affiliates following the event of a default, Franchisee shall assemble and make available to Franchisor and its affiliates all products and goods in which Franchisor and its affiliates have been granted a security interest at a place to be designated by Franchisor or its affiliates which is reasonably convenient to both parties; and

15.1.16 Franchisee shall give Franchisor, within thirty (30) days after the expiration or termination of this Agreement, evidence satisfactory to Franchisor of Franchisee's compliance with these obligations.

15.2 Right to Purchase Franchised Business

Subject to Franchisor's rights as a secured party under Section 6.24, upon termination or expiration of this Agreement (except where Franchisee acquires a successor franchise) Franchisor shall have the right but not the obligation to acquire the assets of the Franchised Business, including but not limited to the Operating Assets as Franchisor may determine at the book value of such assets with no value attributable to goodwill, which the parties hereby agree and acknowledge belongs solely to Franchisor. Franchisor may in its sole discretion, deliver cash, notes payable monthly in no less than five (5) years or some combination of each as payments for any assets of the Franchised Business.

15.3 Liquidated Damages - Lost Future Profits

15.3.1 The parties recognize the difficulty of ascertaining damages to Franchisor resulting from termination of this Agreement before its expiration. For this reason, Franchisor and Franchisee have provided for liquidated damages, representing Franchisor's and Franchisee's best estimate as to the damages arising from the circumstances in which they are provided and which represent damages for the future profits lost to Franchisor, costs incurred by Franchisor in finding and entering into this Agreement with Franchisee, costs incurred in finding and entering into a contract with another franchisee for operation of a franchised business within the Territory, lost revenue and goodwill from the delay in the expansion of the Top Tier K9 System, the value of lost opportunities and losses attributable to the training, if any, given Franchisee and not a penalty or as damages for breaching this Agreement, or in lieu of any other payment or remedy.

15.3.2 If, at any time, Franchisee terminates this Agreement without Franchisor's written consent or this Agreement is terminated by Franchisor for cause, then Franchisee agrees to pay Franchisor, within ten (10) days of termination, an amount equal to the lesser of; (i) 24 months; or (ii) actual number of months remaining in the term of this Agreement, multiplied by the monthly average amount of Royalties, Brand Fund Contributions and other fees owed by Franchisee under this Agreement for the twelve (12) month period prior to termination (or the entire term prior to termination if less than twelve (12) months) based on Franchisee's actual Gross Revenues, and reduced by a discount of eight percent (8%) to produce the present value of Franchisor's lost profits.

15.3.3 Franchisee will be entitled to a credit against the sums calculated according to subsection 15.3.2 for all amounts paid to Franchisor in advance for that period.

15.3.4 These damages are in addition to any monies due to Franchisor for past due payments or any other actual or consequential damages.

16. DISPUTE RESOLUTION AND CORRESPONDING PROCEDURES.

16.1 **Mediation.** All claims or disputes between Franchisee and Franchisor or their respective affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, the Franchised Business, or any of the parties' respective rights and obligations arising out of this Agreement, must be submitted first to mediation prior to a hearing in binding arbitration (except as noted in Section 16.3 below). Such mediation will take place in Madison, Florida or in the city closest to Franchisor's then-current headquarters under the auspices of the Judicial Arbitration and Mediation Services ("JAMS"), in accordance with the JAM's Commercial Mediation Rules then in effect. Franchisee may not commence any action against Franchisor or its affiliates with respect to any such claim or dispute in any court unless mediation proceedings have been terminated either: (i) as the result of a written declaration of the mediator(s) that further mediation efforts are not worthwhile; or (ii) as a result of a written declaration by Franchisor. Each party will bear their own costs of mediation and share equally the filing fee imposed by JAMS and the mediator's fees. We reserve the right to specifically enforce Franchisor's right to mediation. Prior to mediation, and before commencing any legal action against Franchisor or its affiliates with respect to any such claim or dispute, Franchisee must submit a notice to Franchisor, which specifies in detail, the precise nature and grounds of such claim or dispute.

16.2 **Arbitration.** If not resolved by mediation and except as qualified below, any dispute between Franchisee and Franchisor or their respective affiliates arising under, out of, in connection with or in relation to this Agreement, the parties' relationship, or the Franchised Business must be submitted to binding arbitration in Madison, Florida (or Franchisor's then-current headquarters) in accordance with the Federal Arbitration Act and the Commercial Arbitration Rules of the Judicial Arbitration and Mediation Services ("JAMS") then in effect. Any arbitration must be on an individual basis and the parties, and the arbitrator will have no authority or power to proceed with any claim as a class action or otherwise to join or consolidate any claim with any other claim or any proceedings involving their parties. In the event a court determines that this limitation on joinder of or class action certification of claims is unenforceable, then this entire commitment to arbitrate will become null and void and the parties must submit all claims to the jurisdiction of the courts. The Federal Arbitration Act, as amended, will govern the rights and duties of the parties to this Agreement to resolve any disputes by arbitration. The following will supplement and, in the event of a conflict, govern any arbitration: The matter will be heard before a single arbitrator from the JAM's list of arbitrators. The arbitrator must follow the law and not disregard the terms of this Agreement. The arbitrator must have at least 5 years of significant experience in franchise law. Each party must bear its own costs of arbitration; provided, however, that the neutral or the single arbitrator's fee will be shared equally by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Franchisee shall obtain an identical list of arbitrators from JAMS, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Franchisee shall strike the first name off the list.

The arbitrator's award must be rendered within 7 days of the close of the hearing and will include all fees, costs, and attorneys' fees for Franchisor if Franchisor is the prevailing party. The arbitrator will have no authority to determine class action claims and will have no authority to amend or modify the terms of the Agreement. To the extent permitted by applicable law, no issue of fact or law may be given preclusive or collateral estoppel effect in any arbitration, except to the extent such issue may have been determined in another proceeding between the parties.

Judgment upon the award of the arbitrator must be submitted for confirmation to a court of general jurisdiction in Madison County, Florida (or a court of general jurisdiction in the county of Franchisor's then-current headquarters), and, if confirmed, may be subsequently entered in any court having competent jurisdiction. The decision of the arbitrator(s) will be final and binding on all parties to the dispute; however, the arbitrator(s) may not under any circumstances: (1) stay the effectiveness of any pending termination of this Agreement; (2) assess punitive or exemplary damages, or (3) make any award which extends, modifies or suspends any lawful term of this Agreement or any reasonable standard of business. This agreement to arbitrate will survive any termination or expiration of this Agreement.

16.3 Exceptions to Arbitration. Notwithstanding Section 16.2, the parties agree that the following claims will not be subject to arbitration:

16.3.1 any action for declaratory or equitable relief, including, without limitation, seeking preliminary or permanent injunctive relief, specific performance, other relief in the nature of equity to enjoin any harm or threat of harm to such party's tangible or intangible property, brought at any time, including, without limitation, prior to or during the pendency of any arbitration proceedings initiated hereunder.

16.3.2 any claim of Franchisor of non-payment by Franchisee of any fee or other sum due by Franchisee to Franchisor.

16.4 Prior Notice of Claims. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within thirty (30) days after the discovery of the violation or breach and grant Franchisor reasonable opportunity to cure any alleged default. Failure to timely give such notice will preclude any claim for damages.

16.5 Third Party Beneficiaries. Franchisor's officers, directors, shareholders, agents and/or employees are express third party beneficiaries of this Agreement, each having authority to specifically enforce the right to mediate/arbitrate claims asserted against such person(s) by Franchisee. As a condition precedent to commencing an action for damages or for violation or breach of this Agreement, Franchisee must notify Franchisor within thirty (30) days. The provisions of this Section are intended to benefit and bind certain third-party non-signatories (including without limitation Franchisee's Owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

16.6 No Right to Offset. Franchisee may not withhold all or any part of any payment to Franchisor or any of its affiliates on the grounds of Franchisor's alleged nonperformance or as an offset against any amount Franchisor or any of Franchisor's affiliates allegedly may owe Franchisee under this Agreement or any related agreements.

16.7 Venue. Nothing contained in this Agreement will prevent Franchisor or Franchisee from applying to and obtaining from any court having jurisdiction a writ of attachment, a temporary injunction, preliminary injunction and/or other emergency relief available to safeguard such party's interests. In the event of any litigation arising out of this Agreement or based upon the relationship between the parties, venue for any such litigation shall be any court of general jurisdiction in Madison County, Florida or the United States District Court for the Northern District of Florida. Franchisee hereby accepts and submits

to, generally and unconditionally, for itself and with respect to its property, the jurisdiction of any such courts in any such action or proceeding and hereby waives, to the greatest extent permitted by applicable law defenses based on jurisdiction, venue, or forum non conveniens. The provisions of this Section 16.7 shall be self-executing and shall remain in full force and effect after the termination or expiration of this Agreement. Franchisee acknowledges that this Agreement has been entered into in the State of Florida, and that Franchisee is to receive valuable and continuing services emanating from Franchisor's headquarters in Florida, including but not limited to assistance, support and the development of the System.

16.8 Limitation on Actions. The parties further agree that no cause of action arising out of or under this Agreement may be maintained by either party against the other unless brought before the expiration of one (1) year after the act, transaction or occurrence upon which such action is based or the expiration of one (1) year after the complaining party becomes aware of facts or circumstances reasonably indicating that such party may have a claim against the other party hereunder, whichever occurs sooner, and that any action not brought within this period will be barred as a claim, counterclaim, defense or set-off.

16.8.1 Franchisee hereby waives the right to obtain any remedy based on the alleged fraud, misrepresentation, or deceit by Franchisor, including, without limitation, rescission of this Agreement, in any arbitration, judicial, or other adjudicatory proceeding arising hereunder, except upon a ground expressly provided in this Agreement, or pursuant to any right expressly granted by any applicable statute expressly regulating the sale of franchises, or any regulation or rules promulgated thereunder.

16.9 Waiver of Punitive Damages. Franchisee hereby waives to the fullest extent permitted by law, any right to or claim for any punitive, exemplary, incidental, indirect, special, or consequential damages (including, without limitation, lost profits) against Franchisor arising out of any cause whatsoever (whether such cause be based in contract, negligence, strict liability, other tort or otherwise) and agrees that in the event of a dispute, Franchisee's recovery is limited to actual damages. If any other term of this Agreement is found or determined to be unconscionable or unenforceable for any reason, the foregoing provisions will continue in full force and effect, including, without limitation, the waiver of any right to claim any consequential damages.

16.10 Jury Trial Waiver. With respect to any proceeding not subject to arbitration, the parties hereby agree to waive trial by jury in any action, proceeding or counterclaim, whether at law or equity, regardless of which party brings suit. This waiver will apply to any matter whatsoever between the parties hereto which arises out of or is related in any way to this Agreement, the performance of either party, and/or Franchisee's purchase from Franchisor of the franchise and/or any goods or services.

17. INSURANCE.

17.1 Prior to Franchisee opening its Franchised Business, Franchisee must obtain insurance coverage for the Franchised Business in at least the amounts specified below. This insurance coverage must be maintained during the term of the Agreement and must be obtained from a responsible carrier or carriers rated "A" or better by AM. Best & Company, Inc., and be approved by Franchisor. The insurance coverage must include the following:

- (a) Commercial general liability insurance providing coverage on an

occurrence form basis with limits of not less than \$1,000,000 per person per occurrence for bodily injury and property damage combined, \$2,000,000 annual general aggregate, \$2,000,000 products and completed operations annual aggregate. All the liability insurance policies must:

(b) include operations liability coverage, products and completed operations liability coverage and broad form property damage coverage including completed operations;

(c) include blanket contractual liability coverage including, to the maximum extent possible, defense costs outside the limits of liability, coverage for Franchisee's indemnification obligations under the Agreement;

(d) provide that the insurance company has the duty insured under the policy, to defend all parties

(e) provide that the defense costs are paid in addition to, and not in depletion of, any of the policy limits; and

(f) cover liabilities arising out of or incurred in connection with Franchisee's use, operation, occupancy, franchising, licensing, leasing or ownership of the Franchised Business;

(g) Workers' compensation insurance or similar insurance as required by applicable law of the state or jurisdiction in which the Franchised Business is located.

(h) Crime (inside/outside money and securities), business personal property insurance and employee and third-party dishonesty insurance with minimum per occurrence coverage of \$10,000;

(i) Automobile liability coverage, including coverage of owned, non-owned and hired vehicles with coverage in amounts not less than \$1,000,000 with combined single limit of \$500,000 per occurrence for bodily injury and property damage;

(j) Dishonesty Bond; and

(k) Any insurance required by law in the state or locality in which the Franchised Business will operate.

(l) Franchisee may, with Franchisor's prior written consent, elect to have reasonable deductibles under the coverage required above. All of the policies must name Franchisor, its Affiliates and the respective officers, directors, shareholders, partners, agents, representatives, independent contractors, servants, and employees of each of them, as additional insureds and must include a waiver of subrogation in favor of all parties.

(m) Franchisee must provide Franchisor with written proof of Franchisee's purchase of the above required insurance policies no later than the business day before Franchisee intends to commence operations of the Franchised Business. Franchisee must provide Franchisor with proof of Franchisee's continued insurance coverage no later than thirty (30) days before the expiration of Franchisee's insurance policies. For purposes hereof, proof of purchase of insurance and/or continued

insurance coverage shall include written evidence of insurance issued by the insurance company to Franchisee showing compliance with the above requirements. In the event Franchisee fails to purchase the required insurance, Franchisor may, in its sole discretion pay for the required insurance policies on behalf of Franchisee. Franchisor reserves the right to charge Franchisee a reimbursement fee equal to Franchisor's expenditures in obtaining Franchisee's insurance policies. Franchisee's insurance policies will not be limited in any way by any insurance policy maintained by Franchisor.

(n) Franchisor may, in its sole discretion, revise its insurance requirements for franchisees. Franchisor may, in its sole discretion, require Franchisee to obtain additional or different insurance policies in accordance with Franchisor's then-current insurance requirements for Franchisees.

(o) Franchisee may not reduce any insurance limit, restrict any insurance coverage or cancel, alter or amend any insurance policy without Franchisor's written consent. If Franchisee fails to obtain or maintain any required insurance, Franchisor may terminate the Agreement as provided for herein.

(p) Franchisee shall require its insurance providers to provide written notice to Franchisor in advance of any alteration, amendment, upgrade, termination or expiration of any insurance policy maintained by Franchisee.

(q) Franchisee agrees and acknowledges that Franchisor's review of and/or consent to any of Franchisee's insurance policies is solely for Franchisor's benefit and is not a guaranty that Franchisee's insurance coverage is sufficient. Franchisee further agrees and acknowledges that it is solely responsible for determining whether or not its insurance coverage is sufficient for the Franchised Business.

17.2 **Insurance Certificates.** Franchisee must make timely delivery of certificates of all required insurance to Franchisor, each of which must contain a statement by the insurer that the policy will not be cancelled or materially altered without at least written notice per state statutory guidelines to Franchisor. Franchisee agrees to carry such insurance as may be required by the lease of the Approved Location or by any of Franchisee's lenders or equipment lessors and such workers compensation insurance as may be required by applicable law. Franchisee must add Franchisor to all insurance contracts as an additional insured per state guidelines under the insurance policies, the cost of which will be paid by Franchisee.

17.3 **Notification of Claims.** Franchisee will give Franchisor notice of any Claim against Franchisee or the Franchised Business immediately upon Franchisee receiving notice of any such Claim. Franchisee will respond to all Claims within the time required by law. Franchisee will cooperate with Franchisor or our designee in every manner and in all respects to defend Franchisee or Franchisor against any and all Claims which cooperation may require Franchisee, among other things, to appear at administrative or other hearings to present or reinforce Franchisee's or Franchisor's defenses.

17.4 **No Relief from Indemnity Requirement.** The procurement and maintenance of such insurance will not relieve Franchisee of any liability to Franchisor under any indemnity requirement of this Agreement. Franchisee must, at its expense and no later than upon commencement of the business contemplated by this Agreement, procure and maintain in full force and effect throughout the term of this Agreement the types of insurance enumerated in the Operations Manual or otherwise in writing which

must be in such amounts as may from time to time be required by Franchisor and which must designate Franchisor as an additional insured as required by this written agreement.

17.5 **Administrative Fee.** If Franchisee fails to comply with the minimum insurance requirements set forth herein, Franchisor has the right to obtain such insurance and keep same in force and effect and Franchisee must pay Franchisor, on demand, the premium cost thereof and administrative costs of 18% in connection with Franchisor's obtaining the insurance. Franchisor has the right to increase or otherwise modify the minimum insurance requirements upon state statutory notice to Franchisee, and Franchisee must comply with any such modification within the time specified in said notice.

18. FRANCHISEE'S OWNERSHIP AND ORGANIZATION

18.1 **Disclosure of Ownership Interests.** Franchisee and each of its Owners represents, warrants and agrees that Schedule "A" is current, complete and accurate. Franchisee agrees that updates to Schedule "A" attached hereto will be furnished promptly to Franchisor, so that Schedule "A" (as so revised and signed by Franchisee) is at all times current, complete and accurate. Each Owner must be an individual acting in his or her individual capacity unless Franchisor waives this requirement.

18.2 **Organizational Documents.** If Franchisee is, or at any time becomes, a business corporation, partnership, limited liability company or other legal entity, Franchisee and each of its Owners represents, warrants and agrees that: (a) Franchisee is duly organized and validly existing under the laws of the state of its organization; (b) Franchisee has the authority to execute and deliver the Franchise Agreement and all related agreements and to perform its obligations under all such agreements; (c) the articles of incorporation, partnership agreement or other organizational documents recite that the issuance, transfer or pledge of any direct or indirect legal or beneficial ownership interest in Franchisee is restricted by the terms of the Franchise Agreement; and (d) all certificates representing direct or indirect legal or beneficial ownership interests now or hereafter issued bear a legend in conformity with applicable law reciting or referring to such restrictions.

18.3 **Personal Guaranty Covenants and Assumption of Obligations.** Each Owner of a 10% interest in Franchisee must sign and irrevocably be bound by the Personal Guarantee included as Schedule "D".

19. TAXES, PERMITS AND INDEBTEDNESS

19.1 **Taxes.** Franchisee must promptly pay when due any and all federal, state, and local taxes including, without limitation, unemployment and sales taxes, levied or assessed with respect to any services or products furnished, used or licensed pursuant to this Agreement and all accounts or other indebtedness of every kind incurred by Franchisee in the operation of the business licensed hereunder.

19.2 **Permits.** Franchisee must comply with all federal, state, and local laws, rules and regulations and timely obtain any and all permits, certificates and licenses for the full and proper conduct of the business licensed hereunder.

19.3 **Full and Sole Responsibility for Debts and Obligations.** Franchisee hereby expressly covenants and agrees to accept full and sole responsibility for any and all debts and obligations incurred in the operation of the Franchised Business.

20. INDEMNIFICATION AND INDEPENDENT CONTRACTOR

20.1 **Indemnification.** Franchisee shall indemnify, defend and hold harmless Franchisor, its Affiliates and their respective shareholders, officers, directors, employees, agents, successors and assignees (the “Indemnified Parties”) against and to reimburse any one or more of the Indemnified Parties for all claims, obligations and damages arising directly or indirectly from the operation of the Franchised Business or Franchisee’s breach of this Agreement, including, without limitation, those alleged to be or found to have been caused by the Indemnified Party’s negligence or willful misconduct, unless (and then only to the extent that) the claims, obligations or damages are determined to be caused solely by Franchisor’s gross negligence or willful misconduct in a final, unappealable ruling issued by a court or arbitrator with competent jurisdiction. This provision shall survive termination and expiration of this Agreement.

For purposes of this Section 20.1, “claims” include all obligations, damages (actual, consequential, or otherwise) and costs that any Indemnified Party reasonably incurs in defending any claim against it including, without limitation, reasonable accountants’, arbitrators’, attorneys’ and expert witness fees, costs of investigation and proof of facts, court costs, travel and living expenses and other expenses of litigation, arbitration or alternative dispute resolution is commenced. Each Indemnified Party may defend any claim against it at Franchisee’s expense and agree to settlements or take any other remedial, corrective, or other actions. This indemnity will continue in full force and effect subsequent to and notwithstanding this Agreement’s expiration or termination. An Indemnified Party need not seek recovery from any insurer or other third party, or otherwise mitigate its losses and expenses, in order to maintain and recover fully a claim against Franchisee under this subparagraph. Franchisee agrees that a failure to pursue a recovery or mitigate a loss will not reduce or alter the amounts that an Indemnified Party may recover from Franchisee under this subsection.

20.2 **Cost of Enforcement or Defense.** If Franchisor is required to hire an attorney or spend any money to enforce this Agreement or to defend against any claim because Franchisee has not performed its obligations under this Agreement, Franchisor will be entitled to recover reasonable attorneys’ fees and other expenses in enforcing the obligation or in defending against the claim.

20.3 **No Fiduciary Relationship; Independent Contractor Status.** In all dealings with third parties including, without limitation, franchisees, employees, suppliers, and clients, Franchisee must disclose in an appropriate manner acceptable to Franchisor that it is an independent entity licensed by Franchisor. Nothing in this Agreement is intended by the parties neither to create a fiduciary relationship between them nor to constitute Franchisee as a subsidiary, joint venturer, partner, agent, or employee of Franchisor for any purpose whatsoever. It is understood and agreed that Franchisee is an independent contractor and is in no way authorized to make any warranty or representation on behalf of Franchisor other than those contained in any disclosure document prepared by Franchisor for use by Franchisee, nor is Franchisee authorized to create any obligation or enter into any contract binding on Franchisor.

21. WRITTEN APPROVALS, WAIVERS, AND AMENDMENT

21.1 **Approval Process.** Whenever this Agreement requires Franchisor's prior approval, Franchisee must make a timely written request. Unless a different time period is specified in this

Agreement, Franchisor will respond with its approval or disapproval within thirty (30) calendar days. In addition, Franchisor's approval will not be unreasonably withheld.

21.2 **No Waiver.** No failure of Franchisor to exercise any power reserved to it by this Agreement and no custom or practice of the parties at variance with the terms hereof will constitute a waiver of Franchisor's right to demand exact compliance with any of the terms herein. A waiver or approval by Franchisor of any particular default by Franchisee will not be considered a waiver or approval by Franchisor of any preceding or subsequent breach by Franchisee of any term, covenant or condition of this Agreement.

21.3 **Amendments.** No amendment change, or variance from this Agreement will be binding upon Franchisor or Franchisee except by mutual written agreement. If an amendment of this Agreement is executed at Franchisee's request, any legal fees or preparation cost in connection therewith must be paid by Franchisee.

21.4 **Non-uniform Agreements.** No warranty or representation is made by Franchisor that all other agreements with Top Tier K9 franchisees heretofore or hereafter issued by Franchisor do or will contain terms substantially similar to those contained in this Agreement. Further, Franchisee recognizes and agrees that Franchisor may, due to local business conditions or otherwise, waive or modify comparable provisions of other franchise agreements granted to other Top Tier K9 franchisees in a non-uniform manner, subject, however, to those provisions of this Agreement which require Franchisor to act toward its franchisees and franchise owners on a reasonably nondiscriminatory basis.

22. NOTICES

Any notice required to be given hereunder must be in writing and be mailed by registered or certified mail, hand-delivered by a recognized courier service, personally delivered, or telecopied and acknowledged by appropriate means. Notices to Franchisee must be addressed to it at the address listed on the first page of this Agreement. Notices to Franchisor must be addressed to Franchisor at: 3011 Garcon Point Rd., Milton, Florida 32358; Attention: Jeffrey S. Minder, CEO. Either party may modify or change its address for delivery of notice by notifying the other party in writing in a timely manner of such modification or change. Any notice complying with the provisions hereof will be deemed received five days after the date of mailing or on the actual date of receipt, as the case may be, whichever is earlier.

23. GOVERNING LAW

All matters relating to arbitration will be governed by the Federal Arbitration Act (9 U.S.C. Sections 1 et seq.). Except to the extent governed by the Federal Arbitration Act, the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) or other federal law, this Agreement, the franchise, and all claims arising from the relationship between Franchisor and Franchisee (and/or any of our affiliates) and Franchisee will be governed by the laws of the State of Florida, without regard to its conflicts of laws rule. This Agreement will become a valid and enforceable contract when we accept it and sign it in Madison, Florida. Franchisee and Franchisor expressly agree that this Agreement has been made in the State of Florida, that substantially all performance of the obligations hereunder has been and will be rendered in the State of Florida, and that there is a regular stream of business activity between Franchisee and franchisor from and into the State of Florida.

24. SEVERABILITY AND CONSTRUCTION

24.1 **Severability.** Should any provision of this Agreement be for any reason held invalid, illegal, or unenforceable, such provision will be deemed restricted in application to the extent required to render it valid, and the remainder of this Agreement will in no way be affected and will remain valid and enforceable for all purposes, both parties hereto declaring that they would have executed this Agreement without inclusion of such provision. In the event such total or partial invalidity or unenforceability of any provision of this Agreement exists only with respect to the laws of a particular jurisdiction, this Article 24 will operate upon such provision only to the extent that the laws of such jurisdiction are applicable to such provision. Each party agrees to execute and deliver to the other any further documents which may be reasonably required to effectuate fully the provisions hereof. Franchisee understands and acknowledges that Franchisor will have the right to reduce the scope of any covenant of this Agreement binding upon Franchisee, or any portion hereof, without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice thereof, and Franchisee agrees that it will comply forthwith with any covenant as so modified, which will be fully enforceable.

24.2 **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, but such counterparts together will constitute one and the same instrument.

24.3 **Headings and Captions.** The headings and captions contained herein are for the purposes of convenience and reference only and are not to be construed as part of this Agreement. All terms and words used herein will be construed to include the number and gender as the context of this Agreement may require. The parties agree that each section of this Agreement will be construed independently of any other section or provision of this Agreement.

24.4 **Interpretation of Rights and Obligations.** The following provisions apply to and govern the interpretation of this Agreement, the parties' rights under this Agreement, and the relationship between the parties.

24.4.1 Franchisor's Rights. Whenever this Agreement provides that Franchisor has a certain right, that right is absolute, and the parties intend that Franchisor's exercise of that right will not be subject to any limitation or review. Franchisor has the right to operate, administrate, develop, and change the System in any manner that is not specifically precluded by the provisions of this Agreement, although this right does not modify any express limitations set forth in this Agreement.

24.4.2 Franchisor's Reasonable Business Judgment. Whenever Franchisor reserves discretion in a particular area or where Franchisor agrees to exercise its rights reasonably or in good faith, Franchisor will satisfy its obligations whenever it exercises Reasonable Business Judgment in making a decision or exercising a right. Franchisor's decisions or actions will be deemed to be the result of Reasonable Business Judgment, even if other reasonable or even arguably preferable alternatives are available, if Franchisor's decisions or actions are intended, in whole or significant part, to promote or benefit the System generally even if the decision or action also promotes Franchisor's financial or other individual interests. Examples of items that will promote or benefit the System include, without limitation, enhancing the value of the Licensed Marks, improving customer service and satisfaction, improving product quality, improving uniformity, enhancing or encouraging modernization and improving the competitive position of the System.

25. ENTIRE AGREEMENT

This Agreement and all exhibits to this Agreement constitute the entire agreement between the parties and supersede any and all prior negotiations, understandings, representations, and agreements. Nothing in this or in any related agreement, however, is intended to disclaim the representations Franchisor made in the franchise disclosure document it furnished to Franchisee.

Franchisee acknowledges that it is entering into this Agreement as a result of its own independent investigation of Franchisor's franchise offering and not as a result of any representations about Franchisor made by its shareholders, officers, directors, employees, agents, representatives, independent contractors, or franchisees that are contrary to the terms set forth in this Agreement, or in any disclosure document, prospectus, or other similar document required or permitted to be given to Franchisee pursuant to applicable law.

26. FORCE MAJEURE

In the event of an act of God, terror, war, insurrection, civil commotion, strike, lockout, or embargo; or lack of materials or telephone transmissions specified or reasonably necessary in connection with the operation of your Franchised Business or the System; or fire, unavoidable casualties, and any other occurrence, event, or condition beyond the reasonable control of Franchisee or Franchisor, whichever is applicable (a "Force Majeure"), Franchisor or Franchisee, as applicable, will be relieved of their respective obligations to the extent that Franchisee or Franchisor are necessarily prevented, or materially hindered or delayed, in such performance during the period of such Force Majeure. The party whose performance is affected by a Force Majeure shall give prompt written notice to the other party of such Force Majeure.

27. ACKNOWLEDGMENTS

27.1. The Franchisee acknowledges that it has conducted an independent investigation of the business licensed hereunder to the extent of the Franchisee's desire to do so, and the Franchisee recognizes and acknowledges that the business venture contemplated by this Franchise Agreement involves business risks, and that its success will be largely dependent upon the ability of the Franchisee as an independent businessman. The Franchisor expressly disclaims the making of, and the Franchisee acknowledges that it has not received, any warranty or guarantee, express or implied, that the Franchisee will be successful in this venture or that the business will attain any level of sales volume, profits, or success.

27.2 The Franchisee acknowledges that it and each of its owners has received, fully read and understood, and all questions have been answered regarding, a copy of our Franchise Disclosure Document with all exhibits at least fourteen (14) calendar days prior to signing any binding documents or paying any sums.

27.3 The Franchisee understands, acknowledges and agrees that: (i) Franchisor has a limited operating history and have been offering franchises for a limited period of time; and (ii) there may be instances where Franchisor has varied, or will vary, the terms on which Franchisor offers franchises, the charges Franchisor (and/or Franchisor's affiliates) make or otherwise deal with our franchisees to circumstances of a particular transaction, the particular circumstances of that franchisee, or otherwise.

27.4 The Franchisee acknowledges that it has not received nor relied on (nor has Franchisor or any representative of Franchisor provided, except as may have been contained in the Franchise Disclosure Document received by Franchisee): (i) any sales, income or other projections of any kind or nature; or (ii) any statements, representations, charts, calculations or other materials which stated or suggested any levels or range of sales, income, profits or cash flow; or (iii) any representations as to any profits Franchisee may realize in the operations of the franchise business or any working capital or other funds necessary to reach any “break-even” or any other financial levels.

27.5 Variances. Franchisee acknowledges and agrees that: i) Franchisor may from time to time approve exceptions or changes to the standards and specifications of the System (including without limitation the amount and payment terms of any fee) that Franchisor deems necessary or desirable under particular circumstances (the “Variances”); Franchisee will have no right to require Franchisor to disclose any Variances to Franchisee or grant Franchisee the same or similar Variances; and (iii) other franchisees, whether existing now or in the future, may operate under different forms of agreement, and that as a result their rights and obligations may differ materially from yours.

27.6 The Franchisee acknowledges that it (and each of its owners, if an entity) has had the opportunity and has been advised us to have this Agreement and all other documents reviewed by its own attorney, accountant or and/or other advisor, and that Franchisee has read, understood, had an opportunity to discuss, and agrees to each provision of this Agreement. Franchisee agrees that it has been under no compulsion to sign this Agreement.

28. NO IMPLIED COVENANT

Franchisee and Franchisor have negotiated the terms of this Agreement and agree that neither party shall claim the existence of an implied covenant of good faith and fair dealing to contravene or limit any express written term or provision of this Agreement.

29. SUBMISSION OF AGREEMENT

Submission of this Agreement to Franchisee does not constitute an offer to enter into a contract. This Agreement will become effective only on its execution by Franchisee and Franchisor and will not be binding on Franchisor unless and until it is signed by Franchisor’s authorized officer and delivered to you.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have duly executed and delivered this Agreement, which may be executed in duplicate the day and year first above written.

Franchisor:

Franchisee:

TOP TIER K9 FRANCHISING, LLC

By: _____
Jeffrey S. Minder, CEO

By: _____

Print Name and Title

**FRANCHISE AGREEMENT
SCHEDULE "A"**

**INITIAL FRANCHISE FEE, TERRITORY, APPROVED LOCATION,
AND FRANCHISEE OWNERSHIP**

1. Initial Franchise Fee:

2. Description of Territory:

3. Franchisee's Principal Business Address, Telephone Number, Cell Phone Number, Facsimile Number, and E-Mail Address:

Tel.: _____
Cell: _____
Fax: _____
E-Mail: _____

4. Address of Approved Location:

5. Name and Address of Each Owner of Franchisee and Percentage of Ownership:

	%
	%
	%

6. Form of Franchisee (check applicable entity):

☐ Corporation;
☐ Partnership;
☐ Limited Partnership;
☐ Limited Liability Company;
☐ Sole Proprietorship;
Other (Specify) _____

Organized Under the Laws of the State or Commonwealth of: _____

FRANCHISE AGREEMENT SCHEDULE “B”

ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED FOR ILLINOIS FRANCHISEES

This Addendum to Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC (“Franchisor”), a Florida limited liability company, and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. This Agreement shall be governed by Illinois law.
2. Section 4 of the Illinois Franchise Disclosure Act provides that any provision in a franchise agreement that designates jurisdiction or venue outside the State of Illinois is void. However, a franchise agreement may provide for arbitration outside of Illinois.
3. Section 41 of the Illinois Franchise Disclosure Act provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.
4. Your rights upon termination and non-renewal of a franchise agreement are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.
5. Section 4.1 of the Franchise Agreement is amended to add the following: “The payment of the Initial Franchise Fee is deferred until franchisor has satisfied its pre-opening obligations to Franchisee and Franchisee has commenced doing business. The Illinois Attorney General’s Office imposed this deferral requirement due to Franchisor’s financial condition.”
6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

FRANCHISOR:

Top Tier K9 Franchising, Inc.

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR MARYLAND FRANCHISEES**

This Addendum to Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of Maryland; (b) Franchisee is a resident of the State of Maryland; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of Maryland.

2. The following sentence is added to the end of Section 1:

Representations in the Franchise Agreement are not intended to, nor shall they act as a release, estoppels, or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

3. The following sentence is added to the end of Sections 2.2.6 and 13.3.9:

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

4. The following sentence is added to the end of Section 16.7:

Franchisee may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law, provided that the Franchise Agreement may provide for arbitration in a forum outside of Maryland.

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

6. 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.

7. The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland franchise regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this forum selection requirement is legally enforceable.

8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED FOR MINNESOTA FRANCHISEES

This Addendum to Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of Minnesota; (b) Franchisee is a resident of the State of Minnesota; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of Minnesota.

2. The following sentence is added to the end of Section 2.3 and Article 13:

With respect to franchises governed by Minnesota law, Franchisor will comply with Minnesota Statute § 80C.14, subdivisions 3,4,and 5 which require, except in certain cases, that Franchisee be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the Franchise Agreement.

3. The following sentence is added to the end of Section 2.2.6 and 13.3.9:

Notwithstanding the foregoing, Franchisee will not be required to assent to a release, assignment, novation, or waiver that would relieve any person from liability imposed by Minnesota Statute §§ 80C.01 – 80C.22.

4. The following sentences are added to the end of Sections 16.3 and 16.8:

Minnesota Statute § 80C.21 and Minnesota Rule 2860.4400J prohibit Franchisor from requiring arbitration or litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or the Franchise Agreement can abrogate or reduce any of Franchisee’s rights as provided for in Minnesota Statutes, Chapter 80C, or Franchisee’s rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

5. Section 4.16 is amended to state the following: NSF Checks are governed by Minnesota Statute 60A.113, which puts a cap of \$30 on service charges.

6. Section 12.6.1 is amended to provide that the franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rule 2860.4400J. A court will determine if a bond is required.

7. Section 16.8 is amended to provide that any limitations on claims must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

8. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

9. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED
FOR NEW YORK FRANCHISEES**

This Addendum to the Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of New York; (b) Franchisee is a resident of the State of New York; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of New York.
2. Any provision in the Franchise Agreement that is inconsistent with the New York General Business Law, Article 33, Section 680 - 695 may not be enforceable.
3. The following sentence is added to the end of Sections 2.2.6 and 13.3.9:
Any provision in the Franchise Agreement requiring Franchisee to sign a general release of claims against Franchisor does not release any claim Franchisee may have under New York General Business Law, Article 33, Sections 680-695.
4. The following sentence is added at the end of Section 13.1:
Franchisor will not assign its rights under the Franchise Agreement except to an assignee who in Franchisor’s good faith and judgment is willing and able to assume Franchisor’s obligations under the Franchise Agreement.
5. The following sentence is added to the end of Section 23:
Notwithstanding the foregoing, the New York Franchises Law shall govern any claim arising under that law.
6. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.
7. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR NORTH DAKOTA FRANCHISEES**

This Addendum to the Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of North Dakota; (b) Franchisee is a resident of the State of North Dakota; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of North Dakota.

2. The following sentence is added at the end of Sections 2.2.6 and 13.3.9:

Notwithstanding the foregoing, any general release the Franchisee is required to assent to shall not apply to any liability Franchisor may have under the North Dakota Franchise Investment Law.

3. The following sentence is added at the end of Article 12:

Covenants not to compete are generally considered unenforceable in the State of North Dakota.

4. The following sentence is added at the end of Sections 16.7:

Under the North Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside North Dakota or to consent to the application of laws of a State other than North Dakota is void, provided that the Franchise Agreement may provide for arbitration in a forum outside of North Dakota.

5. Section 16.10 of the Franchise Agreement is deleted without further force or effect.

6. The following is added at the end of Section 20.2

In any legal action or arbitration involving a franchise purchased in the state of North Dakota, the prevailing party is entitled to recover all costs and expenses, including attorney’s fees. This section shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the North Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of North Dakota.

7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

FRANCHISOR:

Top Tier K9 Franchising, Inc.

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

OHIO RIDER TO FRANCHISE AGREEMENT

This Rider amends the Franchise Agreement dated _____ (the “Agreement”), between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Top Tier K9 Franchising”) and _____, a _____ (“Franchisee”).

1. Definitions. Capitalized terms used but not defined in this Rider have the meanings given in the Agreement. The “BOPA” means the Ohio Business Opportunity Act, codified in Revised Code of Ohio, Title XIII, Chapter 1334.

2. Applicability of BOPA. Franchisee acknowledges that Top Tier K9 Franchising is providing this Rider out of an abundance of caution, and that neither the execution of this Rider nor any other act of Top Tier K9 Franchising constitutes an intent that BOPA apply to the transaction between Top Tier K9 Franchising and Franchisee or an admission by Top Tier K9 Franchising that the transaction fails to comply in any material respects with the trade regulation rule of the federal trade commission, “disclosure requirements and prohibitions concerning franchising,” 16 C.F.R. 436.1 et seq.

3. No Delivery of Goods or Services during Cancellation Period. Top Tier K9 Franchising will not commence delivery of any goods or provide any services during the time within which Franchisee may cancel the Agreement as provided in Section 5 below.

4. Jurisdiction and Venue. In connection with the sale of the franchise, any provision in the Agreement restricting jurisdiction or venue to a forum outside of Ohio, or requiring the application of laws of another state, is void with respect to a claim otherwise enforceable under Sections 1334.01 to 1334.15 of the BOPA.

5. Cancellation. You, the franchisee, may cancel the transaction at any time prior to midnight of the fifth business day after the date you sign this Agreement. See the attached notice of cancellation for an explanation of this right.

Agreed to by:

FRANCHISOR:

FRANCHISEE:

TOP TIER K9 FRANCHISING, LLC

By: _____

By: _____

Name: Jeffrey S. Minder

Name: _____

Title: CEO

Title: _____

Date: _____

Date: _____

OHIO
NOTICE OF CANCELLATION

[*Insert Date Agreement Signed by FRANCHISEE*]

You may cancel this transaction, without penalty or obligation, within five business days from the above date. If you cancel, any payments made by you under the Agreement, and any negotiable instrument executed by you will be returned within ten business days following Top Tier K9 Franchising, LLC's receipt of your cancellation notice, and any security interest arising out of the transaction will be cancelled. If you cancel, you must make available to Top Tier K9 Franchising at your business address all goods delivered to you under this agreement; or you may if you wish, comply with the instructions of Top Tier K9 Franchising regarding the return shipment of the goods at Top Tier K9 Franchising's expense and risk. If you do make the goods available to Top Tier K9 Franchising and Top Tier K9 Franchising does not pick them up within twenty days of the date of your notice of cancellation, you may retain or dispose of them without further obligation. If you fail to make the goods available to Top Tier K9 Franchising, or if you agree to return them to Top Tier K9 Franchising and fail to do so, then you remain liable for the performance of all obligations under the Agreement. To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram, to Top Tier K9 Franchising, LLC, at 3011 Garcon Point Rd., Milton, Florida 32358, or send a fax to Top Tier K9 Franchising at [*Insert facsimile number*] or an e-mail to Top Tier K9 Franchising at info@TopTierK9.com, not later than midnight of [*Insert date that is five business days after the date above*].

I hereby cancel this transaction.

FRANCHISEE:

By: _____

Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE FRANCHISE
AGREEMENT REQUIRED FOR RHODE ISLAND
FRANCHISEES**

This Addendum to the Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of Rhode Island; (b) Franchisee is a resident of the State of Rhode Island; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of Rhode Island.

2. The following sentence is added to the end of Sections 16.3. and 16.7:

Section 19-28.1-14 of the Rhode Island Franchise investment Act provides that: “A provision in a Franchise Agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

3. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

4. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

**ADDENDUM TO THE FRANCHISE AGREEMENT
REQUIRED FOR SOUTH DAKOTA FRANCHISEES**

This Addendum to the Franchise Agreement (“Franchise Agreement”) dated _____ between Top Tier K9 Franchising, LLC, a Florida limited liability company (“Franchisor”) and _____ (“Franchisee”) is entered into simultaneously with the execution of the Franchise Agreement.

1. The provisions of this Addendum form an integral part of and are incorporated into the Franchise Agreement. This Addendum is being signed because: (a) the offer or sale of the franchise to Franchisee was made in the State of South Dakota; (b) Franchisee is a resident of the State of South Dakota; and/or (c) the Top Tier K9 Franchised Business will be located or operated in the State of South Dakota.

2. The following sentence is added at the end of Sections 2.2 and 13.5:

Notwithstanding the foregoing, any general release the Franchisee is required to assent to shall not apply to any liability Franchisor may have under the South Dakota Franchise Investment Law.

3. The following sentence is added at the end of Section 12.4:

Covenants not to compete are generally considered unenforceable in the State of South Dakota.

4. The following sentence is added at the end of Article 23:

Under the South Dakota Franchise Investment Law, any provision requiring franchisees to consent to the jurisdiction of courts outside South Dakota or to consent to the application of laws of a State other than South Dakota is void, provided that the Franchise Agreement may provide for arbitration in a forum outside of South Dakota.

5. Section 16.10 of the Franchise Agreement is deleted without further force or effect.

6. The following is added at the end of Article 23:

In any legal action or arbitration involving a franchise purchased in the state of South Dakota, the prevailing party is entitled to recover all costs and expenses, including attorneys’ fees. This section shall not in any way abrogate or reduce any rights of the Franchisee as provided for in the South Dakota Franchise Investment Law, including the right to a trial by jury and the right to submit matters to the jurisdiction of the Courts of South Dakota.

7. Any capitalized terms that are not defined in this Addendum shall have the meaning given them in the Franchise Agreement.

8. Except as expressly modified by this Addendum, the Franchise Agreement remains unmodified and in full force and effect.

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.
2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.
3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.
4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).
5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.
7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.
8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.
9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).
10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).
11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.
12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.
13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.
14. **Noncompetition Covenants.** 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 provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** 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.

16. **Questionnaires and Acknowledgments.** 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.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

(SIGNATURES CONTINUED ON FOLLOWING PAGE)

FRANCHISOR:

Top Tier K9 Franchising, LLC

By: _____

Printed Name: Jeffrey S. Minder

Title: Chief Executive Officer

Date: _____

FRANCHISEE:

By: _____

Printed Name: _____

Title: _____

Date: _____

**FRANCHISE AGREEMENT
SCHEDULE “C”**

ELECTRONIC FUNDS AUTHORIZATION

- a) As of the effective date of the Franchise Agreement (the “Agreement”) and throughout the term of the Agreement, Franchisee agrees to establish and maintain a segregated bank account at a bank or other financial institution which Franchisor approves (the “Bank Account”). Franchisee may, in Franchisor’s discretion, be required to establish and maintain an electronic funds transfer account (“EFT Account”) and Franchisor or any affiliate may withdraw funds from the EFT Account in the amount of the Royalty, Brand Fund Contribution, and any other amounts due to Franchisor or any affiliates of Franchisor. Withdrawals may be made on the first business day the Royalty, Brand Fund Contribution, or any other amounts defined in the Agreement become due or on any succeeding day thereafter and if applicable, the amount of the withdrawal will be based on Gross Revenues, as indicated in the Royalty Report. The Bank Account must be established and maintained solely for the purposes set forth in the Agreement and the Operating Manual.
- b) All Gross Revenues, as defined in the Agreement, shall be deposited into the Bank Account. Check stubs, bank statements and other records must be available for review in the event of an audit. Franchisee may use the TOP TIER K9 logo on trust or bank account checks, but only as part of the trade name and a statement that the Franchised Business is an “independently owned and operated Top Tier K9 business” must appear on the face of all such checks.
- c) If Franchisor so requires, Franchisee agrees to instruct the institution holding the Bank Account to allow Franchisor or its affiliates access to the Bank Account for collection of Royalties and all other fees and payments provided for in the Agreement, as well as access to any and all records Franchisor deems necessary to review. The Bank Account must have the capacity to make payments and receive credits through electronic debiting. Franchisee hereby grants to Franchisor or its affiliates the right upon Franchisor’s election to debit the Bank Account (electronically or otherwise) for Royalties, Brand Fund Contributions, or any other amounts due and any and all amounts Franchisee owes Franchisor or its affiliates under the Agreement and Franchisee agrees to execute whatever documents the institution holding the Bank Account and Franchisor’s financial institutions may require for this purpose. Under no circumstances will Franchisor’s access to the Bank Account be deemed Franchisor’s control or the joint control of the Bank Account. Franchisee shall execute and/or provide any documents or information necessary to fulfill these requirements.
- d) Franchisee agrees to continuously maintain a minimum balance in the Bank Account adequate to cover the Franchisee’s obligations under the Agreement or some higher continuous minimum balance as Franchisor deems reasonably necessary. Franchisee agrees to reimburse Franchisor for all costs Franchisor incurs in collecting or attempting to collect funds due to Franchisor and/or its affiliates from the Bank Account (for example and without limitation, charges for insufficient funds, uncollected funds or other discrepancies in deposits or maintenance of the Bank Account balance as required by the terms of the Agreement).

- e) Franchisor will notify Franchisee of the date and amount of each debit Franchisor makes from Franchisee's Bank Account at the time and in the manner specified in the Operating Manual.
- f) The Bank Account must be established so that Franchisor can audit it at any time upon notice to Franchisee. If an electronic funds transfer system enabling Franchisor to electronically debit Franchisee's Bank Account is not functioning at any time for any reason, Franchisee agrees to ensure that Franchisor and/or its affiliates otherwise receive payment for any and all amounts due Franchisor and/or its affiliates and by the date due, in the form of a check, money order or any other form acceptable to Franchisor.
- g) Upon the termination or expiration of the Agreement, Franchisee agrees to keep the Bank Account open and to continue Franchisor's ability to debit the Bank Account until Franchisee has satisfied all financial obligations to Franchisor and its affiliates.

Franchisee:

By: _____

Top Tier K9 Franchising, LLC

By: _____
Jeffrey S. Minder, CEO

**FRANCHISE AGREEMENT
SCHEDULE "D"**

PERSONAL GUARANTY OF FRANCHISEE'S PRINCIPAL OWNERS

THIS GUARANTY is given this _____ day of _____, 20 _____

By (list each guarantor):

_____ In consideration of, and as an inducement to, the execution of that certain Franchise Agreement (the "Agreement") on this date by Top Tier K9 Franchising, LLC ("us," "we," or "our"), each of the undersigned personally and unconditionally (a) guarantees to us and our successors and assigns, for the term of the Agreement (including any extensions, renewals and modifications thereof) and afterward as provided in the Agreement, that _____ ("Franchisee") will punctually pay and perform each and every undertaking, agreement, and covenant set forth in the Agreement (including any amendments or modifications of the Agreement) and (b) agrees to be personally bound by, and personally liable for the breach of, each and every provision in the Agreement (including any amendments or modifications of the Agreement), both monetary obligations and obligations to take or refrain from taking specific actions or to engage or refrain from engaging in specific activities, including the non-competition, confidentiality, transfer, and arbitration requirements.

Each of the undersigned consents and agrees that: (i) his or her direct and immediate liability under this Guaranty will be joint and several, both with Franchisee and among other guarantors; (ii) he or she will render any payment or performance required under the Agreement upon demand if Franchisee fails or refuses punctually to do so; (iii) this liability will not be contingent or conditioned upon our pursuit of any remedies against Franchisee or any other person; (iv) this liability will not be diminished, relieved, or otherwise affected by any extension of time, credit, or other indulgence which we may from time to time granted to Franchisee or to any other person, including, without limitation, the acceptance of any partial payment or performance or the compromise or release of any claims (including the release of other guarantors), none of which will in any way modify or amend this Guaranty, which will be continuing and irrevocable during the term of the Agreement (including extensions), for so long as any performance is or might be owed under the Agreement by Franchisee or its owners, and for so long as we have any cause of action against Franchisee or its owners; and (v) this Guaranty will continue in full force and effect for (and as to) any extension or modification of the Agreement and despite the transfer of any interest in the Agreement or Franchisee, and each of the undersigned waives notice of any and all renewals, extensions, modifications, amendments, or transfers.

Each of the undersigned waives: (i) all rights to payments and claims for reimbursement or subrogation which any of the undersigned may have against Franchisee arising as a result of the undersigned's execution of and performance under this Guaranty; and (ii) acceptance and notice of acceptance by us of his or her undertakings under this Guaranty, notice of demand for payment of any indebtedness or non-performance of any obligations hereby guaranteed, protest and notice of default to any party with respect to the indebtedness or nonperformance of any obligations hereby guaranteed, and any other notices to which he or she may be entitled.

If we are required to enforce this Guaranty in a judicial or arbitration proceeding, and prevail in such proceeding, we shall be entitled to reimbursement of our costs and expenses, including, but not

limited to, reasonable accountants', attorneys', attorneys' assistants', arbitrators', and expert witness fees, costs of investigation and proof of facts, court costs, other litigation expenses, and travel and living expenses, whether incurred prior to, in preparation for, or in contemplation of the filing of any such proceeding. If we are required to engage legal counsel in connection with any failure by the undersigned to comply with this Guaranty, the undersigned shall reimburse us for any of the above- listed costs and expenses we incur.

Subject to the arbitration obligations and the provisions below, each of the undersigned agrees that all actions arising under this Guaranty or the Agreement, or otherwise as a result of the relationship between us and the undersigned, must be commenced in the state or federal court of general jurisdiction in whose district our headquarters is then located and each of the undersigned irrevocably submits to the jurisdiction of those courts and waives any objection he or she might have to either the jurisdiction of or venue in those courts. Nonetheless, each of the undersigned agrees that we may enforce this Guaranty and any arbitration orders and awards in the courts of the state or states in which he or she is domiciled.

IN WITNESS WHEREOF, each of the undersigned has affixed his or her signature on the same day and year as the Agreement was executed.

SIGNATURES OF EACH GUARANTOR	Percentage of Ownership IN FRANCHISEE
	%
	%
	%
	%

**FRANCHISE AGREEMENT
SCHEDULE "E"**

CONFIDENTIALITY, NON-USE, AND NON-COMPETITION AGREEMENT

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this ____ day of _____, by and between Top Tier K9 Franchising, LLC, a Florida limited liability company ("Franchisor") and _____ having an address at _____ ("Franchisee"); and _____ Franchisee's owners, having an address at _____ ("Owners").

WITNESSETH:

WHEREAS, Franchisor is principally engaged in the business of developing and selling franchises under the name TOP TIER K9. Franchises will operate businesses that provide dog training; and

WHEREAS, Franchisee is an individual or enterprise which has entered into a Franchise Agreement with Franchisor ("Franchise Agreement") for the operation of a TOP TIER K9 business ("Franchised Business");

WHEREAS, if Franchisee is an enterprise, Franchisee's Owners agree to be bound by the terms and conditions of this Agreement; and

WHEREAS, during the course of the relationship between Franchisor and Franchisee certain information may be provided to and received by Franchisee and its Owners relating to Franchisor, including without limitation certain information, knowledge, know-how, methods and procedures some of which constitutes trade secrets under applicable law regarding the Franchisor and its affiliates, and the development, management and operation of TOP TIER K9 businesses, which Franchisor and its affiliates consider proprietary, (collectively the "Confidential Information"), including without limitation:

- (a) The Operations Manual and other training and operations materials and manuals;
- (b) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating the TOP TIER K9 business;
- (c) Advertising, marketing, and promotional programs for the System, including Advertising Materials, Social Media Materials and use of Social Media Platforms;
- (d) Knowledge of specifications for and Suppliers of Operating Assets, products, supplies, any computer software and similar technology which is proprietary to Franchisor or its Affiliates including without limitation, digital passwords and identifications and any source code as well as data, reports and other printed materials;
- (e) Knowledge of the operating results and financial performance of TOP TIER K9 businesses other than the Franchised Business; and
- (g) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments.

(a) Franchisee and its Owners acknowledge that Franchisee and its Owners have been and/or will be given access to Confidential Information during the course of the relationship between Franchisee and Franchisor.

(b) Franchisee and its Owners acknowledge that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Franchisee and its Owners regarding the System is disclosed in confidence; (v) Franchisee and its Owners have no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee and its Owners will not acquire any ownership interest in the System; and (vii) the use or duplication of the System or any part of the System by Franchisee and its Owners in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information.

(a) Franchisee and its Owners pledge and agree that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisor they: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any individual or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisor's use; (iv) will not reproduce or use the Confidential Information; and (v) will have a system in place to ensure that all recipients who require access to any of the Confidential Information, execute the Confidentiality, Non-use and Non-Competition Agreement Form in the form attached to the Franchise Agreement as Schedule "F" thereto.

(b) Confidential Information provided by Franchisor and/or its Affiliates to Franchisee and its Owners in the course of the parties' relationship shall be returned promptly to Franchisor upon termination of the Franchise Agreement. Franchisee and its Owners shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract, or other reproduction, whether in paper or electronic form, of the Confidential Information, except as the parties hereto may agree in writing.

3. Covenants.

(a) Franchisee and its Owners acknowledge and agree that Franchisor has granted it the franchise in consideration of and reliance upon the agreement by Franchisee and its Owners to, among other things, to: (i) deal exclusively with Franchisor; (ii) maintain the confidentiality of all of the Confidential Information; (iii) ensure that all recipients with access to the Confidential Information execute the Confidentiality, Non-Use and Non-Competition Agreement in the Form attached hereto as Schedule "F"; (iv) refrain from using any Confidential Information in any manner not permitted by Franchisor in accordance with Section 2 above; and (v) protect and preserve the goodwill of the Franchisor.

(b) Franchisee and its Owners further acknowledge and agree that (i) pursuant to the Franchise Agreement, they will have access from the Franchisor and its affiliates to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor and acquired by Franchisee and its Owners under the Franchise Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) the Franchisor would be unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about Top Tier K9 franchises if franchisees were permitted to hold interests in Competitive Businesses; and (v) restrictions on the right of Franchisee and its Owners to hold interests in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder the activities of Franchisee and its Owners.

(c) Accordingly, Franchisee and its Owners covenant and agree that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause for termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Franchisee and each of its Owners shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(i) Divert or attempt to divert any actual or potential business or customer of the Franchised Business to any competitor;

(ii) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(iii) Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its Affiliates, or any Top Tier K9 franchisee or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission;

(iv) Solicit, encourage or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor; or

(v) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (as defined below).

(i) During the term of the Franchise Agreement, there is no geographical limitation on these restrictions, meaning that Franchisee and each of its Owners shall not engage in the conduct referred to in subsection 3(c) at any location. During the two year period following the later of: the termination (regardless of the cause for termination) or expiration of the Franchise Agreement; (ii) a Transfer, as defined in the Franchise Agreement; or (iii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

- (i) at the location of the Franchised Business;
- (ii) within the Territory assigned to the Franchised Business and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchised Business;
- (iii) within ten (10) miles of the location of any Top Tier K9 business;
- (iv) within the territory assigned to any Top Tier K9 business and within ten (10) miles of the outer boundaries of the territory assigned to any Top Tier K9 business;

owned, in operation, under development or to be developed (i) as of the date of the Franchise Agreement; (ii) as of the date of termination (regardless of the cause for termination) or expiration of the Franchise Agreement or a Transfer, as defined in the Franchise Agreement; and (iii) as of the franchise; or as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(d) Franchisee and its Owners further covenant and agree that for a period of two (2) years following the expiration or termination (regardless of the cause for termination) of the Franchise Agreement, or a Transfer, as defined in the Franchise Agreement, Franchisee and its Owners will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the location of the Franchised Business to any person, firm, partnership corporation or other entity that Franchisee or its Owners know or has reason to know intends to operate a Competitive Business at the location of the Franchised Business.

(f) Franchisee and its Owners covenant not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of the Franchise Agreement.

(g) Franchisee and its Owners expressly acknowledge that they possess skills and abilities of a general nature and have other opportunities for exploiting these skills. Consequently, Franchisor's enforcing the covenants made in this Section 3 will not deprive Franchisee or its Owners of their personal goodwill or ability to earn a living.

(h) Franchisee and its Owners agree and acknowledge that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates. Franchisee and its Owners also agree and acknowledge that Franchisor's legitimate business interests include but are not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's former Franchised Business location, within the Territory assigned to Franchisee's Franchised Business and within the territorial boundaries of the restrictive covenant described above in subsection 3(d); (iii) preventing potential customer confusion; (iv) protecting other franchisees from competition from Franchisee and its Owners; and (v) protecting the System as a whole including the franchisee network. If any provision of this Section 3 (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed, and this Agreement modified to the extent necessary to render it

valid and enforceable.

(i) Franchisor shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon the receipt by Franchisee and its Owners of written notice and Franchisee and its Owners agree to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

4. Enforcement. Franchisee and its Owners acknowledge that violation of the provisions of this Agreement would result in immediate and irreparable injury to Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Franchisee and its Owners hereby consent to the entry of an injunction procured by Franchisor and/or its Affiliates prohibiting any conduct by Franchisee and its Owners in violation of the terms, covenants and/or restrictions on the use of Confidential Information set forth in this Agreement without the need of a bond. Franchisee and its Owners expressly agree that it may conclusively be presumed in any legal action that any violation of the terms, covenants and/or restrictions of this Agreement was accomplished by and through the unlawful utilization of the Confidential Information. Further, Franchisee and its Owners expressly agree that any claims Franchisee may have against Franchisor and its affiliates, whether or not arising from this Agreement, will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisor and/or its Affiliates. Franchisee and its Owners agree to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses obligation) incurred by Franchisor and/or its Affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

5. Definitions.

(a) The term "affiliates" (with respect to Franchisee) means any and all corporations, limited liability companies, partnerships, trusts or other entities controlling, controlled by or under common control with Franchisee, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means (1) any business engaged in dog training or other services that are authorized to be offered by Top Tier K9 franchisees during the term of the Franchise Agreement, or (ii) any business granting franchises or licenses to others to operate such a business (other than a franchised business operated under a franchise agreement with Franchisor).

(d) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over ten percent (10%) in Franchisee, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over ten percent (10%) in any partnership, corporation or limited liability company that holds a controlling interest in the Franchisee entity.

(e) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

6. Miscellaneous.

(a) Franchisor makes no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Franchisee and its Owners and shall not be liable, directly, or indirectly, to Franchisee, its Owners or any of Franchisee's affiliates as a result of any use of the Confidential Information by or on behalf of Franchisee, its Owners and/or its affiliates. Franchisee and its Owners specifically waive any and all claims for any loss or damage suffered by them due to their use of the Confidential Information and agree to indemnify and hold Franchisor and its affiliates harmless for any claims made against Franchisor based upon the provision by Franchisee or its Owners of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator, or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Franchisee and its Owners acknowledge and agree to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee, its Owners, Franchisor and their respective affiliates, successors, and assigns.

(d) This Agreement shall be governed by the laws of the State of Florida without recourse to Florida (or any other) choice of law or conflict of law principles.

(e) This Agreement contains the complete understanding of Franchisee and its Owners and Franchisor with respect to the Confidential Information and this Confidentiality, Non-Use and Non-Competition Agreement shall not be amended without the prior written consent of the parties.

(f) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

7. Dispute Resolution and Choice of Law and Venue

(a) Except as provided in subsection 7(b) below, the parties agree to submit any claim and/or controversy arising out of or relating to this Agreement (and any related document), the relationship created by this Agreement, and any and all disputes between Franchisee and Franchisor or Franchisor's affiliates, whether sounding in contract, statute, tort, or otherwise, to arbitration to be held in Madison, Florida, before and in accordance with the Commercial Rules of Arbitration of the Judicial Arbitration and Mediation Services ("JAMS").

(i) Any arbitration under this subsection 7(a) shall be conducted by a single arbitrator mutually agreed to by the parties. If within thirty (30) days after a demand for arbitration is made, the parties are unable to agree on a single arbitrator, an arbitrator shall be selected in the following manner: Franchisor and Franchisee shall obtain an identical list of arbitrators from JAMS, containing an odd number of arbitrators, and shall take alternating turns striking the name of an arbitrator off the list until one name remains. Franchisee shall strike the first name off the list.

(ii) In no event shall the arbitrator be entitled to award punitive, incidental, special or consequential damages against the Franchisor.

(iii) Any award rendered in connection with an arbitration pursuant to this subsection 7(a) shall be final and binding. The parties may initiate litigation in any court of competent jurisdiction to confirm, enter and enforce such arbitration award.

(iv) Franchisor and Franchisee agree that arbitration will be conducted only on an individual, not a class-wide, basis, and that an arbitration proceeding between Franchisor (including its subsidiaries, affiliates, shareholders, officers, directors, managers, representatives, and employees) and Franchisee (including its Owners, principals and guarantors, if applicable) may not be consolidated with any other arbitration proceeding between them and any other person or legal entity. No findings, conclusions, orders, or awards emanating from any arbitration proceeding conducted hereunder may be introduced, referred to or used in any subsequent or other proceeding as a precedent, to collaterally estop any party from advancing any claim or defense or from raising any like or similar issues, or for any other purpose whatsoever. The parties agree that the principles of collateral estoppel shall not apply in any arbitration proceeding conducted under this Section.

(v) Franchisor and Franchisee hereby agree and acknowledge that this subsection 7(a) shall bind Franchisee's guarantors, whether or not such guarantors were named parties to the mediation, arbitration and/or litigation.

(b) Notwithstanding anything to the contrary above, Franchisor may institute litigation (without first proceeding with arbitration) exclusively in a court of competent jurisdiction: (1) to protect the Principal Trademarks, any intellectual property and Confidential Information; (2) to determine the validity of termination of the Franchise Agreement and/or any other related agreement; (3) to enforce the termination of the Franchise Agreement and/or any other related agreement; (4) to enforce this Agreement and any other agreement executed by Franchisee; (5) to confirm, enter and enforce an arbitrator's award; (6) for monies owed; and (7) to enjoin or restrain Franchisee from otherwise causing immediate and irreparable harm to Franchisor and/or its affiliates.

(c) The parties agree that for purposes of Subsection 7(b), a court of competent jurisdiction shall mean any court of competent jurisdiction, wherever situated, that Franchisor selects, including but not limited to a Florida state court in Madison County or the United States District Court for the Northern District of Florida. Franchisee agrees that any dispute as to the venue for any litigation Franchisor institutes will be submitted to and resolved exclusively by the court of competent jurisdiction in which Franchisor commenced the litigation. Franchisee hereby waives and covenants never to assert or claim that this venue is for any reason improper, inconvenient, prejudicial, or otherwise inappropriate (including, without limitation, any claim under the judicial doctrine of forum non conveniens). Franchisee further agrees that all depositions in connection with any litigation between the parties shall occur in the jurisdiction and venue described above at Franchisor's option.

(d) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the State of Florida without recourse to Florida (or any other) choice of law or conflicts of law principles. If, however, any provision of this Agreement would not be enforceable under the laws of Florida, and if the Franchised Business is located outside of Florida and the provision would be enforceable under the laws of the state in which the Franchised Business is located, then that provision (and only that provision) will be interpreted and construed under the laws of that state. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied

covenant,” unfair competition, fiduciary or any other doctrine of law of the State of Florida or any other state, which would not otherwise apply.

(e) Franchisee explicitly affirms and recognizes the unique value and secondary meaning attached to the System, the Principal Trademarks, any intellectual property, and the Confidential Information. Accordingly, Franchisee agrees that any non-compliance by Franchisee with the terms of this Agreement and/or the terms of any Confidentiality, Non-Use and Noncompetition Agreement, Franchisee's operation of the franchise post-termination or any unauthorized or improper use of the System, the Principal Trademarks, any intellectual property, or Confidential Information by Franchisee, will cause irreparable damage to the Franchisor, its affiliates, and other Top Tier K9 franchisees. Franchisee therefore agrees that if it engages in any non-compliant, post-termination operation of the franchise or unauthorized and/or improper use of the System, Principal Trademarks or Confidential Information during or after the period of this Agreement, Franchisor will be entitled to a declaration, temporary injunctive relief and permanent injunctive relief, without the need of a bond, against Franchisee from any court of competent jurisdiction, wherever situated, as Franchisor may select, in addition to all other remedies which the Franchisor may have at law.

(f) The provisions of this Section are intended to benefit and bind certain third-party non-signatories (including without limitation Franchisee’s Owners and guarantors) and will continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

ATTEST:

(Franchisee)

By: _____

Top Tier K9 Franchising, LLC

By: _____
Jeffrey S. Minder, CEO

FRANCHISE AGREEMENT

SCHEDULE "F"

CONFIDENTIALITY, NON-USE, AND NON-COMPETITION AGREEMENT FORM

This Confidentiality, Non-Use and Non-Competition Agreement ("Agreement"), dated this ____ day of _____, by and between _____ ("Franchisee") having an address at _____ and _____ having an address at _____ ("Recipient"),

WITNESSETH:

WHEREAS, Franchisee is principally engaged in the business of operating a franchise providing pet dog training and advanced training of service dogs, protection and security dogs and police dogs under the name TOP TIER K9 (the "Franchised Business") pursuant to a franchise agreement with Top Tier K9 Franchising, LLC ("Franchise Agreement");

WHEREAS, Recipient is an individual or enterprise who is about to be employed by Franchisee, has entered into some form of contractual relationship with Franchisee or is considering the same; and

WHEREAS, during the course of the relationship between Franchisee and Recipient certain information knowledge, know-how, methods and procedures some of which constitutes trade secrets under applicable law has been and/or will be provided to and received by Recipient regarding the Franchisor and its affiliates and the development, management and operation of TOP TIER K9 franchised businesses, which Franchisor and its affiliates consider proprietary (collectively "Confidential Information"), including without limitation:

- (a) The Confidential Operating Manual and other training and operations materials and manuals;
- (b) Methods, formats, specifications, standards, systems, procedures, sales and marketing techniques, knowledge, and experience used in developing and operating the TOP TIER K9 franchised businesses;
- (c) Advertising, marketing and promotional programs for the System, Advertising Materials, Social Media Materials and use of Social Media Platforms;
- (d) Knowledge of specifications for and Suppliers of Operating Assets, products, supplies, any computer software, and similar technology which is proprietary to Franchisor or its Affiliates including without limitation, digital passwords and identifications and any source code as well as data, reports and other printed materials;
- (e) Knowledge of the operating results and financial performance of TOP TIER K9 businesses other than the Franchised Business; and
- (f) Graphic designs and related intellectual property.

NOW, THEREFORE, for One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged the parties hereto agree as follows:

1. Acknowledgments.

(a) Recipient acknowledges that Recipient has been and/or will be given access to the Confidential Information during the course of the relationship between Franchisee and Recipient.

(b) Franchisee acknowledges that (i) Franchisor and its affiliates own all right, title and interest in and to the System; (ii) the System consists of trade secrets, Confidential Information and know-how that gives the Franchisor and its affiliates a competitive advantage; (iii) the Franchisor and its affiliates have taken all measures necessary to protect the trade secrets, Confidential Information and know-how comprising the System; (iv) all Confidential Information now or hereafter provided or disclosed to Recipient regarding the System is disclosed in confidence; (v) Franchisee has no right to disclose any Confidential Information to anyone who is not an employee, agent or independent contractor of Franchisee; (vi) Franchisee will not acquire any ownership interest in the System; and (vii) Franchisee's use or duplication of the System or any part of the System in any other business would constitute an unfair method of competition, for which Franchisor would be entitled to all legal and equitable remedies, including injunctive relief without posting a bond.

2. Non-Disclosure and Return of Confidential Information.

(a) Recipient pledges and agrees that for a period commencing on the date of this Agreement and continuing thereafter, in the absence of prior written consent by Franchisee: (i) will keep all Confidential Information in strict confidence; (ii) will not communicate or disclose Confidential Information to any individual or entity; (iii) will not use the Confidential Information for any purpose other than as directed by and needed for Franchisee's use; and (iv) will not reproduce the Confidential Information.

(b) Confidential Information provided by Franchisor, its Affiliates and/or Franchisee to Recipient in the course of the parties' relationship shall be delivered promptly to Franchisee upon termination of Recipient's relationship with Franchisee. Recipient shall not retain any book, record, report, design, plan, material, copy, note, abstract, compilation, summary, extract, or other reproduction, whether in paper or electronic form, of the Confidential Information, except as the parties hereto may agree in writing.

3. Covenants.

(a) Recipient acknowledges that Franchisee has entered into the relationship described above in consideration of and reliance upon, among other things, Recipient's agreement to: deal with Franchisee; maintain the confidentiality of all of the Confidential Information; refrain from using any Confidential Information in any manner not permitted by Franchisor, its Affiliates and/or Franchisee in accordance with Section 2 above; and protect and preserve the goodwill of the Franchisor.

(b) Recipient further acknowledges and agrees that (i) pursuant to this Agreement, it will have access from the Franchisor, its Affiliates and/or Franchisee to valuable trade secrets, specialized training and Confidential Information regarding the development, operation, management, purchasing, sales and marketing methods and techniques of the System; (ii) the System and the opportunities, associations, and experience established by Franchisor, its Affiliates and/or Franchisee and acquired by Recipient under this Agreement are of substantial and material value; (iii) in developing the System, Franchisor and its affiliates have made and continue to make substantial investments of time, technical and commercial research and money; (iv) the Franchisor would be

unable to adequately protect the System and its trade secrets and Confidential Information against unauthorized use or disclosure and would be unable to adequately encourage a free exchange of ideas and information about TOP TIER K9 franchises if recipients were permitted to hold interests in Competitive Businesses; and (v) restrictions on Recipient's right to hold interest in or perform services for, Competitive Businesses will not unreasonably or unnecessarily hinder Recipient's activities.

(c) Accordingly, Franchisee covenants and agrees that during the term of this Agreement and for an uninterrupted period of two (2) years after the later of: (i) the termination (regardless of the cause for termination) or expiration of Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, Recipient shall not directly or indirectly for itself or through on behalf of or in conjunction with any person, firm, partnership corporation or other entity in any manner whatsoever:

(i) Divert or attempt to divert any actual or potential business or customer of the Franchised Business to any competitor;

(ii) Take any action injurious or prejudicial to the goodwill associated with the Principal Trademarks and the System;

(iii) Employ, recruit or seek to employ any person who is then employed or who was employed within the immediately preceding twenty-four (24) months, by Franchisor, its Affiliates, Franchisee or any other TOP TIER K9 franchisee or develop, or otherwise directly or indirectly induce such person to leave his or her employment without obtaining the employer's prior written permission;

(iv) Solicit, encourage, or assist anyone else to solicit or encourage any independent contractor providing services to Franchisor to terminate or diminish their relationship with Franchisor or Franchisee; or

(v) Own, maintain, develop, operate, engage in, franchise or license, make loans or gifts to or have any direct or indirect interest in or render services as a director, officer, manager, employee, consultant, representative, or agent or give advice to any Competitive Business (except that equity ownership of less than five percent (5%) of a Competitive Business whose stock or other forms of ownership interest are publicly traded on a recognized United States stock exchange will not be deemed to violate this subsection).

(d) During the term of the Recipient's relationship with Franchisee, there is no geographical limitation on these restrictions, meaning that Recipient shall not engage in the conduct referred to in subsection 3(c) at any location. During the two-year period following the later of: (i) the termination (regardless of the cause for termination) or expiration of Recipient's relationship with Franchisee; or (ii) the date of a final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3, these restrictions shall apply:

(i) from the location of the Franchisee's Franchised Business;

(ii) within the Territory assigned to the Franchisee's Franchised Business and within ten (10) miles of the outer boundaries of the Territory assigned to the Franchisee's Franchised

Business;

(iii) within ten (10) miles of the location of any other TOP TIER K(®) business;
and

(iv) within the territory assigned to any other TOP TIER K9 business and within ten (10) miles of the outer boundaries of any territory assigned to any TOP TIER K9 business; owned, in operation, under development or to be developed (1) as of the date of this Agreement; (2) as of the date of termination (regardless of the cause for termination) or expiration or Recipient's employment or contractual relationship with Franchisee; and (3) as of the date of any final non-appealable judgment, order or award of any court, arbitrator, panel of arbitrators or tribunal that enforces this Section 3.

(e) Recipient further covenants and agrees that for a period of two years following the expiration or termination of Recipient's relationship with Franchisee, Recipient will not either directly or indirectly for itself or through, on behalf of or in conjunction with any person, firm, partnership, corporation or other entity, sell, assign, lease or transfer the Franchisee's Franchised Business location to any person, firm, partnership corporation or other entity that Recipient knows or has reason to know intends to operate a Competitive Business at the Franchisee's Franchised Business location.

(f) Recipient covenants not to engage in any activity which might injure the goodwill of the Principal Trademarks or the System at any time. This provision shall survive termination of Recipient's relationship with Franchisee.

(g) Recipient expressly acknowledge that his or her skills and abilities are of a general nature and Recipient has other opportunities for exploiting these skills. Consequently, enforcement of the covenants made in this Section 3 will not deprive Recipient of his or her personal goodwill or ability to earn a living.

(h) Recipient agrees and acknowledges that each of the covenants contained herein are reasonable limitations as to time, geographical area and scope of activity to be restrained and do not impose a greater restraint than is necessary to protect the know-how, reputation, goodwill and other legitimate business interests of Franchisor and its affiliates. Recipient also agrees and acknowledges that the reputation, goodwill and foregoing are legitimate business interests of Franchisor and its affiliates, and they require the protection of the covenants contained herein. The legitimate business interests of Franchisor and its affiliates also include but not limited to: (i) maintaining the confidential nature of the Confidential Information; (ii) preserving the Franchisor's ability to develop franchises at or near the Franchisee's Franchised Business location, within the Territory assigned to the Franchisee's Franchised Business and within the territorial boundaries of the restrictive covenant described in this Section 3; (iii) preventing potential customer confusion; (iv) protecting Franchisee and other franchisees from competition from Recipient; and (v) protecting the System as a whole including the franchisee network. If any provision of this Confidentiality, Non-Use and Non-Competition Agreement Form (including any sentences, clauses, or any part thereof) shall be held contrary to law or incomplete or unenforceable in any respect, the remaining provisions shall not be affected but shall remain in full force and effect; any invalidated provisions shall be severed, and this Agreement modified to the extent necessary to render it valid and enforceable.

(i) Franchisor, its Affiliates and Franchisee shall have the right to reduce the scope of any covenant contained in this Section 3 effective immediately upon Recipient's receipt of written

notice and Recipient agrees to comply forthwith with any covenants as so modified which will be enforceable notwithstanding the provisions of Section 6.

5. Enforcement. Recipient acknowledges that violation of the provisions of this Agreement would result in immediate and irreparable injury to Franchisee, Franchisor and its affiliates for which no adequate remedy at law will be available. Accordingly, Recipient hereby consents to the entry of an injunction procured by Franchisee, Franchisor and/or its Affiliates prohibiting any conduct by Recipient in violation of the terms, covenants and/or restrictions on the use of Confidential Information set forth in this Agreement without the need of a bond. Recipient expressly agrees that it may conclusively be presumed in any legal action that any violation of the terms, covenants and/or restrictions of this Agreement was accomplished by and through the unlawful utilization of the Confidential Information. Further, Recipient expressly agrees that any claims Recipient may have against Franchisee, Franchisor, and its affiliates, whether or not arising from this Agreement, will not constitute a defense to the enforcement of the terms, covenants and/or restrictions set forth in this Agreement by Franchisee, Franchisor and/or its Affiliates. Recipient further agrees to pay all costs and expenses (including attorneys' fees, experts' fees, court costs and all other expenses of litigation) incurred by Franchisee, Franchisor and/or its Affiliates in connection with the enforcement of the terms, covenants and/or restrictions of this Agreement.

6. Definitions.

(a) The term "affiliates" (with respect to Recipient) means any and all corporations, limited liability companies, partnerships, trusts, or other entities controlling, controlled by or under common control with Recipient, including but not limited to subsidiaries, parents and sibling entities.

(b) The term "control" shall mean the control or ownership of ten percent (10%) or more of the beneficial interest in the person or entity referred to.

(c) The term "Competitive Business" means (i) any business involving dog training or such other services that are authorized to be offered by TOP TIER K9 franchisees during the term of the Franchise Agreement, or (ii) any business granting franchises or licenses to others to operate such a business (other than a franchised business operated under a franchise agreement with Franchisor).

(d) The term "Owners" shall mean any individual or entity (including all spouses, partners, members or shareholders of such individual or entity) that has any direct or indirect ownership interest of over ten percent (10%) in Recipient, (or at such later time as they assume such status) whether or not such interest is of record, beneficially or otherwise. The term "Owners" shall also include individuals, partners, members and shareholders and (spouses of such individuals, partners, members and shareholders) with an ownership interest of over five percent (5%) in any partnership, corporation or limited liability company that holds a controlling interest in the Recipient entity.

(e) Any capitalized term that is not defined in this Agreement shall have the meaning given to it in the Franchise Agreement.

7. Miscellaneous.

(a) Franchisee makes no representations or warranties as to the accuracy or completeness of the Confidential Information provided to Recipient and shall not be liable, directly, or indirectly, to Recipient or any of Recipient's affiliates as a result of any use of the Confidential Information by or on behalf of Recipient and/or its affiliates. Recipient specifically waives any and all claims for any loss or damage suffered by it due to its use of the Confidential Information and agrees to indemnify and hold Franchisee harmless for any claims made against Franchisee based upon Recipient's provision of the Confidential Information to third parties.

(b) If all or any portion of the covenants not to compete set forth in this Agreement are held unreasonable, void, vague or illegal by any court or agency with competent jurisdiction over the parties and subject matter, the court, arbitrator, or agency will be empowered to revise and/or construe the covenants to fall within permissible legal limits and should not by necessity invalidate the entire covenants. Recipient acknowledges and agrees to be bound by any lesser covenant subsumed within the terms of this Agreement as if the resulting covenants were separately stated in and made a part of this Agreement.

(c) This Agreement shall be binding upon and shall inure to the benefit of Franchisee and Recipient and their respective affiliates, successors, and assigns.

(d) This Agreement shall be governed by the laws of the State of the state in which the Top Tier K9 business is located.

(e) This Agreement contains the complete understanding of Recipient and Franchisee with respect to the Confidential Information and this Agreement shall not be amended without the prior written consent of the parties.

(f) Recipient acknowledges that Top Tier K9 Franchising, LLC, its Affiliates, successors and assigns are third-party beneficiaries under this Agreement and may enforce this Agreement. Recipient further acknowledges that: (i) a copy of this Agreement is being delivered to Franchisor; (ii) Franchisor is relying on the parties' compliance with this Agreement; and (iii) this Agreement may not be amended or terminated, nor any rights or obligations of Recipient waived hereunder without the prior written consent of Franchisor.

(g) This Agreement may be executed in counterparts and each copy so executed and delivered shall be deemed an original.

8. Choice of Law and Venue

(1) This Agreement is to be exclusively construed in accordance with and/or governed by the laws of the state in which the Top Tier K9 business is located. Nothing in this Agreement is intended to invoke the application of any franchise, business opportunity, antitrust, "implied covenant," unfair competition, fiduciary, or any other doctrine of law of the state where the Franchised Business is located.

(2) Recipient and Franchisee agree to institute any litigation that the undersigned may commence arising out of or related to this Agreement exclusively in a court of competent jurisdiction in a court of general jurisdiction in the county in which the Top Tier K9 business is located.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

Recipient:

By: _____

Franchisee:

By: _____

**FRANCHISE AGREEMENT
SCHEDULE “G”**

ASSIGNMENT OF TELEPHONE AND INTERNET LISTINGS AND ADVERTISEMENTS

Pursuant to its obligations under a certain franchise agreement dated _____ by and among Top Tier K9 Franchising, LLC as “Franchisor” and _____ as Franchisee (the “Franchise Agreement”), for good and valuable consideration the receipt and sufficiency is hereby acknowledged, does hereby assign, sell, transfer and convey to Franchisor all of Franchisee's right, title and interest as of the date hereof in and to all telephone, facsimile and other numbers, telephone directory listings, email addresses, domain names, website addresses, URLs, Internet and website directory listings, web based platform and program accounts, including but not limited to Social Media Platform (as defined in the Franchise Agreement) accounts and other media in which the Franchised Business is listed or the Principal Trademarks displayed (collectively “Telephone and Internet Listings and Advertisements”) in existence as of the date of the expiration or termination of the Franchise Agreement.

Without limitation, the Telephone and Internet Listings and Advertisements include the following:

Telephone, facsimile and other numbers:

Telephone directory listings:

Email addresses:

Domain names:

Website addresses:

URLs:

Internet and website directory listings:

Web based platform and program accounts, including but not limited to Social Media Platform accounts:

Other Media referencing the Franchised Business:

Upon the expiration or termination of the Franchise Agreement, Franchisor shall have the right but not the obligation, and is hereby authorized to take possession of the Telephone and Internet Listings and Advertisements and assume all of the rights, title and interest of the Franchisee in the Telephone and Internet Listings and Advertisements.

Franchisee represents and warrants to Franchisor that it is the lawful owner of the Telephone and Internet Listings and Advertisements, and that Franchisee has the right to assign the Telephone and Internet Listings and Advertisements free and clear of any interest therein.

Franchisee hereby appoints Franchisor and/or its successors and assigns as attorney-in-fact for Franchisee to execute such documents as are necessary or desirable to affect the assignment of the Telephone and Internet Listings and Advertisements to Franchisor. Franchisee authorizes Franchisor and/or its successors and assigns as attorney-in-fact to insert references to those Telephone and Internet Listings and Advertisements in existence as of the date of the expiration or termination of the Franchise Agreement where applicable above at such times as Franchisor may determine, including but not limited to upon the expiration or termination of the Franchise Agreement. Franchisee will, at any time and from time to time after the date hereof, upon the reasonable request of Franchisor, do, execute, acknowledge and deliver, or will cause to be done, executed, acknowledged or delivered, all

such further acts, deeds, assignments, transfers, conveyances, powers of attorney or assurances as may be required for transferring, assigning, conveying and confirming to Franchisor, or for aiding and assisting in reducing to possession by Franchisor, any of the Telephone and Internet Listings and Advertisements or rights being assigned hereunder, or to vest in Franchisor good, valid and marketable rights to such Telephone and Internet Listings and Advertisements.

This Assignment of Telephone and Internet Listings and Advertisements shall inure to the benefit of Franchisor and shall be binding upon Franchisee and its successors and assigns.

IN WITNESS WHEREOF, Franchisee has caused this Assignment of Telephone and Internet Listings and Advertisements to be duly executed this ____ day of _____.

ASSIGNOR:

By: _____

Its Duly Authorized

STATE OF _____

ss:

COUNTY OF _____

On _____, 202__, before _____ me personally came
_____,
to me known, who, duly sworn, did depose _____ and say that deponent resides at
_____, that deponent is the _____ of Franchisee,
the corporation/limited liability company described in the foregoing Assignment of Telephone and Internet Listings and Advertisements, and which executed said Assignment of Telephone and Internet Listings and Advertisements, that deponent knows the seal of the corporation, that the seal affixed to the Assignment of Telephone and Internet Listings and Advertisements is the corporate seal, that it was affixed by order of the board of directors of the corporation/limited liability; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have herewith set my hand and official seal.

Notary Public

My Commission expires:

**FRANCHISE AGREEMENT
SCHEDULE "H"**

**GENERAL RELEASE
For Use in Renewals and Transfers**

To all to whom these Presents shall come or may Concern, Know That _____ [a corporation organized under the laws of the State of _____ [an individual domiciled in the State of _____ ("Franchisee"), its Owners (as defined in the Franchise Agreement) and officers collectively as RELEASOR, in consideration of the consent of TOP TIER K9 FRANCHISING, LLC to the Assignment or Renewal of the Franchise created pursuant to the franchise agreement between Franchisee and TOP TIER K9 FRANCHISING, LLC (the "Franchise Agreement"), any Transfer of any interest in the Franchise or the assets of Franchisee or the Franchised Business; or any relocation of the Franchised Business location, and for other good and valuable consideration, RELEASOR hereby releases and discharges TOP TIER K9 FRANCHISING, LLC as RELEASEE, RELEASEE'S corporate parents, subsidiaries and affiliates and the respective officers, directors, shareholders, agents, attorneys, contractors and employees of each of the foregoing entities (in their corporate and individual capacities), and RELEASEE'S heirs, executors, administrators, successors and assigns (the "Released Parties"), from all actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, in law, admiralty or equity, which against the Released Parties RELEASOR ever had, now have or hereafter can, shall or may have, upon or by reason of any matter, cause or thing whatsoever from the beginning of the world to the day of the date of this RELEASE, including, without limitation, claims arising under federal, state and local laws, rules and ordinances; provided, however, that all liabilities arising under rights enjoyed by RELEASOR under said Franchise Agreement and any causes of action arising in his, her or its favor from the laws of the State of Florida without recourse to Florida (or any other) choice of law or conflicts of laws principle and any regulations issued by the State of Florida shall remain in force; it being the intent of this proviso that any non-waiver provision of the laws of the State of Florida shall be satisfied. Additionally, any liabilities arising under any other applicable state law that may not be released in this context shall not be released and shall be excluded from this release without otherwise offering the validity of the Release.

Whenever the text hereof requires, the use of singular number shall include the appropriate plural number as the text of the within instrument may require.

This RELEASE may not be changed orally.

IN WITNESS WHEREOF, the RELEASOR (if an individual) has executed this RELEASE, and if a corporation) has caused this RELEASE to be executed by a duly authorized officer and its corporate seal to be hereunto affixed on _____.

RELEASOR

By: _____

[SEAL]

ACKNOWLEDGMENT FOR CORPORATE RELEASOR

STATE OF _____

COUNTY OF _____

On _____ before me _____, personally came _____, to me known, who, by me duly sworn, did depose and say that deponent resides at _____, that deponent is the _____ of the corporation described in the foregoing RELEASE, and which executed said RELEASE, that deponent knows the seal of the corporation, that the seal affixed to the RELEASE is the corporate seal, that it was affixed by order of the board of directors of the corporation; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

My Commission expires: _____ (NOTARY SEAL)

ACKNOWLEDGMENT FOR LIMITED LIABILITY COMPANY RELEASOR

STATE OF _____

COUNTY OF _____

ss:

On _____ before me personally came _____, to me known, who by me duly sworn, did depose and say that deponent resides at _____, that did depose and day that deponent resides at _____, that deponent is the _____ of _____ the limited liability company described in the foregoing RELEASE, and which executed said RELEASE, that this RELEASE was approved by the members of the limited liability company in accordance with their operating agreement, articles of organization or other governing documents; and that deponent signed deponent's name by like order.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

My Commission expires: ____ (NOTARY SEAL)

ACKNOWLEDGMENT FOR INDIVIDUAL RELEASOR

STATE OF _____

ss:

COUNTY OF _____

On this _____ day of _____, before me _____ (Name of Notary) the undersigned officer, personally appeared , to me personally known, and known to me to be the same person whose name is signed to the foregoing RELEASE and acknowledged the execution thereof for the uses and purposes therein set forth.

IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Notary Public

My Commission expires: _____

**FRANCHISE AGREEMENT
SCHEDULE "I"**

FORM OF PROMISSORY NOTE

UNSECURED NON-NEGOTIABLE PROMISSORY NOTE

\$ _____

Execution Date: _____

Maturity Date: _____

For value received, _____, ("Borrower"), promises to pay to the order of **Top Tier K9 Franchising, LLC**, Florida limited liability company ("Lender"), at 3011 Garcon Pt. Rd., Milton, FL 32358, or at such other address as the Lender may from time to time specify in writing, the principal sum of _____ (\$ _____) in legal and lawful money of the United States of America, with no (0%) interest on the outstanding principal from the date advanced until paid at the rate set out below.

1. *Background.* Reference is hereby made to that certain Franchise Agreement (the "Franchise Agreement"), dated of even date herewith, by and among the Borrower, the Lender, and the other parties thereto. This Unsecured Promissory Note (this "Note") is being delivered by Borrower to the Lender pursuant to the Franchise Agreement.

2. *Payment Terms.* Payments of principal shall be due and payable monthly, commencing on _____ in the amount of _____ **Dollars (\$ _____)** each, and continuing on the first (1st) day of each consecutive calendar month thereafter, through and including the first (1st) day of _____ at which time the unpaid principal balance plus all accrued and unpaid interest shall be paid in full; interest being calculated on the unpaid principal each day principal is outstanding and all payments made credited to any collection costs and late charges, to the discharge of the interest accrued and to the reduction of the principal, in such order as the Lender shall determine.

3. *Default Rate.* Matured unpaid principal shall bear interest from date of maturity until paid at (a) the highest rate permitted by applicable law, or (b) if no such maximum rate is established by applicable law, at the rate of eighteen percent (18%) per annum.

4. *Prepayment.* Borrower shall have the right, but not the obligation (except as otherwise expressly provided under this Note), to prepay, prior to maturity, all or any part of the principal of this Note without penalty.

5. *Default.* It is expressly provided that upon an Event of Default (as defined below), Lender may, at its option, upon providing written notice to the Borrower, (i) declare the outstanding principal balance and any accrued but unpaid interest on this Note immediately due and payable, (ii) pursue any and all other rights, remedies and recourses available to the lender hereof, at law or in equity, (iii) terminate the Franchise Agreement; and (iv) pursue any combination of the foregoing; and the same is placed in the hands of an attorney for collection, or suit is brought on same, or the same is collected through bankruptcy or other judicial proceedings, then the Borrower agrees and promises to pay all costs of collection, including reasonable attorneys' fees. For purposes of this Note, the occurrence of any events or conditions described below shall constitute an "Event of Default" hereunder:

a. Borrower fails to pay the principal or any accrued interest on the Note when due, and such failure is not remedied by Borrower within three (3) days after the due date of such payment;

b. The insolvency of Borrower or the appointment of a receiver for, or the filing of a petition of bankruptcy by or against Borrower;

c. Borrower admits in writing its inability to pay its debts as they mature; or

d. A material breach under the Franchise Agreement provided such material breach has not been cured in accordance with the Franchise Agreement.

6. Waiver. Except as provided herein, each maker, signer, surety and endorser hereof, as well as all heirs, successors and legal representatives of said parties, expressly waive presentment and demand for payment, notice of default, notice of intent to accelerate maturity, notice of acceleration of maturity, protest, notice of protest, notice of dishonor, and all other notices and demands for which waiver is not prohibited by law, and diligence in the collection hereof; and agree to all renewals, extensions, indulgences, partial payments, releases or exchanges of collateral, or taking of additional collateral, with or without notice, before or after maturity. No delay or omission of Lender in exercising any right hereunder shall be a waiver of such right or any other right under this Note. Lender's remedies under this Note are in addition to all other remedies available at law or in equity.

7. Governing Law, Venue. This Note is being executed and delivered and is intended to be performed in the State of Florida. Except to the extent that the laws of the United States may apply to the terms hereof, the substantive laws of the State of Florida shall govern the validity, construction, enforcement and interpretation of this Note. In the event of a dispute involving this Note or any other instruments executed in connection herewith, the undersigned irrevocably agrees that venue for such dispute shall lie in any court of competent jurisdiction in Santa Rosa County, Florida.

8. Captions. The captions in this Note are inserted for convenience only and are not to be used to limit the terms herein.

9. Amendment. No provision of this Note may be amended, supplemented, waived or otherwise modified except by a written agreement mutually executed by Lender and Borrower.

10. Notices. All notices, requests, demands and other communications required or permitted hereunder shall be in writing, and shall be deemed to be given or delivered when actually received by the party to whom directed, or, if earlier and regardless of whether actually received, upon deposit in a regularly maintained receptacle for the United States mail, registered or certified, postage fully prepaid, addressed to the party to whom directed at its address set forth below or at such other address as such party may have previously specified by notice actually received by the other party:

If to Borrower:

If to Lender:

Top Tier K9 Franchising, LLC
Attn: Jeff Minder
3011 Garcon Pt. Rd.
Milton, FL 32358

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has caused this Promissory Note to be executed in its corporate name by its duly authorized officers and caused its corporate seal to be hereunto affixed, all as of the day and year first above written.

BORROWER:

Print Name:

Title:

Accepted and Agreed.

LENDER:

Top Tier K9 Franchising, LLC

By: _____

Name: Jeffrey Minder

Title: CEO

EXHIBIT D

FINANCIAL STATEMENTS

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.

Top Tier K9 Franchising, LLC

Balance Sheet
As of June 30, 2025

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1000 Cash in Bank - Checking	195,045.31
Total Bank Accounts	\$195,045.31
Total Current Assets	\$195,045.31
TOTAL ASSETS	\$195,045.31
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Short-term business loans	
2400 Loan Payable - Top Tier K9, LLC	-70,779.61
Total Short-term business loans	-70,779.61
Total Other Current Liabilities	\$ -70,779.61
Total Current Liabilities	\$ -70,779.61
Total Liabilities	\$ -70,779.61
Equity	
Owner draws	-50,000.00
Retained Earnings	266,338.63
Net Income	49,486.29
Total Equity	\$265,824.92
TOTAL LIABILITIES AND EQUITY	\$195,045.31

Top Tier K9 Franchising, LLC

Profit and Loss

January - June, 2025

	TOTAL
Income	
Consulting Services	3,150.00
Income - License Fees	10,000.00
Income - Royalties	40,998.90
Total Income	\$54,148.90
GROSS PROFIT	\$54,148.90
Expenses	
5055 Professional Fees	1,924.00
General business expenses	
5015 Bank fees & service charges	175.00
Total General business expenses	175.00
Utilities	2,563.61
Total Expenses	\$4,662.61
NET OPERATING INCOME	\$49,486.29
NET INCOME	\$49,486.29

**TOP TIER K9 FRANCHISING, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2024**

TOP TIER K9 FRANCHISING, LLC
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MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant
646.327.7013

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
Top Tier k9 Franchising, LLC**

Opinion

We have audited the financial statements of Top Tier k9 Franchising, LLC, which comprises the balance sheets as of December 31, 2024 and 2023, and the related statement of operations, and changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Top Tier k9 Franchising, LLC as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Top Tier k9 Franchising, LLC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Top Tier k9 Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

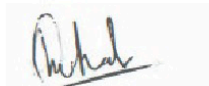
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Top Tier k9 Franchising, LLC's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Top Tier k9 Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Muhammad Zubairy, CPA PC
Westbury, NY
July 3, 2025

TOP TIER K9 FRANCHISING, LLC
BALANCE SHEETS

	<u>ASSETS</u>	
	YEARS ENDED DECEMBER 31	
	<u>2024</u>	<u>2023</u>
Cash	\$ 145,559	\$ 167,991
Total Assets	<u>\$ 145,559</u>	<u>\$ 167,991</u>
<u>LIABILITIES AND MEMBER'S EQUITY</u>		
Current liabilities		
Due to related party	\$ 39,534	\$ 106,692
Contract liabilities	<u>16,770</u>	<u>28,820</u>
Total Current liabilities	56,304	135,512
Contract Liabilities, net of current	126,556	116,039
Member's Equity (Deficit)	<u>(37,301)</u>	<u>(83,560)</u>
Total Liabilities and Member's Equity	<u>\$ 145,559</u>	<u>\$ 167,991</u>

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY

	YEARS ENDED DECEMBER 31	
	2024	2023
Revenues		
Franchise fees	\$ 41,033	\$ 67,738
Royalties	78,877	22,848
Total income	119,910	90,586
Operating Expenses	23,651	21,761
Net (Loss)	96,259	68,825
Member's Equity (Deficit) - Beginning	(83,560)	(152,385)
Member's Contribution (Distributions)	(50,000)	—
Member's Equity (Deficit)- Ending	<u>\$ (37,301)</u>	<u>\$ (83,560)</u>

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
STATEMENT OF CASH FLOWS

	YEARS ENDED DECEMBER 31	
	2024	2023
Cash Flows from Operating Activities		
Net (loss)	\$ 96,259	\$ 68,825
Adjustments to reconcile net (loss) to net cash used by operating activities:		
Changes in assets and liabilities		
Due to related parties	(67,158)	(66,006)
Contract liabilities	(1,533)	97,212
	<u>27,568</u>	<u>100,031</u>
Cash Flow from Financing Activities		
Member's contributions (Distributions)	(50,000)	—
Net (Decrease) in Cash	(22,432)	100,031
Cash - Beginning of Year	167,991	67,960
Cash - End of Year	<u>\$ 145,559</u>	<u>\$ 167,991</u>

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

1. THE COMPANY- Top Tier K9 Franchising, LLC is a Florida Limited Liability Company that was formed in June 2022 to offer franchises the right to operate a business as a dog trainer. The franchisee would have an opportunity to receive one of the top pet training programs that has been carefully created through years of dog training experience.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statement has been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate as a dog trainer using the name and mark of "Top Tier K9" for a specified number of years.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of \$250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from those estimates.

Income Taxes-The Company has elected to be taxed as a single member Limited Liability Company for income tax purposes. Income for the Company passes through directly to the member and is reported on the owner's individual income tax returns. Therefore, no provision or liability for federal or state income tax has been included in the financial statements.

3. REVENUE RECOGNITION

The Company will record revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations will be recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation will be amortized over the life of the related franchise agreements. Commissions paid for franchises will be amortized over the life of the franchise agreement.

TOP TIER K9 FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

4. CONTRACT LIABILITIES

In compliance with the Financial Accounting Standards Board ("FASB") for revenue recognition ("Topic 606"), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2024 and 2023 was \$143,326 and \$144,859 respectively.

5. RELATED PARTY TRANSACTIONS

The Company periodically receives advance funds from its members' or related companies. These advances are due upon demand and do not bear interest. At December 31, 2024 and 2023 the balance due to a related party was \$39,534 and \$106,692 respectively.

6. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through July 3, 2025, the date the financial statements were available to be issued.

**TOP TIER K9 FRANCHISING, LLC
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

TOP TIER K9 FRANCHISING, LLC
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MUHAMMAD ZUBAIRY, CPA PC

Certified Public Accountant
646.327.7013

INDEPENDENT AUDITOR'S REPORT

**To the Shareholders of
Top Tier k9 Franchising, LLC**

Opinion

We have audited the financial statements of Top Tier k9 Franchising, LLC, which comprises the balance sheets as of December 31, 2023 and 2022, and the related statement of operations, and changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of Top Tier k9 Franchising, LLC as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Top Tier k9 Franchising, LLC, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Top Tier k9 Franchising, LLC's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

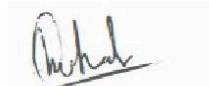
Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Top Tier k9 Franchising, LLC's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Top Tier k9 Franchising, LLC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Muhammad Zubairy, CPA PC
Westbury, NY
June 13, 2024

TOP TIER K9 FRANCHISING, LLC
BALANCE SHEETS

	<u>ASSETS</u>	
	YEARS ENDED DECEMBER 31	
	<u>2023</u>	<u>2022</u>
Cash	\$ 167,991	\$ 67,960
Total Assets	<u>\$ 167,991</u>	<u>\$ 67,960</u>
<u>LIABILITIES AND MEMBER'S EQUITY</u>		
Current liabilities		
Due to related party	\$ 106,692	\$ 172,698
Contract liabilities	<u>28,820</u>	<u>4,825</u>
Total Current liabilities	135,512	177,523
Contract Liabilities, net of current	116,039	42,822
Member's Equity (Deficit)	<u>(83,560)</u>	<u>(152,385)</u>
Total Liabilities and Member's Equity	<u>\$ 167,991</u>	<u>\$ 67,960</u>

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
STATEMENTS OF OPERATIONS AND MEMBER'S EQUITY

	YEARS ENDED DECEMBER 31	
	2023	2022
Revenues		
Franchise fees	\$ 67,738	\$ 603
Royalties	22,848	—
Total income	90,586	603
 Operating Expenses	 21,761	 152,988
 Net (Loss)	 68,825	 (152,385)
 Member's Equity (Deficit) - Beginning	 (152,385)	 —
 Contribution (Distributions)	 —	 —
 Member's Equity (Deficit)- Ending	 \$ (83,560)	 \$ (152,385)

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
STATEMENT OF CASH FLOWS

	YEARS ENDED DECEMBER 31	
	2023	2022
Cash Flows from Operating Activities		
Net (loss)	\$ 68,825	\$ (152,385)
Adjustments to reconcile net (loss) to net cash used by operating activities:		
Changes in assets and liabilities		
Due to related parties	(66,006)	172,698
Contract liabilities	97,212	47,647
	<u>100,031</u>	<u>67,960</u>
Net (Decrease) in Cash	100,031	67,960
Cash - Beginning of Year	67,960	—
Cash - End of Year	<u>\$ 167,991</u>	<u>\$ 67,960</u>

See notes to financial statements

TOP TIER K9 FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

1. THE COMPANY- Top Tier K9 Franchising, LLC is a Florida Limited Liability Company that was formed in June 2022 to offer franchises the right to operate a business as a dog trainer. The franchisee would have an opportunity to receive one of the top pet training programs that has been carefully created through years of dog training experience.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting-The accompanying financial statement has been prepared on an accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to disbursement of cash.

Franchise Arrangements-The Company's franchise arrangements generally include a license which provides for payments of initial fees as well as continuing royalties to the Company based upon a percentage of sales. Under this arrangement, franchisees are granted the right to operate as a dog trainer using the name and mark of "Top Tier K9" for a specified number of years.

Concentration of Credit Risk-Financial instruments that potentially expose the Company to concentration of credit risk primarily consist of cash and cash equivalents. The balances in the Company's cash accounts did not exceed the Federal Deposit Insurance Company's (FDIC) insurance limit of \$250,000. The Company maintains its cash and cash equivalents with accredited financial institutions.

Use of Estimates-The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from those estimates.

Income Taxes-The Company has elected to be taxed as a single member Limited Liability Company for income tax purposes. Income for the Company passes through directly to the member and is reported on the owner's individual income tax returns. Therefore, no provision or liability for federal or state income tax has been included in the financial statements.

3. REVENUE RECOGNITION

The Company will record revenue in accordance Accounting Standards Board ("FASB") and Accounting Standards Update ("ASU") No. 2014-09, Revenue from Contracts with Customers (Topic 606). The transaction price attributable to performance obligations will be recognized as the performance obligations are satisfied. The portion of the franchise fee, if any, that is not attributable to a distinct performance obligation will be amortized over the life of the related franchise agreements. Commissions paid for franchises will be amortized over the life of the franchise agreement.

TOP TIER K9 FRANCHISING, LLC
NOTES TO FINANCIAL STATEMENTS

4. RELATED PARTY TRANSACTIONS

The Company periodically receives advance funds from its members' or related companies. These advances are due upon demand and do not bear interest. At December 31, 2023 and 2022 the balance due to a related party was \$106,692 and \$172,698 respectively.

5. CONTRACT LIABILITIES

In compliance with the Financial Accounting Standards Board ("FASB") for revenue recognition ("Topic 606"), the Company records its non-refundable franchise fees, net of amounts earned based on allowable direct services, as deferred revenues, to be recognized over the life of the franchise agreement. The non-refundable franchise fees received but not yet earned as of December 31, 2023 and 2022 was \$144,859 and \$47,647 respectively.

6. SUBSEQUENT EVENTS

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required further adjustment or disclosure in the financial statements. Subsequent events have been evaluated through June 13, 2024, the date the financial statements were available to be issued.

EXHIBIT “E”

LIST OF FRANCHISEES

CURRENT AND FORMER FRANCHISEES

Current Franchisees

Names of all current franchisees (as of the end of our last fiscal year) and the address and telephone number of each of their outlets:

Alabama

Ryan Greenawald
4317 Spartacus Dr. SW
Huntsville, Alabama
256-863-0120

Colorado

Bridget Weidner
18377 E. Nassau Dr.
Aurora, CO 80013
(720) 347-8503

Florida

Alex Kaminaris
3255 Co. Rd. 208
St. Augustine, FL 32092
(904) 466-9558

Julie Madison
820 33rd St. W.
Bradenton, FL 34205
(203) 733-7183

Indiana

Ken Weadick
1709 S. State Rd. 135
Greenwood, IN 46143
(317) 670-5120

Missouri

Scott Verney
851 Pund Rd.
O'Fallon, Missouri 63366
(636) 248-2932

Pennsylvania

Kevin Reed
1212 Devers Rd.
York, PA 17404
(443) 289-5357

West Virginia

Dawn Bowles and Glen Fisher
121 Mountain Laurel Rd.
Daniels, West Virginia 25832
(304) 712-2659

Franchisees who had signed franchise agreements but were not yet open as of the end of our last fiscal year:

None

Former Franchisees

Name, city and state, and current business telephone number, or if unknown, the last known home telephone number of every franchisee who had an outlet terminated, canceled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the franchise agreement during the most recently completed fiscal year or who have not communicated with us within 10 weeks of the disclosure document issuance date:

None

EXHIBIT “F”

MANUAL TABLE OF CONTENTS

Contents of Franchise Manual

Detailed Contents Provided in Each Section

Section A: Preface & Welcome to the Team

Section B: Franchise Relations

Section C: Before You Open

Section D: Running Your Business

Section E: Personnel

Section F: New Business & Customer Retention

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EXHIBIT "G"

SAMPLE SERVICE AGREEMENT



_____(Franchisee Name), d/b/a Top Tier K9 of

Personalized Training Agreement

Client Information:

Client Name(s) (the
"Owner"): _____

Address: _____ City /
Zip _____

Phone Number: _____ Email: _____

Emergency Contact _____
Phone _____

Pet Information (the "Dog(s)"):

Dog Name: _____ Breed: _____

Dog Gender (circle one): Male Female Dog Age: _____ years

Spayed/Neutered? (Circle one) Yes No

Dog(s)' Veterinarian: _____ Address _____

Belongings:

Who is authorized to retrieve the Dog(s) from _____?

The Owner hereby retains _____ (Name of Franchisee) ("TTK9") to train the Dog(s) under the following terms and conditions as set forth in this Personalized Training Agreement (the "Agreement"):

2. Training. The trainer will train the Dog(s) multiple times per day for sessions lasting approximately 15-60 minutes with breaks in between as needed. The length of training required depends on the Dog(s)' capability to learn and their prior experiences. Obedience training generally requires four weeks, but may be shorter or longer in some cases. Training done on a per session basis does not have a specific time frame for completion. Behavior modification training time will vary depending upon the dog, issues, and goals. The trainer will update the Owner on the anticipated length of training required to reach the agreed upon goals.

3. Collar & Tool Use. The Owner fully understands the tools and techniques that are used to train and modify the behavior of Dog(s) and agrees to the tools and techniques to be used by TTK9 for such training, which may include the use of a prong collar, flat collar, choke chain, martingale collar, slip lead, harness, head collar, muzzle, bark collar and/or remote/e-collar.

4. Achievement of Goals. The goal(s) will be considered achieved upon successful demonstration of understanding and compliance of commands given by the trainer at a location chosen by the trainer.

5. Expectations. It may not be possible in some cases to achieve all goals. For example, a dog may have a medical condition that prevents the dog from being reliably housebroken. The trainer will notify the Owner if any areas are identified where goals need to be modified.

6. Maintenance of Goals. The Owner recognizes that this training will result in the Dog(s) obeying the trainer, and that this will not train the Dog(s) to obey the Owner. In order for the Dog(s) to obey the Owner, the following must occur:

- a. The Owner must understand the basic principles of training.
- b. The Owner must apply the basic principles of training.
- c. The Owner must not interact with the Dog(s) in a way that rewards bad behavior and/or punishes good behavior.
- d. The Owner must regularly practice training the Dog(s) to maintain the level of training achieved.
- e. The Owner must not give commands that they are not ready to reinforce if the Dog(s) do not perform.

7. Veterinary Care. If the Dog(s) require non-emergency veterinary care during the training period, the trainer will make a reasonable attempt to contact the Owner so the Owner can obtain veterinary care for the Dog(s). If the Owner cannot be reached or is unable to tend to the Dog(s)' need for veterinary care, or in the case of an emergency, the trainer will arrange on behalf of the Owner for veterinary care to which the Owner consents as set forth below.

- a. **All veterinary fees are the responsibility of the Owner.**
- b. If convenient, the trainer will take the Dog(s) to the veterinarian specified above by the Owner, but the trainer reserves the right to take the Dog(s) to a veterinarian selected by the trainer, using reasonable care in the selection of a veterinarian.
- c. The Owner hereby consents to the following veterinary care for the Dog(s) (initial appropriate blank or blanks), and gives the trainer full authority to consent to such treatment as the agent of the Owner:

- i. _____ Emergency care reasonably required to save the Dog(s)' life, to preserve the use of organs or limbs, or to alleviate severe pain.
 - ii. _____ The Owner must arrange all other veterinary care. The trainer's time and transportation expenses must also be reimbursed.
- d. Owner agrees and understands that TTK9 will obtain timely veterinary care for any injured or ill dog. In the event such veterinary care is necessary, and even if TTK9 is unable to reach the Owner, the Owner hereby expressly understands that TTK9 will seek such timely veterinary care as is appropriate, either at the Dog(s)' usual veterinarian or at a veterinarian of TTK9's choosing, at the sole expense of Owner.
- e. Accidental or Natural Death: In the rare and unfortunate event that the Dog(s) should die while in the care of TTK9, and unless otherwise instructed in advance by the Owner, the Dog(s) will be taken to a veterinarian of TTK9's choice and maintained for pick-up or further instruction.

8. Aggressive Dogs. The Owner warrants that he/she has disclosed to TTK9 in writing any behavior that may indicate that the Dog(s) may be aggressive to other dogs or people, including but not limited to growling, forceful barking, snapping, raising hackles, lowering of head and staring, chasing, attempting to bite, and biting. The Owner understands that, while the trainer may be able to address some forms of aggression, many aggressive dogs require long-term treatment following a specific plan of action. The Owner further understands that some forms of aggression cannot be addressed with behavior modification and may require medication which is outside the scope of this Agreement. TTK9 reserves the right, in its sole and absolute discretion, to refuse or discontinue services for any dog, in which case the trainer will have no further obligation to the Owner with respect to the training of that dog.

9. Behavioral issues. Unless otherwise noted, behavioral issues will not be addressed during training. The trainer(s) will notify the Owner(s) of any behavioral issue(s) that may impact the performance of a command. In such cases, the command(s) impacted by the behavioral issue may not be covered under the obedience training.

10. Right to End Training. The trainer(s) reserves the right to end training, in their sole and absolute discretion, before completion for any reason. In such a case, a refund will be given minus expenses and prorated training fees at the trainer(s) discretion and the trainer(s) and TTK9 will have no further obligation to the Owner(s).

11. The trainer reserves the right to trim the Dog(s)' fur if needed for training.

12. Unpaid Charges. All charges incurred by Owner shall be payable upon pick-up of the Dog(s). TTK9 shall have, and is hereby granted, a lien on the Dog(s) in TTK9's possession for any and all unpaid charges resulting from the training contemplated by this Agreement. The Owner hereby agrees that in the event the charges are not paid when due in accordance with this contract, TTK9 may exercise its lien rights. TTK9 may dispose of the Dog(s) for any and all unpaid charges, at private or public sale, in the sole discretion of TTK9, and Owner specifically waives all statutory or legal rights to the contrary. If such sale shall not secure a price adequate to pay such costs of board or other charges delinquent, plus costs of sale, then Owner shall be liable to TTK9 for the difference.

13. Abandonment. Owner understands that if there is no Owner contact within 14 calendar days after the day pet is scheduled for completion of training, pet shall be deemed abandoned. TTK9 will make every reasonable attempt to contact Owner up to and 14 days after scheduled date of completion. TTK9 then has the legal right to place pet with a new Owner. Owner shall remain liable for all boarding and training fees.

14. Liability. All behavioral advice and training suggestions are provided at the client's/Owner's own

risk. Use of this information is voluntary and TTK9 is not responsible for injury to any human or animal. The client/Owner is at all times responsible for the actions of the Dog(s). TTK9 and the trainer(s) are not responsible for any injuries or expenses resulting from socialization or training, transportation, boarding, grooming, or any other training-related activity. Dogs participating in physical exercises may be injured by running, jumping, chasing a ball etc. Client further hereby agrees to the terms of the **Waiver, Assumption of Risk and Agreement to Hold Harmless and Indemnify** form to be signed by Owner prior to the commencement of any training of the Dog(s) by _____ (Name of Franchisee).

I have read, understand, and agree to the terms of this Agreement:

Printed Name of Owner

By: _____
Signature of Owner

Medications:

Will the Dog(s) require medications during Boarding or Day Care? _____ Yes _____ No

Dog's Name	Medication	Dosage	Instructions

Feeding:

Please provide feeding instructions* for the Dog(s):

*Foods to be provided by Owner unless Kennel Diet option is selected

Dog's Name	Food	Amount Fed	Times Per Day

WAIVER OF LIABILITY AND HOLD HARMLESS AGREEMENT

1. In consideration for receiving permission to have my dog trained and train my dog on the property of “_____”, I hereby RELEASE, WAIVE, DISCHARGE, AND COVENANT NOT TO SUE _____ **or Top Tier K9 Franchising, LLC, its members or employees,** (hereinafter referred to as RELEASEES) from any and all liability, claims, demands, actions, and causes of action whatsoever arising out of or related to any loss, damage, or injury, including death, that may be sustained by me, or to any property belonging to me, while participating in such activity, while in, on or upon the premises where the activities are being conducted, REGARDLESS OF WHETHER SUCH LOSS IS CAUSED BY THE NEGLIGENCE OF THE RELEASEES, or otherwise and regardless of whether such liability arises in tort, contract, strict liability, or otherwise, to the fullest extent allowed by law.

2. I further hereby AGREE TO INDEMNIFY AND HOLD HARMLESS the RELEASEES from any loss, liability, damage, or costs, including court costs and attorneys' fees that Releases may incur due to my participation in said activities, WHETHER CAUSED BY NEGLIGENCE OF RELEASEES or otherwise, to the fullest extent allowed by law.

3. It is my express intent that this Waiver and Hold Harmless Agreement shall bind the members of my family and spouse, if I am alive, and my heirs, assigns and personal representative, if I am deceased, and shall be deemed as a RELEASE, WAIVER, DISCHARGE, AND COVENANT NOT TO SUE the above-named RELEASEES. I hereby further agree that this Waiver of Liability and Hold Harmless Agreement shall be construed in accordance with the laws of the State of Florida and that any mediation, suit, or other proceeding must be filed or entered into only in Madison, FL and the federal or state courts of Florida. Any portion of this document deemed unlawful or unenforceable is severable and shall be stricken without any effect on the enforceability of the remaining provisions.

IN SIGNING THIS AGREEMENT, I ACKNOWLEDGE AND REPRESENT THAT I have read the foregoing Wavier of Liability and Hold Harmless Agreement, understand it and sign it voluntarily as my own free act and deed; no oral representations, statements, or inducements, apart from the foregoing written agreement, have been made; I am at least eighteen (18) years of age and fully competent; and I execute this Agreement for full, adequate and complete consideration fully intending to be bound by same.

Name _____

Signature _____ Date: _____

EXHIBIT "H"

STATEMENT OF PROSPECTIVE FRANCHISEE

As you know, you and we are entering into a Franchise Agreement for the operation of a Top Tier K9 Franchised Business. The purpose of this Statement is to determine whether any statements or promises were made to you that we have not authorized or that may be untrue, inaccurate, or misleading, and to be certain that you understand the limitations on claims that may be made by you by reason of the offer and sale of the franchise and operation of your business. Please review each of the following questions carefully and provide honest responses to each question.

Acknowledgements and Representations.

1. Did you receive a copy of our Disclosure Document (and all exhibits and attachments) at least fourteen calendar days prior to signing the Franchise Agreement? Check one:
() Yes () No. If no, please comment: _____

2. Have you studied and reviewed carefully, our Disclosure Document and Franchise Agreement? Check one: () Yes () No. If no, please comment: _____

3. Did you understand all the information contained in both the Disclosure Document and Franchise Agreement? Check one: () Yes () No. If no, please comment: _____

4. Was any oral, written, or visual claim or representation made to you which contradicted the disclosures in the Disclosure Document? Check one: () Yes () No. If yes, please state in detail the oral, written, or visual claim or representation: _____

5. Did any employee or other person speaking on behalf of Top Tier K9 Franchising, LLC make any oral, written, or visual claim, statement, promise or representation to you that stated, suggested, predicted or projected sales, revenues, expenses, earnings, income or profit levels at any Top Tier K9 location or business, or the likelihood of success at your franchise business? Check one () Yes () No. If yes, please state in detail the oral, written, or visual claim or representation: _____

6. Did any employee or other person speaking on behalf of Top Tier K9 Franchising, LLC make any statement or promise regarding the costs involved in operating a franchise that is contrary to, or different from, the information contained in the Disclosure Document?

Check one: () Yes () No. If yes, please comment: _____

7. ~~Except as may be stated in Item 19 of the Disclosure Document, did any employee or other person speaking on behalf of Top Tier K9 Franchising, LLC make any oral, written, or visual claim, statement, promise or representation to you that stated, suggested, predicted or~~

projected sales, revenues, expenses, earnings, income or profit levels at any Top Tier K9 location or business or the likelihood of success at your franchised business? Check one: () Yes () No. If yes, please state in detail the oral, written, or visual claim or representation:

8. Do you understand that the franchise granted is for the right to develop a Top Tier K9 Franchised Business in a certain Territory and that we and our affiliates have the right to issue franchises or operate competing businesses for or at locations, as we determine, outside your Territory? Check one: () Yes () No. If no, please comment:
-

9. Do you understand that the Franchise Agreement and Disclosure Document contain the entire agreement between you and us concerning your Top Tier K9 franchise rights, meaning that any prior oral or written statements not set out in the Franchise Agreement or Disclosure Document will not be binding? Check one: () Yes () No. If no, please comment: _____
-

10. Do you understand that the success or failure of your Top Tier K9 business will depend in large part upon your skills and experience, your business acumen, your location, the local market for your products and services, the economy, the number of employees you hire, competition and other economic and business factors? Check one () Yes () No. If no, please comment:
-
-
-

YOU UNDERSTAND THAT YOUR ANSWERS ARE IMPORTANT TO US AND THAT WE WILL RELY ON THEM. BY SIGNING THIS STATEMENT, YOU ARE REPRESENTING THAT YOU HAVE CONSIDERED EACH QUESTION CAREFULLY AND RESPONDED TRUTHFULLY TO THE ABOVE QUESTIONS. IF MORE SPACE IS NEEDED FOR ANY ANSWER, CONTINUE ON A SEPARATE SHEET AND ATTACH.

NOTE: IF THE RECIPIENT IS A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY, EACH OF ITS PRINCIPAL OWNERS MUST SIGN BELOW.

Signed: _____

Signed: _____

Print Name: _____

Print Name: _____

Date: _____

Date: _____

APPROVED ON BEHALF OF TOP TIER K9 FRANCHISING, LLC

By: _____
Jeffrey S. Minder, CEO

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
Indiana	

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.

EXHIBIT "I"

RECEIPT

(Our Copy)

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

If Top Tier K9 Franchising, LLC offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with us or make a payment to us or an affiliate in connection with the proposed franchise sale. Under Illinois, Iowa, Maine, Nebraska, Oklahoma, Rhode Island or South Dakota law, if applicable, we must provide this disclosure document to you at your 1st personal meeting to discuss the franchise. New York requires that you receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Top Tier K9 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, D.C. 20580 and the appropriate state agency identified on Exhibit B.

The name, principal business address and telephone number of each franchise seller offering the franchise is: Jeffrey S. Minder; 3011 Garcon Point Rd., Milton, FL 32358; _____

Issuance Date: July 7, 2025.

See Exhibit B for our registered agents authorized to receive service of process.

I have received a disclosure document dated July 7, 2025 that included the following:

- A. State Addendum
- B. State Administrators and Agents for Service of Process
- C. TOP TIER K9 Franchise Agreement
- D. Financial Statements
- E. List of Franchisees
- F. Confidential Operations Manual Table of Contents
- G. Sample Service Agreement
- H. Statement of Prospective Franchisee
- I. Disclosure Document Receipts

Date

Signature

Printed Name

Date

Signature

Printed Name

RECEIPT
(Your Copy)

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