

Franchise Disclosure Document



PREPPY PET FRANCHISES, INC.
 A Florida Corporation
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 DEPARTMENT OF
 BUSINESS OVERSIGHT
 SAN FRANCISCO

The franchisor is offering a franchise license for the operation of a business that will provide pet boarding, daycare, grooming salon and spa services under the name "PREPPY PET"

The total investment necessary to begin operation of a Preppy Pet 2.5 Franchise is between \$105,950 and \$210,400. This includes \$19,900 as an Initial Franchise Fee and \$30,000 to \$40,000 that must be paid to the franchisor for kennel suites. A Preppy Pet 2.5 business typically operates out of a location of 2,500 to 3,000 square feet of space and can contain a maximum of 72 kennels.

Our Standard Preppy Pet Franchise is operated in a larger location, typically between 3,000 and 6,000 square feet and is available for an Initial Franchise Fee of \$34,500 and your initial investment will be between \$138,700 and \$258,200. The cost for kennel suites will range from \$40,000 to \$60,000 that must be paid to us.

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, contact Jerry Gore at 57 West Michigan Street, Orlando, Florida 32806 and 407-420-1060.

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.

THE ISSUE DATE OF THIS DISCLOSURE DOCUMENT IS MARCH 15, 2018

STATE COVER PAGE

Your state may have a franchise law that requires a franchisor to register or file with a state franchise administrator before offering or selling in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT

Call the state franchise administrator listed in Exhibit F for information about the franchisor, about other franchisors, or about franchising in your state

Please consider the following RISK FACTORS before you buy this franchise

1 THE FRANCHISE AGREEMENT REQUIRES THAT THE FRANCHISEE ARBITRATE DISAGREEMENTS WITH THE FRANCHISOR ONLY IN THE STATE OF FLORIDA. OUT OF STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO ARBITRATE WITH THE FRANCHISOR IN FLORIDA THAN IN YOUR HOME STATE.

2 THE FRANCHISE AGREEMENT STATES THAT FLORIDA LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW.

3 IN SOME CASES, YOUR SPOUSE MAY BE REQUIRED TO SIGN A PERSONAL GUARANTEE, MAKING YOUR SPOUSE INDIVIDUALLY LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE AGREEMENT. THE GUARANTEE WILL PLACE YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS AT RISK IF YOUR FRANCHISE FAILS.

4 THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

WE USE THE SERVICES OF ONE OR MORE FRANCHISE BROKERS OR REFERRAL SOURCES TO ASSIST US IN SELLING OUR FRANCHISE. A FRANCHISE BROKER OR REFERRAL SOURCE REPRESENTS US, NOT YOU. WE PAY THIS PERSON A FEE FOR SELLING OUR FRANCHISE OR REFERRING YOU TO US. YOU SHOULD MAKE SURE TO DO YOUR OWN INVESTIGATION OF THE FRANCHISE.

PREPPY PET FRANCHISES, INC
FRANCHISE DISCLOSURE DOCUMENT
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