

FRANCHISE DISCLOSURE DOCUMENT



Healthy Pet Partners, LLC

a Colorado limited liability company 6834 S. University Blvd., #503 Centennial, CO 80122

Phone: (303) 997-0737 Fax: (303) 948-8217

Email: info@wagnwash.com

www.wagnwash.com

www.facebook.com/wagnwash

Wag N Wash businesses provide self-service pet bathing, professional pet bathing services, and the retail sale of pet supplies, pet accessories, pet bakery items, and pet deli items ("WNW Business(es)").

The total investment necessary to begin operation of a WNW Business is between \$510,910 and \$843,410, including \$85,785 to \$88,785 which must be paid to the franchisor or its affiliates. The total investment necessary to begin operation of a Multi-2 Franchise is between \$999,320 and \$1,664,320 depending on the number of WNW Businesses opened. This includes \$149,070 to \$155,070 that must be paid to the franchisor or its affiliate(s). The total investment necessary to begin operation of a Multi-3 Franchise is between \$1,498,980 and \$2,496,480 depending on the number of WNW Businesses opened. This includes \$223,605 to \$232,605 that must be paid to the franchisor or its affiliate(s).

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this Franchise 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 Rob Flanagan at 6834 S. University Blvd., #503, Centennial, Colorado 80122, (303) 997-0737.

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

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. In addition, there may be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 27, 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 <u>Exhibit A</u> for information about the franchisor or about franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

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

- 1. THE FRANCHISE AGREEMENT REQUIRES YOU TO RESOLVE DISPUTES WITH US BY ARBITRATION/LITIGATION ONLY IN COLORADO. OUT-OF-STATE ARBITRATION/LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE/LITIGATE WITH US IN COLORADO THAN IN YOUR OWN STATE.
- 2. THE FRANCHISE AGREEMENT STATES THAT COLORADO LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTION AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
- 3. YOUR SPOUSE MUST SIGN A DOCUMENT, SUCH AS A GUARANTEE, THAT MAKES YOUR SPOUSE LIABLE FOR YOUR FINANCIAL OBLIGATIONS UNDER THE FRANCHISE AGREEMENT EVEN IF YOUR SPOUSE DOES NOT OWN ANY PART OF THE BUSINESS. IF YOU LIVE IN A COMMUNITY PROPERTY STATE, YOUR SPOUSE MAY BE LIABLE FOR YOUR FINANCIAL OBLIGATIONS EVEN IF HE OR SHE HASN'T SIGNED ANYTHING. IN EITHER CASE, BOTH YOU AND YOUR SPOUSE'S MARITAL AND PERSONAL ASSETS, INCLUDING YOUR HOUSE, COULD BE LOST IF YOUR FRANCHISE FAILS.
- 4. THE FRANCHISEE WILL BE REQUIRED TO MAKE AN ESTIMATED INITIAL INVESTMENT RANGING FROM \$510,910 TO \$2,496,480. THIS AMOUNT EXCEEDS THE FRANCHISOR'S STOCKHOLDERS EQUITY AS OF DECEMBER 31, 2017, WHICH IS \$204,666.
- 5. 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 is <u>our</u> agent and represents us, not you. We pay this person a fee for selling our franchise or referring you to us. You should be sure to do your own investigation of the franchise.

Effective Dates: See next page for state effective dates.



STATE EFFECTIVE DATES

The following states require the 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 disclosure document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

Effective Dates for States Requiring Registration and Notice Filings:

| STATE | EFFECTIVE DATE |
|--------------|----------------|
| CALIFORNIA | PENDING |
| HAWAII | PENDING |
| ILLINOIS | PENDING |
| INDIANA | PENDING |
| MARYLAND | PENDING |
| MICHIGAN | PENDING |
| MINNESOTA | PENDING |
| NEW YORK | PENDING |
| NORTH DAKOTA | PENDING |
| RHODE ISLAND | PENDING |
| SOUTH DAKOTA | NOT REGISTERED |
| VIRGINIA | PENDING |
| WASHINGTON | PENDING |
| WISCONSIN | PENDING |

| This is a document preview downloaded from FranchisePanda.com. free by visiting: https://franchisepanda.com/franchises/wag-n-wash | The full document is available for |
|---|------------------------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |