

Franchise Disclosure Document

This Appendix contains a sample disclosure document that conforms to guidelines of the Federal Trade Commission (FTC) amended rule. The 14 registration states may require additional information in their disclosure documents.

Most people, whether seeking to become franchisors or franchisees, initially have no idea what a disclosure document looks like until they contact an attorney. Examine the sample disclosure document, whether you are a potential franchisor or a prospective franchisee, and compare it with the information in Chapter 2.

Pay particular attention to Item 11 of the document, “Franchisor’s Obligations.” As a franchisee, you will receive important benefits from a good franchise agreement that you could not receive if you started the particular business on your own. For the franchisor, these obligations “glue” the franchisee to the franchise. For example, if the franchisee can purchase inventory at the lowest competitive price from the franchisor, this glues the franchisee to the franchisor for the term of the franchise agreement. The franchisee cannot purchase the inventory at that low price without the franchisor. Other benefits attractive to a franchisee, which serve as glue to the franchisor, may include the exclusive use of a patented process or product, low-cost health plans, secret recipes, or access to national purchasing accounts.

Look for the “glue” when you review the following disclosure document. Using the information you learned from this book, decide for yourself whether the disclosure document you are signing is a good one.

The following franchise disclosure document is fictional and included for illustration purposes only with the consent of its author, Michael Katz, Esq. It represents a disclosure document that conforms to federal guidelines in effect as of April 1, 2016. It is intended to be a reference resource only and should not be used as an exclusive source for developing franchise documents for a specific franchise. You should consult with a franchise attorney to obtain current state and federal requirements before starting any franchise venture.

FRANCHISE DISCLOSURE DOCUMENT

NOAH'S ARK FRANCHISING INC.
A Colorado Corporation

AARDVARKS ONLY
123 First Street
Denver, Colorado 80000

(888) 555-1212
AardvarksArks.com
info@AardvarksArks.com

Noah's Ark Franchising offers franchisees the right to operate a business that offers the public pet aardvark daycare services and products such as grooming and training.

The total investment necessary to begin operation of a Noah's Ark franchise is from \$61,750 to \$120,750. This includes \$16,750 that must be paid to the franchisor or affiliate.

This disclosure document summarizes certain provisions of your franchise agreement (Franchise Agreement) and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure 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 Noah's Ark at Noah@AardvarkArks.com or at 123 First Street Denver, Colorado 80000, (888) 555-1212.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire contract carefully. Show your contract and this disclosure document to advisors, such as a lawyer and an accountant.

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

There may also be laws on franchising in your state. Ask your state agencies about them. State authorities are listed at Exhibit A.

Issued: April 1, 2016

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 A 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 LITIGATION, ARBITRATION, AND MEDIATION ONLY IN A LOCATION THAT IS WITHIN 15 MILES OF OUR THEN-CURRENT HEADQUARTERS (CURRENTLY DENVER, COLORADO). OUT-OF-STATE ARBITRATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST YOU MORE TO ARBITRATE WITH US IN OUR THEN-CURRENT HEADQUARTER'S STATE THAN IN YOUR OWN STATE.
2. THE FRANCHISE AGREEMENT STATES THAT THE LAW OF THE STATE IN WHICH THE FRANCHISOR'S HEADQUARTERS IS LOCATED (CURRENTLY COLORADO), GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AND BENEFITS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
3. 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 be sure to do your own investigation of the franchise.

The effective date of this Franchise Disclosure Document for your state is listed on the next page.

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Colorado, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin.

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

California	April 20, 2016
Florida	April 20, 2016
Hawaii	April 20, 2016
Indiana	May 1, 2016
Maryland	May 15, 2016
Michigan	July 1, 2015
Minnesota	April 30, 2016
Virginia	August 1, 2016
Washington	July 4, 2016
Wisconsin	May 1, 2016

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EXHIBITS

- Exhibit A. List of State Agencies/Agents for Service of Process
- Exhibit B. Franchise Agreement
- Exhibit C. Operations Manual Table of Contents
- Exhibit D. List of Franchisees and Franchisees That Have Left the System
- Exhibit E. Trademark Specific Franchisee Associations and Independent Franchisee Associations
- Exhibit F. State Specific Addenda
- Exhibit G. Financial Statements
- Exhibit H. Receipts

NOAH'S ARK FRANCHISING INC. Franchise Disclosure Document

ITEM 1

The Franchisor, and Any Parents, Predecessors, and Affiliates

To simplify the language in this Disclosure Document, “we,” “us,” or “Franchisor” means the Franchisor, Noah’s Ark Franchising Inc. The “Franchisee” or “you” means the person or corporation, partnership, or other entity including your owners, stockholders, or partners, who are buying the right to operate under the Franchise Agreement.

The Franchisor, Any Parents, and Its Predecessor and Affiliates

We are a Colorado corporation that was formed on January 1, 2010, and which does business under the name “Noah’s Ark Franchising Inc.” We maintain our principal office address at 123 First Street Denver, Colorado 80000 (888) 555-1212. We do not conduct business under any other name. You will be licensed to operate under one or more of the following names: “Noah’s Ark,” “Aardvarks Only,” and “Noah’s Ark Aardvark Services,” and under any other trade names, service marks, logos and the like (Marks) all in accordance with the “Franchise Agreement,” which is attached at Exhibit B. We have offered franchises since January 1, 2012.

We do not operate a business of the type being franchised. We have not in the past, and do not now offer franchises in any other line of business. We are not involved in any other business activity.

Our agent for service of process in your state is disclosed in Exhibit A.

We have no parents or predecessors. We have 1 affiliate whose name is Ark Pet Services Inc., a Colorado corporation (Affiliate) that was formed on January 1, 2000. It does business as Noah’s Ark Pet Services. Its address is the same as ours. It owns one business that is substantially similar to the one that is being offered here, which store has been opened in Colorado since March 1, 2000. It has never offered franchises in this or any other line of business.

The Franchisor’s Business

We offer franchisees the right to operate a pet aardvark daycare and service salon, including grooming and aardvark training. Your business operation will generally be called your “Business.”

This Franchise Disclosure Document (“FDD” or “Disclosure Document”) and the Franchise Agreement describe the terms and conditions under which we currently offer franchises to new franchisees. As the needs of the market change, we will occasionally offer franchises under different terms and conditions.

Competition and Regulations Affecting the Business

You will be competing with other individuals and companies that offer pet aardvark services including established businesses that offer similar services.

You must obtain the business licenses that are required by the locale in which you will be operating your Business. In some jurisdictions you will be required to have a dog boarding, animal grooming, or similar license. You will also be required to conform to any taxation requirements of your locale. The municipality, city, county, or state in which you intend to operate may have special rules, regulations, or laws that affect the operation of your Business and we urge you to make further inquiries about these. You and not we are responsible for determining the scope of such rules, regulations, or laws, and you must adhere to the same to the fullest extent required by the law.

ITEM 2 Business Experience

Noah Ark—President

Mr. Ark has been our President since inception and has been the President of our Affiliate since its inception. Mr. Ark is a world-renown expert on aardvark care and has been the President of the World Aardvark Alliance located in St. Louis, Missouri, since 2005.

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

Initial Franchise Fees

Your initial franchisee fee is \$15,000 (IFF).

Other Fees

If you are awarded the right to operate a Business, you will also be required to purchase from our Affiliate, or us, the “Startup Kit” for \$750. The Startup Kit contains your initial inventory of printed materials, including brochures, stationery, advertising materials, and logoed apparel.

We will create your own homepage which will be sponsored on our website, and you will pay us the \$1,000.00 Technology Startup Fee.

If you fail to meet the deadlines for the selection of a site or submit incomplete information regarding a site to us or if we fail to do so or we fail to reach an agreement as to a site, we have the right to terminate the Franchise Agreement, refund 40% of the IFF and retain the remainder to offset our costs (Item 11).

Unless otherwise stated, all fees are uniform, payable in one lump sum, are due at the time you sign the Franchise Agreement, and are non-refundable under any circumstances.

Except as described above, you pay our Affiliate or us no other fees or payments for services or goods before your business opens.

ITEM 6 Other Fees¹

Type of Fee	Amount	Due Date	Remarks
Royalty	7% of the "Gross Revenue" generated by the Business ²	Paid by you into your account monthly by noon mountain time on the 3rd business day of the month that follows the month for which the Royalty is due.	We will collect this by electronic funds transfer (EFT). ²
Local Advertising Fee	2% of Gross Revenue;	Paid as incurred to your advertising vendors.	You must spend this amount each month on your local advertising (Item 11).
National Advertising Fee	1% of Gross Revenue	Payable monthly with the Royalty.	At the time we have 20 Businesses. Payable to us. (Item 11).
Regional Advertising Cooperative Fee	If Regional Advertising Cooperative is formed, fee will be payable from National Advertising Fee. There currently are no Regional Advertising Cooperatives.	Will be due on the days determined by the Cooperative,	We may create a regional advertising cooperative that will include all franchisees within a designated area and will be self-administered by franchisees. (Item 11).
Advanced and Additional Assistance	Our then-current fee, which is now \$500 per day, plus travel reimbursement.	14 days before visit,	If you require or request advanced or extraordinary services. The then-current fee will be described in the operations manuals ("Manual" or "Manuals").
Initial Training for Replacement Principal Operator or Designated Manager	At our option, we may charge our then-current tuition which now is \$500 per day, plus your costs for travel, food, and lodging at our training facility.	14 days before training,	This may be charged for each additional Principal Operator or Designated Manager that obtains training.
On-Site Visits	We will charge our then-current fee, which now is \$500 per day plus travel, room and board.	10 days before the date of the visit,	At our option and after your request. (Item 11)
Transfer Fee	50% of the then-current IFF for the type of Business being transferred	At execution of then-current Franchise Agreement,	Payable to us if you are permitted to transfer your rights to a third party,
Successor Franchise Fee	50% of the then-current IFF for the type of Business being sold	At execution of then-current Franchise Agreement,	Successor may be required to sign a contract with terms that are different than found in your current Franchise Agreement.
Technology Maintenance Fee	The then-current fee, which now is \$250 per month	Payable monthly with the Royalty to us.	

Type of Fee	Amount	Due Date	Remarks
Late Fee	\$100 late fee plus 1.5% per month for any payment not timely made	Immediately when assessed.	Payable only if you fail to make your payments on time.
Renovations	Will vary based upon upgrades to décor, design, and equipment	Payable as incurred.	You may be required to renovate the Business, no more often than: every 5 years; and at the time you purchase Successor Franchise Rights (and every 5 years thereafter); and, prior to the transfer of Franchised Location to another. Each franchisee should allocate a portion of all Gross Revenue (in an amount decided solely by the franchisee) to meet such renovation requirements. Payable to approved supplier or us.
Indemnification	Will vary	As incurred.	You have to reimburse us if we are held liable for any claims arising from your business.
Approval of New Supplier	Our then-current fee (which now is up to \$1,000)	As incurred.	Payable only if we approve a new vendor of your choosing. (Item 8).
Audit Expenses	Cost of audit plus 1.5% per month; plus, if understatement is 2% or greater, our inspection/audit expenses	As incurred.	Incurred if you understate your Gross Revenue or fail to make payments. Paid to us or accountant.
Replacement/ Additional Inventory	Will vary	As incurred.	Replacement of inventory of consumables, sales literature. Paid to our approved supplier or us.
Relocation Fee	Our then-current fee (currently \$5,000)	As incurred.	Paid to us if we approve the relocation of your Business
Cost of Enforcement	All costs including reasonable attorney's fees	Upon demand.	You must reimburse us for all costs in enforcing obligations if we prevail.
Annual Conference	Currently none. Our then-current fee, if any, which we anticipate to be \$100 to \$500 and your expenses in attending	Expenses are paid as incurred.	Currently we don't have an annual conference, but we may have annual conferences in the future. Expenses vary based on travel cost and type of accommodation.

¹Unless otherwise specified, all fees are imposed by and are paid to us. All fees are uniform, payable in one lump sum, and are non-refundable except as otherwise stated in this FDD.

²"Gross Revenue" means the total of all revenues and income from the sale of all products and services from all sources in connection with the Business, whether or not sold at or from the "Franchised Location" (as that term is defined in Item 11), whether received in cash, in services in kind, from barter and/or exchange, on credit (whether or not payment is received), or otherwise. You may deduct from Gross Revenue all sales tax or similar taxes, which by law are chargeable to clients by any taxing authority. You may also deduct from Gross Revenue the amount of any documented refunds. All payments made to us including Royalties will be paid through an automatic electronic bank-to-bank transfer (EFT).

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
IFF ¹	\$15,000	Lump sum	At signing of Franchise Agreement ¹	Us
Rent ²	\$1,500 to \$4,500	As arranged	As per lease	Landlord
Deposits ²	\$1,500 to \$3,000	As arranged	As per lease or agreement	Landlord or utility provider
Leasehold Improvements ²	\$10,000 to \$30,000	As arranged	As arranged	Landlord or approved vendors
Startup Kit ³	\$750	Lump sum	At the time you sign the Franchise Agreement	Us or our Affiliate
Furniture, Fixtures, Equipment, Tools, Signage ³	\$10,000 to \$30,000	As arranged	As arranged	Approved vendors
Computer Hardware and Software ⁴	\$500 to \$1,000	As arranged	As arranged	Approved vendors
Technology Startup Fee	\$1,000	Lump sum	At the time you sign the Franchise Agreement	Us
Training Expenses ⁵	\$1,000 to \$3,000	As arranged	As arranged	Airlines, Hotels, Restaurants
Insurance ⁶	\$1,000 to \$3,000	As arranged	When incurred	Insurer
Professional Services ⁶	\$3,000 to \$7,000	As arranged	When incurred	Architect, contractor, attorney, others
Opening Inventory ⁷	\$1,000 to \$2,000	As arranged	As arranged	Approved vendors
Grand Opening	\$500	As arranged	When incurred	Payable to vendors for goods used in the Grand Opening.
Additional Funds—3 Months ⁸	\$15,000 to \$20,000	As arranged	When incurred	Employees, utilities, landlord, suppliers and others
TOTAL⁸	\$61,750 to \$120,750			

Unless otherwise specified, the expenses in this chart are uniform, payable in one lump sum and are non-refundable. We do not finance any fee or cost.

¹The IFF is for an Exclusive Territory (Item 12).

²There is no requirement to purchase real estate in connection with ownership of your establishment. A suitable store is normally rented; its size should be in a range of between 500 to 1,000 square feet. Usually the location will be remodeled and must be brought up to our current standards, the current zoning requirements, or other standards then in effect. Local, state, or other fees, or taxes could cause extra costs in developing a new location. The location must be accepted by us in writing and construction or improvements must be approved in writing by us. In some cases the landlord may contribute to the build-out expenses, which may reduce your initial investment. These figures are estimates only. Costs will vary widely depending upon your location in the country, the leasing fees, location of the proposed location within your Exclusive Territory, and other factors. Your costs could be significantly greater than are stated here.

The landlord may require you to deliver a security deposit that may be equal to a month or more of rent. A utility provider may require you to make a deposit in order to secure the use of utilities.

These figures represent rent for 3 months.

³The Startup Kit will be purchased from our Affiliate or us. (Items 5 and 8). You will be required to have aardvark care equipment including washing stations, grooming tables, kennels, water and food bowls, and other tools. The entire list of items will be identified in the Manuals.

You will also be required to have office equipment such as a table, chairs, and the like. You may already have sufficient furniture or fixtures.

You must display our approved signage both outside and inside the Business, as well as our interior and exterior decor items.

⁴You will be required to purchase the computer hardware and software more fully described in Item 11. You may already own computers and software that meet such configuration.

⁵You must pay all of your out-of-pocket expenses while attending training at our then-current headquarters. These numbers are estimates only and will depend on the lodging you choose, the method of getting to the training location, and the food you purchase.

⁶The amount of insurance includes the initial cost of liability insurance to protect you against claims from customers.

You may also be required to hire an architect and contractor to complete the tenant finish. This also includes fees that you may incur from other professionals, including CPAs and attorneys.

⁷These figures include consumables such as shampoo, conditioner, food products, and other retail items.

⁸This estimate of additional funds is for the first 3 months of operating capital. The estimate does not include an owner's salary or draw. Your need for these funds will vary by: your geographic location; your business methods and practices; your management skills, experience and business acumen; the effectiveness of your staff; local and national economic conditions; the market for your products and services; your employee wage responsibilities; competition and the sales that you realize during this period. These numbers are approximations only and you may need significantly more initial capital. You may incur other or higher costs or fees. You may also need operating capital when running the Business that is in addition to what is estimated here.

The availability and terms of financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have, and lending policies of financial institutions. This estimate does not include any finance charge, interest or debt service obligation, or your living expenses. In compiling these estimates, we have relied upon the 25 years of experience of our principals (Item 2) from operating businesses that are similar to the one being offered to you.

You should carefully review these figures with a business advisor before making any decision.

ITEM 8

Restrictions on Sources of Products and Services

Required Purchases and System Changes

You must open and operate your Business in accordance with the System. The specifications necessary to operate under the System includes standards for delivery of the services to the Client, professional standards for operation, criteria for performance, and purchases of required goods and services. These specifications were formulated by us. We may modify any specification as to any goods, service, supplies, fixtures, equipment, inventory, computer hardware, software supplier, or the like, at any time and on a local, regional, or national basis. We may also add and remove vendors at any time.

We may communicate our standards, specifications and purchase requirements directly to suppliers who wish to supply you goods or services. We will communicate our standards and specifications to you during training, before you open, during periodic visits to your Business, and through the Franchisee Manuals, and periodic bulletins. We may issue new standards and specifications through written notices. Once you are notified, you must make the change that is specified. We may also add and remove vendors at any time.

We have the right, in our sole discretion and as we may deem in the best interests of the system or a specific franchisee to vary required purchases, standards or specifications based upon that franchisee's or regional developer's qualifications, special circumstances, the demographics of a particular territory (Item 12) or development region, business potential, or any other condition which we deem to be of importance to the successful operation of any particular Business. We will not be required to disclose or grant to you a like or similar variance.

Required and Approved Suppliers

You must purchase the Startup Kit from our Affiliate or us (Items 5 and 7). The replacement inventory of goods and equipment for each Startup Kit will be purchased from us, or a supplier approved by us.

You will also pay us the Technology Startup Fee (Item 7) and our then-current ongoing Technology Maintenance Fee (Item 6).

You will be required to maintain your Business as needed to ensure a clean, safe, and attractive location. To the extent that this requires the purchase of additional goods that can be purchased only from our Affiliate or us, then you must purchase that from us (Item 6). There can be no estimate of these costs as the maintenance may or may not include the purchase of new equipment.

You will be required to renovate your Business every 5 years in order to meet our then-current configuration. Such renovation will also be required at the time that you are awarded Successor Franchise Rights (and at each 5-year period during such Successor Franchise Rights term), and after a transfer. To the extent that this requires you to purchase goods that can be obtained only from our Affiliate or us, you will be required to make such purchases.

Your grand opening advertising must be approved by us (Item 11).

Except as described above, you may purchase all other furniture, fixtures, equipment, or materials from any approved source. A list of approved products and suppliers from whom other products may be purchased is published in our Manuals or in policy and procedures statements or provided to you by other written communication, and such list may be amended by us.

Our principals own an interest in our Affiliate from whom you may now, or in the future, be required to purchase goods or services, and you may be required to purchase goods from us. Except as described here, our principals own no interest in any other supplier.

Approval of Alternative Suppliers

In some cases you may wish to purchase a required good or service from a supplier that has not been previously approved by us. We will charge our then-current fee for this service (Item 6). We do not maintain written criteria for approving suppliers and thus these criteria are not available to you or your proposed supplier. To obtain our approval, you must submit such information as we may reasonably require in order to evaluate the prospective supplier. We will evaluate the submitted information and will provide written notice of our decision to you within 30 days. We may grant or deny approval for any reason or for no reason at all. Other than as stated here, we have no other process for approving suppliers.

Approval of alternative suppliers may be revoked by us if we determine in good faith that the goods or services they are supplying no longer meet the quality standards that are in effect at that time. We will notify you if we revoke our approval of any suppliers and you must immediately stop purchasing disapproved goods or services or purchases from a disapproved supplier.

Insurance

You must purchase and maintain in effect, during the term of the Franchise Agreement, the following insurance:

- a. Commercial General Liability Insurance of \$2,000,000 per occurrence and \$3,000,000 in the aggregate; plus,
- b. Excess liability umbrella coverage for general liability coverage in an amount of not less than \$1,000,000 per occurrence and 2,000,000 in the aggregate.
- c. Employer's liability and worker's compensation Insurance, as required by state law in the state in which the Franchised Location is found; plus,
- d. Business interruption insurance of not less than \$50,000.00 per month for loss of income and other expenses with a limit of not less than 9 months of coverage with the understanding that Royalties will be paid from any proceeds issued under such policy.

Your insurance policies must name us as an additional insured and/or loss payee.

Revenue from Franchisee Purchases

In the year ending December 31, 2015, our revenue from the sale of equipment to franchisees was \$30,000. This represents 10% of our total revenue of \$300,000. Our Affiliate may in the future make payments to us as a result of your purchases from them.

The cost of purchases and the leasing of goods and equipment obtained in accordance with our specifications will represent about 85% of your total purchases and leases of goods and services in establishing the Business and approximately 50% of your total purchases during operation of the Business. The total cost of items purchased through our Affiliate or us will represent 10% to 20% of your total purchases to establish the Business and approximately 10% of your total purchases during the operation of the business.

We do not now, but may in the future, receive rebates and material benefits from vendors with whom you are to do business. We do reserve the right to receive rebates and material benefits at any time in the future. If we do receive additional or new rebate revenue, we may or may not share it with the franchisees.

Cooperatives

Though there is none at this time, we may in the future develop a regional purchasing or distribution cooperative in your area. The purpose of the purchasing or distribution cooperative will be to obtain all goods and services at a more competitive price. Upon the creation of the same, you must participate in the program. Any item carried by the cooperative will be of the same quality as then required by us by any other franchisees.

Negotiated Prices

We have not yet negotiated prices with suppliers for the benefit of the franchisees. We may, in the future, negotiate such prices for the benefit of all franchisees and our Affiliate.

Material Benefits

We neither provide nor withhold material benefits to you (including renewal rights or the right to open additional businesses) based on whether you purchase through the sources we designate or approve. However, purchases of unapproved services, the use of unapproved vendors, or supplying clients with unapproved services will be a violation of the Franchise Agreement, and you may be terminated as a result.

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	Disclosure Document Item
(a) Site selection and acquisition/lease	2	Items 7 and 11
(b) Pre-opening purchases/ leases	2	Items 7 and 8
(c) Site development and other pre-opening requirements	2	Items 6,7,11
(d) Initial and ongoing training	7	Item 11
(e) Opening	2	Item 11
(f) Fees	3	Items 5,6,7
(g) Compliance with standards and policies/Manuals	8	Items 8, 11, 14 and 16
(h) Trademarks and proprietary information	6	Items 13 and 14
(i) Restrictions on products/services offered	8	Items 8, 11 and 16
(j) Warranty and Customer service requirements	8	Item 16
(k) Territorial development and sales quotas	None	Item 12

Obligation	Section in Agreement	Disclosure Document Item
(l) Ongoing product/service purchases	8	Item 8
(m) Maintenance, appearance, and remodeling requirements	2	Item 11
(n) Insurance	17	Items 7,8
(o) Advertising	3	Items 6,7,11
(p) Indemnification	14	Item 6
(q) Owner's participation/management/staffing	8	Items 11 and 15
(r) Records/reports	3	Item 11
(s) Inspections/audits	3	Item 6
(t) Transfer	9	Item 17
(u) Renewal	4	Item 17
(v) Post-termination obligations	11	Item 17
(w) Non-competition covenants	15	Item 17
(x) Dispute resolution	16	Item 17

ITEM 10

Financing

Our Affiliate and we: offer no financing arrangements, directly or indirectly to you; do not guarantee your notes, lease, or any other obligation; and do not receive any direct or indirect payments or other consideration from any person for the placement of any financing that you may need.

ITEM 11

Franchisor's Assistance, Advertising, Computer Systems, and Training

Except as stated below, Noah's Ark Franchising Inc., is not required to provide you with any assistance.

Pre-Opening Assistance

Before you open your business Noah's Ark will:

- a. Assist you in selecting a "Franchised Location" (the methods used to select and approve sites are described later in this Item 11 below) by providing site selection criteria (Franchise Agreement, Sections 2.2 and 5).
- b. Review your lease (Franchise Agreement, Sections 2.3 and 5).
- c. Once your Franchised Location is approved, we will designate your "Exclusive Territory" (Franchise Agreement, Sections 2.4 and 5).
- d. Furnish mandatory design specifications, layout criteria, and specifications for furniture, fixtures, and equipment for the store (Franchise Agreement, Sections 2.5 and 5).
- e. Furnish the Startup Kit (Franchise Agreement, Sections 2.8 and 5).

- f. Offer training as more specifically set forth below in this Item 11 (Franchise Agreement, Article 7).
- g. If requested by you and at your cost, we may agree to send a representative to the Business to ensure that improvements are completed to our specifications (Franchise Agreement, Section 2).
- h. At our option, the day before opening and for 2 days thereafter, we may send a representative to the Business to help with opening and initial operations (Franchise Agreement, Sections 2.5 and 5).
- i. Lend you one copy of the Manuals (Franchise Agreement, Section 5).

Post-Opening Assistance

During the operation of your Business, Noah's Ark will:

- a. Modify, update, or change the System, including, but not limited to, the adoption and use of new or modified list of authorized and approved suppliers, trade names, trademarks, service marks, or copyrighted materials, new products, a new and evolving menu of services, and new techniques (Franchise Agreement, Article 5).
- b. Provide you with access to local advertising materials (Franchise Agreement, Articles 3 and 5).
- c. Help you coordinate your Grand Opening (Franchise Agreement, Article 3).
- d. Provide feedback from the polling of your computers, including a comparison of your cost of goods to those of other Businesses (Franchise Agreement, Article 5).
- e. Periodically advise you or offer guidance to you on other matters concerning the operation of your Business (Franchise Agreement, Articles 5 and 8).
- f. Conduct quality control visits (both announced and unannounced), and also use a "secret shopper" program (Franchise Agreement, Articles 5 and 8).
- g. At such time in the future as we deem appropriate, we will hold an annual conference at which new ideas and other matters will be discussed (Franchise Agreement, Article 7).

Optional Assistance

We may provide you with additional training and support on an as-needed basis and for the then-current fee. You may request additional support and the same will be given in our sole discretion. Any costs incurred by us in providing such additional services shall be paid by you.

Schedule for Opening

The typical length of time between the signing of the Franchise Agreement and the opening of a Business is approximately 5 to 7 months (Opening Period).

We will extend your Opening Period one time for a reasonable time in the event factors beyond your reasonable control prevent you from meeting the deadlines and you request an extension of time from us at least 15 days before the end of the opening period. If after the passage of such reasonable time, the Franchisee has failed to open for business, Franchisor has the right to terminate this Agreement without any right to cure. The factors that affect the period required to open the Business may include the ability to obtain a lease, financing, building permits, zoning and local ordinances and licensing. Other factors include weather conditions and shortages and delays in obtaining equipment, fixtures and signs.

Advertising

Local Advertising

You will be required to spend a minimum of 2% of your monthly Gross Revenue for local advertising placement. We must first approve any advertising before it is placed in any medium, with the added requirement that such advertisement(s) be sent to us at least 30 days before it is to be used. We will have 15 days within which to approve. If we do not deliver to you written notice in that time, the copy will be deemed to be approved.

You may advertise on the internet only through our internet portal.

National Advertising Fund and Regional and Cooperative Advertising

We do not now, but will, when our franchisees have opened 20 Businesses, collect 1% of the Gross Sales each month for advertising, concept development, collateral materials, and other items for the benefit of the System (National Advertising Fee). The National Advertising Fee will be due at the same time as your Royalties and as part of the EFT withdrawal. The National Advertising Fee will be placed in an interest bearing checking account, savings account, or any other account of our determination (Account). Any monies not used in any year will be carried to the next year. The Account will be administered by us at our sole discretion and may be used by us for all advertising expenditures reasonably intended to benefit the System, and for the payments to us of costs related to administering the Account such as reasonable salaries, administrative costs, travel expenses, and overhead. National Advertising Fees are used to promote the services sold by the franchises and are not used to sell additional franchises.

We make no guarantee to you or to any other franchisee that advertising expenditures from the Account will benefit you or any other franchisee directly or on a *pro rata* basis. We will assume no other direct or indirect liability or obligation to you with respect to collecting amounts due to the Account or with respect to maintaining, directing, or administering the Account.

Any company or Affiliate-owned Businesses will participate in any national or regional advertising programs in the same manner as the franchisees. Any fees not used in a calendar year will be rolled-over for use in the next or any subsequent year.

The National Advertising Fee will be used for the creation and placement of various advertising and promotional products. The media in which such advertising may be disseminated includes, but is not limited to, printed materials, posters, window clings, danglers in the Business, and/or the creation of television, internet, radio, and print on a local or regional basis. The advertising will be produced and placed by us or by a local, national, or international advertising agency.

Upon your prior written request, we will make available to you, no later than 120 days after the end of each calendar year, an annual unaudited financial statement for the Account.

We collected no National Advertising Fees during the most recent fiscal year.

We reserve the right, upon 30 days prior written notice to you, to allocate all or a portion of the National Advertising Fees to a regional advertising program (Regional Program) for the benefit of Businesses located within a particular region. We have the right to determine the composition of all geographic territories and market areas for the implementation of such a Regional Program and to require that you participate in it as and when it may be established. If the Regional Program is implemented on behalf of a particular region, we will only use contributions from franchisees within such region to the extent reasonably calculable by us. We

will control and administer the Regional Program though we will permit franchisees within the region to reasonably suggest the manner of such expenditures. Upon your prior written request, we will make available to you, no later than 120 days after the end of each calendar year, the annual unaudited financial statement for the Regional Program account.

We may also establish an advertising cooperative (Advertising Cooperative) for a particular region to enable the cooperative to self-administer the Regional Program. If an Advertising Cooperative is established in your area, you must participate in it.

The Advertising Cooperative will be administered by the franchisees in the cooperative.

We have the right to change, dissolve, or merge any such cooperative. The cooperative will prepare unaudited financial statements and will deliver the same to use within 90 days of its year end. Each Regional Advertising Cooperative must adopt written governing documents. A copy of the governing documents of the Advertising Cooperative (if one has been established) for your region is available upon request.

Grand Opening

In addition to the advertising requirements described above, commencing no earlier than 60 days after the opening you will be required to spend \$500 to advertise the grand opening of your Business. The grand opening plans advertising must be approved by us in the same manner as is your local advertising.

Computer Requirements

Your Business must have such computer and other equipment as we designate in the Manuals.

You will be required to purchase, lease, or license 1 desk-top computer of any make or model that must have the latest version of the Microsoft® operating system. It must have the following software installed and operational: i) the latest version of Microsoft Word® and Excel®; ii) the latest version of Internet Explorer®; and iii) the latest version of Quickbooks®.

You may already own a computer and software that meets these requirements.

The approximate cost of the computer hardware and software ranges from \$500 to \$1,000. This cost is included in the categories of “Computer Hardware and Software” in Item 7.

We may in the future offer a proprietary software or web-based programs which may include accounting, word processing, and other features. There may be a fee for such programs.

You will be required to maintain the computer to keep it operational. You must maintain all software stored with all patches that may come from the manufacturer. The maintenance for hardware and software may occur at any time and as a result, there can be no estimate of the cost.

You are not required to maintain any hardware or software maintenance contracts.

We will require you to update all other computer hardware no more often than once every 5 years. We estimate this cost to be between \$500 and \$1,000. Computer software will be updated no more often than once every 3 years. The cost is estimated at between \$100 and \$1,000.

The computer in the Business must be attached to a high-speed internet access point. We will have the right to and will remotely access your computer to obtain information about your operations. There are no contractual limitations to our right to access and use this information.

Manual and Table of Contents

We will lend you one copy of the Manual though it will always remain our property. It is part of the System and it contains our confidential, proprietary, and trade secret information. The Table of Contents of the Manual is found in Exhibit C to this Disclosure Document. The Manual contains approximately XXX pages.

Location Selection

A “Franchised Location” is the location for your Business that has been approved by us, and, if applicable, for which you have a lease that has been approved by us. You will lease your space from independent third parties.

If you do not already have a Franchised Location selected and approved before you sign the Franchise Agreement, you and we will designate, by addendum to the Franchise Agreement, a “Designated Area” within which to find a Franchised Location. A Designated Area is defined by geographic boundaries such as a perimeter defined by streets, landmarks, highways, or similar methods, or by political or mailing boundaries including neighborhoods, cities, counties, and zip codes. We reserve the right to change the method of identifying a Designated Area at any time.

The Designated Area gives you the exclusive right during the defined time period to find and develop your Business in that area.

You must locate a site for the Business in the Designated Area within 45 days after you sign the Franchise Agreement. We then have 30 days to approve or disapprove your site. If we do not approve your first proposed site, you will have an additional 45 days to find another site and submit it to us for approval. If you fail to meet the deadlines for the selection of a site or submit incomplete information regarding the site to us, we will allow you 15 days to cure the deficiency. If you fail to do so or we fail to reach an agreement as to a site, we have the right to terminate the Franchise Agreement, refund 40% of the IFF and retain the remainder of the IFF.

Our assistance in connection with the selection and approval of a location is limited to providing written criteria for a satisfactory Franchised Location, reviewing the information provided by you to determine whether the location fulfills the requisite criteria, and at our option, an on-site inspection if requested by you and at your cost. Using our Reasonable Business Judgment (Franchise Agreement Article 1), we will base our approval of your proposed site on a variety of factors including, but not limited to the various demographic characteristics of the site (including population density, income, and the like), geographic, political, and physical boundaries, extent of competition, mix of residential and commercial, and whether the proposed site is urban, suburban, or rural.

Our employees and we have no special expertise in selecting sites. Any approval is intended only to indicate that the proposed site meets our minimum criteria based upon our general business experience.

After we approve the proposed Franchise Location you will have 30 days to negotiate a lease that must be submitted to us for approval. We will approve or disapprove the lease agreement within 15 days after receipt. We have the option to require that the lease: (i) be collaterally assigned to us by Collateral assignment of Lease agreement (Franchise Agreement, Exhibit 4); or (ii) contain the following terms and conditions:

- a. The landlord must agree that without its consent, the lease and your right, title, and interest under the lease may be assigned to us or our designee; and,
- b. The landlord must provide written notice to us (at the same time it gives such notice to you) of any default by you under the lease. We must be given an additional 15 days after your period of cure has expired, to cure, at our sole option, any such default and, upon the curing of such default, we must be

given the right to enter upon the leased premises and assume your rights under the lease as if the lease had been assigned by you to us.

You will operate your Business and use the Marks, the Proprietary Information, and the System only at the Franchised Location.

Once the site and the lease have been approved by us, the location will be your Franchised Location, and an Exclusive Territory will be identified by us, all of which will be identified in Exhibit 2 of the Franchise Agreement.

Maintenance and Renovations

You will be required to maintain your Business as needed to ensure a clean, safe, and attractive business. This may require you to purchase new equipment to replace worn-out equipment, and may require you to repaint or take other remedial action. This will be done as often as is necessary to maintain a safe, secure, and attractive Business. There can be no estimate of these costs as the maintenance will vary depending work that must be done.

You will be required to renovate the Business every 5 years in order to meet our then-current configuration (Renovation). The Renovation will also be required at the time that you are awarded Successor Franchise Rights, at each 5 year period during such Successor Franchise Rights term and after a transfer but before the new owner reopens the Franchised Location for business (with the understanding that if the renovations can be made while the Business is in operation, then the transferee will be permitted to make such changes while open). To the extent that this requires you to purchase goods that can be obtained only from our Affiliate or us, you will be required to make such purchases. Renovations may include changes to interior and exterior decor, furniture, fixtures, equipment, small wares, and changes to the system in order to conform to the then-current franchise system look and feel. We cannot estimate the cost of such renovation.

Training

We provide an initial training program to be conducted at our corporate headquarters (currently, in Denver, Colorado), or at an alternative location to be determined by us. The initial training program is offered by us as needed to meet the needs of our franchisees. You must pass training to our reasonable satisfaction. If you fail to pass training, we have the right to terminate the Franchise Agreement, but will not refund any portion of the IFF.

The initial training program is typically 5 business days in length, of which approximately 20 hours are classroom instruction and 20 hours are on-the-job training.

We reserve the right to waive a portion of any training program or to alter the training schedule, if in our sole discretion, we determine that you or your designated attendee has sufficient prior experience or training.

Up to 2 people may participate in any initial training program without additional fee. You (or if you are an entity, the “Principal Operator”) and the “Designated Manager” must successfully complete the initial training program prior to the opening of your Business. The “Principal Operator” is the person designated by your business entity to operate the business and receive our training. The “Designated Manager” is the person besides you or your Principal Operator who is responsible for the day-to-day operations of the Business.

No tuition is charged for training. You must however, pay for all transportation, room, board, wages, and other living expenses which are incurred in connection with attendance at any training program.

Training will be conducted after the Franchise Agreement is signed but before you open for the first time. Training materials consist of the Manuals and handouts.

We will also make the initial training program available to replacement or additional Designated Managers during the term of the Franchise Agreement. We reserve the right to charge a tuition or fee, commensurate with our then-current published prices, for such training, payable in advance (Item 6). You must pay for all travel, living expenses, and wages that are incurred by your personnel during attendance at the training program. The availability of the training program to such additional individuals will be subject to space considerations and prior commitments to new or other franchisees.

If you propose to sell or transfer the Business to a third party, part of our approval process will be the requirement that the transferee attend training and that he pay for the training at our then-current fee (Item 6).

Training consists of the following:

TRAINING PROGRAM

Subject	Hours of Classroom Training	Hours of On-the-Job Training	Location
What it takes to be a Successful Franchisee	5	0	The location of our then-current headquarters (currently Denver, Colorado), or other location that we designate.
Marketing and Sales to Customers	3	0	Same
Aardvark Care	7	15	Same
Employee Care	3	0	Same
Retail Sales	2	5	Same
Total	20	20	

Mr. Ark, who is listed in Item 2, is the training instructor. He has had extensive experience in the day-to-day operation of our Affiliate's business. Our Affiliate's business is substantially similar to the Business being offered here. From time-to-time, persons who are active in the operations and administrative side of our business, as well as support staff, may assist with and/or provide training.

You may wish to get on-site training from us. This is optional and is not required for the operation of the business unless you feel it is necessary. We will charge our then-current fee (Item 6), plus all costs for travel, lodging, and food. This training can take place at any time.

If you request additional, extraordinary, or refresher courses or training, we may, at our option, charge our then-current per diem fee plus expenses (Item 6).

We may also offer additional training online or through web seminars (webinars). There may be a fee for such training. We will notify you of the training and the fee. Some of this training may be mandatory.

We will also provide such bulletins, brochures, manuals, and reports, if any, as may from time to time be published regarding plans, policies, developments, and activities. In addition we may provide such communication concerning new developments, techniques, and improvements in and to the System and the "Proprietary Information" (Item 14), as we feel may be relevant to the operation of the Business.

Annual Conference

We do not now, but may, in the future, have an annual conference that, if held, will require attendance by all franchisees. You will be responsible for the payment of all expenses for travel, accommodations, food, and other

expenses incurred. Though none is now required, we may in the future require an attendance fee that may be between \$100 and \$500. When it is known, you will be provided with the duration of such a meeting, as well as its location, the identities of those who will present information at the meeting, and the content of any seminars or information that will be delivered at that time. The annual conference will be held in a location to be determined by us.

In addition to the annual conference and though we do not now, we have the right, in the future to require you, and at least one of your principals or key employees to attend a local or regional training meeting one (1) time per year. All mandatory meetings will be offered without charge of a tuition or fee; however, you will be responsible for all travel and living expenses that are associated with attendance. Any additional local or regional meetings will last between one and two days and will be held at a location to be approved by us, and which will be within easy car or bus commuting distance. Any instructors at such meetings will either be our principals, or other persons not yet identified by us, but whose identity and background will be disclosed to you before the meeting.

ITEM 12

Territory

You will be assigned an “Exclusive Territory” at the time that the Franchised Location and the lease are approved, which will continue in force during the initial and any renewal term of the Franchise Agreement. It will be a geometric shape, the center of which is your Franchised Location and the radius of which is approximately 10 miles (more or less). The final perimeter will conform to physical, geographic, zip codes, political, and/or other boundaries and will be decided by us using our Reasonable Business Judgment (Franchise Agreement, Article 1).

We will not permit another franchisee, or company-owned or Affiliate-owned business to operate within your Exclusive Territory. Except as set forth below in the reservation of rights, we will not accept or solicit orders to provide services in your Exclusive Territory.

You may advertise the Business only within your Exclusive Territory, unless regional or cooperative advertising is implemented or unless you get our permission to advertise outside the Exclusive Territory. You can accept customers from anywhere, including another franchisee’s territory, and other franchisees can accept customers from your Exclusive Territory.

You may advertise on the internet only through our web portal; except that we may grant you the right to separately advertise or promote your business on the internet only after you have first received our express written permission to do so. Our decision to grant or deny this right will be based upon our Reasonable Business Judgment.

You do receive rights to be awarded additional franchises (Franchise Agreement, Article 2). In order to qualify, you must:

- i. Have been in operation for at least 12 months;
- ii. Be in compliance with your Franchise Agreement at the time that you seek to purchase an additional site;
- iii. Have received no notices of default from us during the years prior to the date that you apply for consideration of such a grant;
- iv. Meet the then-current financial and business requirements that are applied to a new franchisee;

- v. Demonstrate the business and financial ability to operate multiple Businesses;
- vi. Have operated your current Business in such a manner that we, using our Reasonable Business Judgment, deem to be sufficient to warrant granting you an additional location; and,
- vii. Using our then-current site criteria, have a location that will qualify as a Franchised Location.

If we grant you the right to an additional Franchise, you will sign the then-current franchise agreement and, if we deem it appropriate, you will attend additional training. Except as stated here, you have no other options, right of first refusal or similar contractual right to acquire additional Businesses.

The new franchise agreement may have terms significantly different than this franchise agreement, including a different royalty structure, advertising fee, and the like.

Continuation of the Exclusive Territory does not depend on any stated sales volume, market penetration, or other contingency. Your Exclusive Territory will continue in place until the end of your Initial Term. If you renew, we reserve the right to redefine the characteristics of your Exclusive Territory to meet our then-current standards.

Reservation of Rights

Our Affiliate and we reserve the right, among others, to:

- a. Own, franchise, or operate businesses that are similar to your Business (and which use the Marks and the System) at any location outside of your Exclusive Territory, regardless of the proximity to your Exclusive Territory;
- b. Use the Marks and the System to sell any products or services (which may be similar to those that you will sell) through any alternate channels of distribution within or outside of the Exclusive Territory. These alternate channels include, but are not limited to, retail locations (such as grocery stores or similar retail outlets), and other channels of distribution, such as television, mail order, catalog sales, wholesale to unrelated retail outlets, or over the internet. You cannot not use alternate channels of distribution without our express permission, which may be granted or denied for any reason or for no reason at all. You will not receive compensation for any such sales;
- c. Use and license others to use, either within or outside of your Exclusive Territory or in alternate channels of distribution, other trademarks, trade names, service marks, logos, proprietary information, and methods of operation that are not the same as or confusingly similar to the Marks, in the operation of a business that offers goods, services, and related products and services that may be similar to, or different from, the Business;
- d. Purchase, or be purchased by, or merge, or combine with any other business, including a business that competes directly with your Business, wherever located; and,
- e. Acquire and convert to our system any businesses offering services and products similar to those offered by you, including such businesses operated by competitors or otherwise operated independently, or as part of, or in association with any other system or chain, whether franchised or corporately owned, and located outside of the Exclusive Territory.

Though we can use alternative channels of distribution within your Exclusive Territory to make sales of goods, items, and services associated with the System and the Marks, or associated with any other system or trademarks, service marks, trade names, logos, and the like, we have not done so as of the date of this disclosure document. We reserve the right to do so at any time.

Our Affiliate has established a business that is substantially similar to the one being offered here. It will never open a competing business in any portion of your Exclusive Territory.

Relocation

You may relocate your Business within your Exclusive Territory only if you first obtain our express written permission, which permission will be considered using our Reasonable Business Judgment. If you are permitted to relocate, you must first have any location and its lease approved by us in the same manner as we are then approving locations and lease for new franchisees. You will pay us our then-current relocation fee. (Item 6). If the result of your relocation is that you encroach on the exclusive territory of another franchisee, you will not be permitted to relocate to that proposed site.

You must abide by all federal, state, and local government guidelines concerning your Business, its employees, and any independent contractor that you use.

Except as stated here, there is no exclusive right to any territory.

**ITEM 13
Trademarks**

You receive the right to operate your Business under the Mark specified in the Manual and identified on the first page of this disclosure document. You may also use any other current or future Mark to operate your Business that we designate. By “Mark” we mean any trade name, trademark, service mark or logo used to identify your business.

On January 2, 2010 we filed for registration of the Mark with the United States Patent and Trademark Office (USPTO) the following :

Registration Number	Description of Mark	Principal or Supplemental Register of the USPTO	Filing date
1,234,567	AARDVARKS ONLY	Principal	March 2, 2011

Presently, we know of no effective material determinations of the United States Patent and Trademark Office (USPTO), any trademark, trial and appeal board, any state trademark administrator, or of any federal or state court; or any pending infringement, opposition, or cancellation proceeding involving any of the Marks.

There are no currently effective agreements that significantly limit our rights to use or license the use of the Marks listed in this section in any manner material to the franchise. We know of no infringing uses or superior previous rights known to us that can materially affect your use of the Mark in this state or in any other state in which your business is to be located.

There is no pending federal or state court litigation regarding our use or ownership rights in any Marks.

You do not receive any rights to the Mark other than the nonexclusive right to use it in the operation of your Business. You must follow our rules when you use the Mark. You cannot use our name or the Mark (or any commercially similar derivation of the same) as part of a corporate name. You may not use any Mark in connection with the sale of any unauthorized products or services, or in any other manner that we do not authorize in writing. Any unauthorized use of the Mark by you is a breach of the Franchise Agreement and an infringement of our rights in the Mark. You must not contest the validity or ownership of the Mark, including

any Marks that we license to you after you sign the Franchise Agreement. You must not assist any other person in contesting the validity or ownership of the Marks.

We have the right to control any administrative proceedings or litigation involving a Mark licensed by us to you. If you learn of any claim against you for alleged infringement, unfair competition, or similar claims about the Marks, you must promptly notify us. We will take the action we deem necessary to defend you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims about the Marks. We have no obligation to defend or indemnify you if the claim against you is related to your use of the Marks, or the System or Proprietary Information in violation of the Franchise Agreement.

We have the right to require you to modify or discontinue your use of any of the Marks. If we exercise this right, we will provide all franchisees with advance notice.

We have secured the following internet domain name: www.AardvarksArks.com. Other domain names may be added at our discretion.

In the event that the Franchisor, in its sole discretion, shall determine it necessary to modify or discontinue use of any proprietary Marks or to develop additional or substitute marks, you will, within a reasonable time after receipt of written notice of such a modification or discontinuation from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

If you learn that any third party who you believe is not authorized to use the Marks and is using them, or any variant of them, you must promptly notify us. We will determine whether or not we wish to take any action against the third party. We may commence or prosecute such action in our own name and may join you as a party to the action. You must cooperate with us in any way necessary in the event of such infringement. You will have no right to make any demand or to prosecute any claim against the alleged infringer. We will not pay any franchisee for exercising these rights.

ITEM 14

Patents, Copyrights, and Proprietary Information

We do not own any patents or copyright registrations that are material to the franchise.

We do claim common law copyrights and copyright protection in and on the System and all of the components of the System, including, but not limited to, the Marks, the content of the Manuals and related materials, training modules and techniques, our website, all advertisements in any medium, including the internet, and other promotional and written materials. Each and every component of the system is our proprietary, trade secret, and confidential information (“Proprietary Information,” as more fully defined in the Franchise Agreement). Any component of the Proprietary Information can be used by you only as described in the Franchise Agreement. We know of no copyright infringement that could material affect your operation of your Business. Except as stated in Item 13, there are no agreements that limit your use of the System or any copyrighted materials.

We have the right to control any administrative proceedings or litigation involving the Proprietary Information. If you learn of any claim against you or us for an alleged infringement, unfair competition, or similar claims relating to any component of the Proprietary Information, you must promptly notify us. We will take the action we deem necessary to defend you. We must indemnify you for any action against you by a third party based solely on alleged infringement, unfair competition, or similar claims. We have no obligation to defend or indemnify you if the claim against you is related to your use in violation of the Franchise Agreement.

If you learn of, or believe that any other person or entity is using any component of the Proprietary Information without our permission, you must immediately notify us in writing. We will take any action that we deem appropriate. We may commence or prosecute such action in our own name and may join you as a party to the action. You must cooperate with us in any way necessary in the event of such infringement. You will have no right to make any demand or to prosecute any claim against the alleged infringer. We will not pay any franchisee for exercising these rights.

In the event that the Franchisor, in its sole discretion, shall determine it necessary to modify or discontinue use of any portion of the Proprietary Information, or to develop additional or substitutes for that portion, you will, within a reasonable time after receipt of written notice of such a modification or discontinuation from us, take such action, at your sole expense, as may be necessary to comply with such modification, discontinuation, addition, or substitution.

You may never during the term of the Franchise Agreement, or at any time after the termination or expiration of the Franchise Agreement, reveal any component of the Proprietary Information to any person or entity, and you cannot use it for any other business. You may not copy any portion of the Proprietary Information unless we specifically authorize it in writing. All persons affiliated with you must sign a “Confidentiality and Non-Competition Agreement” which is attached to the Franchise Agreement as an exhibit.

In operating your Business, you will create a list of names and other identifying information of clients that have participated in your Business (Client List). You agree that the Client List was obtained through the use of the System, the Marks, and the Proprietary Information. As a result, the Client List is, and will remain, the sole and exclusive property of the Franchisor. At the termination of this Franchise Agreement for any reason, said list shall be delivered to us as part of our Proprietary Information and cannot be used by you in any manner or capacity.

ITEM 15

Obligation to Participate in the Actual Operation of the Franchise Business

Each Business must always be under the direct, full-time, day-to-day “on-premises” supervision of your Principal Operator, Designated Manager or you. Each such person must attend and satisfactorily complete our initial training program before opening the Business. You must keep us informed at all times of the identity of your Principal Operator and/or your Designated Manager. If you must replace either person, the replacement must attend and satisfactorily complete our initial training program.

Individuals associated with your Business, including your owners (and members of their immediate families and households), officers, directors, partners, if you are a business entity, and your managers, executives, employees, and staff may be required to sign nondisclosure and non-competition agreements.

If your franchise is awarded to a business entity, or if you convert to a business entity (other than a sole proprietorship), then we reserve the right, using our Reasonable Business Judgment, to require the principals of your Business to sign the personal guaranty found at Exhibit 3 of the Franchise Agreement. To this end, the Franchisor reserves the right to review the operating documents of the Business prior to granting the franchise in order to determine who may be required to sign the guaranty.

ITEM 16 Restrictions on What the Franchisee May Sell

You must offer all of the items, goods, services, and products we specify. You may not sell any goods, services, or products that we have not authorized and you must discontinue offering the same upon receipt of notice from us. You may not use the Franchised Location for any other purpose than the operation of the Business and the sale of products approved by us. We may take action, including terminating your franchise, if you violate these restrictions. We may periodically change required or authorized services or products. There are no limits on our right to do so, and you commit to making these changes and they may require additional investment from you.

We may allow some franchisees to offer on a local basis certain items, goods, services, or products that are not otherwise authorized based on factors, including test marketing, your qualifications, and regional or local differences.

You may not market or solicit outside of your Exclusive Territory (except as described in Item 12), but you may provide services to any customer who enters your Business. Otherwise, we do not place restrictions on you with respect to who may be a customer of your Business.

ITEM 17 Renewal, Termination, Transfer, and Dispute Resolution

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

THE FRANCHISE RELATIONSHIP

Provision	Section in Franchise or Other Agreement	Summary
a. Length of the franchise term	4	10 years
b. Renewal or extension	4	2 additional consecutive 5-year terms (Successor Terms) if all obligations for Successor Franchise Rights are met.
c. Requirements for franchisee to renew or extend	4	You must provide notice, you must have no outstanding material defaults or money owed, you must have not had more than 3 default notices, you may be required to renovate, and sign a general release, we must not have determined in our Reasonable Business Judgment not to renew, you must sign then current Agreement and pay renewal fee. You may be asked to sign a contract with materially different terms and conditions than your original contract, and the boundaries of the Exclusive Territory may change. The Royalties, advertising fees and other fees may be adjusted to conform with such fees then being charged to new franchisees.

Provision	Section in Franchise or Other Agreement	Summary
d. Termination by franchisee	None	
e. Termination by franchisor without cause	None	
f. Termination by franchisor with cause	10	We can terminate only if you default. See g and h below
g. "Cause" defined –curable defaults	10	You have 30 days to cure: any defaults under the Franchise Agreement except for those described in (h) below
h. "Cause" defined—non-curable defaults	10	Non-curable defaults: bankruptcy, abandonment, offenses involving moral turpitude or which may affect the System, any felony, failure to pay fees (after 5 days' notice), misuse of marks, disclosure of Systems, repeated breaches beyond 3 even if cured, repeated breaches beyond 2 during any successor term, even if cured, unapproved transfers, violation of law and failure to cure, material misrepresentation, violation of lease, understatement of 4% or more.
i. Franchisee's obligations on termination/non-renewal	11	Obligations include, deidentification (including removal of names, payments of all sums) payment of amounts due, cessation of use of trademarks and proprietary information, notification of non-affiliation, cease use of proprietary technology, and return of all proprietary information (also see r. below)
j. Assignment of contract by franchisor	9	No restriction on franchisor's right to assign.
k. "Transfer" by franchisee—defined	9	Sale, assignment, gift pledge or mortgage or other disposition of any part of the Franchise Agreement, ownership of the franchisee or the Business.
l. Franchisor approval of transfer by franchisee	9	Transferee has background, financial resources, etc. We have 30 days right of first refusal; transferee pays for training (Item 6)
m. Conditions for franchisor approval of transfer	9	Must provide written notice of offer, must be in compliance; must pay fee; must not be in breach; new franchisee qualifies, you must have no outstanding defaults or money or reports owed, you must provide terms to us, new franchise must have signed current Franchise Agreement and have attended training, transfer fee paid, you must have signed release.
n. Franchisor's right of first refusal to acquire franchisee's business	9	30 days on same terms as bona fide offer
o. Franchisor's option to purchase franchisee's business	12	Our option upon termination or expiration of the Franchise Agreement to purchase a part or all of assets for fair market value before you offer to third party
p. Death or disability of franchisee	9	Franchise must be assigned by estate to approved transferee within 180 days

Provision	Section in Franchise or Other Agreement	Summary
q. Non-competition covenants during the term of the franchise	15	No involvement in competing business.
r. Non-competition covenants after the Franchise is terminated or expires	15	No competing business for 2 years within 15 miles of your Franchised Location or within 15 miles of any other franchised location.
s. Modification of the Agreement	18	Only by both parties' written agreement, but Operation Manuals subject to change.
t. Integration/merger clause	18	Only the terms of the Franchise Agreement and its attachments are binding (subject to state law). Any representations or promises outside of the disclosure document and Franchise Agreement may not be enforceable.
u. Dispute Resolution by arbitration or mediation	16	Except for certain claims, all disputes will be subject to arbitration (if the mandatory face-to-face meeting and mediation don't resolve issue).
v. Choice of forum	16	Meetings, mediation and arbitration to be conducted within 15 miles of our then-current headquarters.
w. Choice of Law	16	Subject to state law, the state law of our then-current headquarters

ITEM 18 Public Figures

Presently, we do not use any public figures to promote our franchise.

ITEM 19 Financial Performance Representations

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchise and/or franchisor-owned outlets if there is a reasonable basis for this information and if the information is included in the disclosure document. Financial performance information that is 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 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 franchise 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 Noah's Ark at info@AardvarksArks.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20
Outlets and Franchisee Information

Table No. 1
Systemwide Outlet Summary for the Years 2013 to 2015*

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 Changes
Franchised	2013	0	0	0
	2014	0	1	+1
	2015	1	3	+2
Company Owned	2013	1	1	0
	2014	1	1	0
	2015	1	1	0
Total Outlets	2013	1	1	0
	2014	1	2	+1
	2015	2	4	+2

* This reflects the unit owned by our Affiliate.

Table No. 2
Transfers of Outlets from Franchisees to New Owners (Other than the Franchisor) for the Years 2013 to 2015

Column 1 State	Column 2 Year	Column 3 Number of Transfers
None	2013	0
	2014	0
	2015	0
Total	2013	0
	2014	0
	2015	0

Table No. 3
Status of Franchised Outlets for the Years 2013 to 2015

Column 1 State	Column 2 Year	Column 3 Outlets at the start of the Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non-renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operation— Other Reasons	Column 9 Outlets at End of the Year
California	2013	0	0	0	0	0	0	0
	2014	0	1	0	0	0	0	1
	2015	1	0	0	0	0	0	1
Colorado	2013	0	0	0	0	0	0	0
	2014	0	0	0	0	0	0	0
	2015	0	2	0	0	0	0	2
Total	2013	0	0	0	0	0	0	0
	2014	0	1	0	0	0	0	1
	2015	1	2	0	0	0	0	3

Table No. 4
Status of Company-Owned Units for the Years 2013 to 2015*

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
Colorado	2013	1	0	0	0	0	1
	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1
Total	2013	1	0	0	0	0	1
	2014	1	0	0	0	0	1
	2015	1	0	0	0	0	1

*This reflects the unit owned by our Affiliate

Table No. 5
 Projected Openings as of December 31, 2015

Column 1 State	Column 2 Franchise Agreements Signed but Outlet not Opened	Column 3 Projected new Franchise Outlets in the Next Fiscal Year	Column 4 Projected New Company-Owned Outlets in the Current Fiscal Year
Colorado	0	1	0
Totals	0	1	0

Exhibit D lists the names of all franchisees and the addresses and telephone numbers of their outlets as of the Effective Date of this Disclosure Document and the name, city, and state, and the 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 our most recently completed fiscal year, or who has not communicated with us within 10 weeks of the issuance date of this Franchise Disclosure Document.

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

In some instances, current or former franchisees sign provisions restricting their ability to speak openly about their experience with us. You may wish to speak with current and former franchisees, but be aware that all such franchisees will be able to communicate with you.

Exhibit E lists, to the extent known, the names, addresses, telephone numbers, e-mail address, and web address of each trademark-specific franchisee organization associated with the franchise system being offered that we have created, sponsored, or endorsed, and the independent franchisee organizations that have asked to be included in this disclosure document.

ITEM 21
Financial Statements

Attached to this Disclosure Document as Exhibit G are our audited financial statements for the periods ending December 31, 2013, December 31, 2014, and December 31, 2015.

ITEM 22
Contracts

Attached to this Disclosure Document are the following franchise-related contracts:

- Exhibit B Franchisee Agreement and all Exhibits as follows:
- Exhibit 1 Statement of Ownership
- Exhibit 2 Specified Business Type, Designated Area, Franchised Location, Exclusive Territory
- Exhibit 3 Guarantee

Exhibit 4	Collateral Assignment of Lease Agreement
Exhibit 5	Collateral Assignment of Contact and Electronic Information
Exhibit 6	General Release
Exhibit 7	Closing Acknowledgments
Exhibit 8	State Specific Addenda

**ITEM 23
RECEIPT**

The Receipt is found at the end of this disclosure document as Exhibit H.

EXHIBIT A State Agencies

Names and Addresses of State Regulatory Authorities and Registered Agents in States

The following is a list of state administrators responsible for registration of these states. We may register in one or more of these states.

California

Department of Business Oversight
One Sansome Street, Ste. 600
San Francisco, CA 94104

Commissioner of the Department of Business
Oversight
320 W. 4th Street, Suite 700
Los Angeles, California 90013

Commissioner of the Department of Business
Oversight
1515 K. Street, Suite 200
Sacramento, California 95814
(866) 275-2677 Toll Free

Connecticut

Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
(860) 240-8299

Florida

Division of Consumer Services
Attn: Business Opportunities
2005 Apalachee Parkway
Tallahassee, Florida 32399-6500

Hawaii

Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 203

Honolulu, Hawaii 96813
(808) 586-2722

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Kentucky

Office of the Attorney General
Consumer Protection Division
Attn: Business Opportunity
1024 Capital Center Drive
Frankfort, Kentucky 40601-8204

Maine

Department of Professional and Financial
Regulations
Bureau of Banking
Securities Division
121 Statehouse Station
Augusta, Maine 04333

Maryland

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Michigan

Department of the Attorney General
 Consumer Protection Division, Franchise Unit
 525 Ottawa Street
 G. Mennen Williams Building, 6th Floor
 Lansing, Michigan 48909

Minnesota

Minnesota Department of Commerce
 85 7th Place East, Suite 500
 St. Paul, Minnesota 55101

Nebraska

Nebraska Department of Banking and Finance
 Commerce Court
 1230 O Street, Suite 400
 Lincoln, Nebraska 68509

New York

Bureau of Investor Protection and Securities
 New York State Department of Law
 120 Broadway, 23rd Floor
 New York, New York 10271

North Carolina

Secretary of State
 Securities Division, Old Revenue Complex
 2 South Salisbury Street
 Raleigh, North Carolina 27601

North Dakota

North Dakota Securities Department
 600 East Boulevard Avenue
 State Capitol—5th Floor
 Department 414
 Bismarck, North Dakota 58505-0510
 (701) 328-4712

Rhode Island

Department of Business Regulation
 John O. Pastore Complex
 1511 Pontiac Avenue
 Bldg. 69, First Floor
 Cranston, RI 02920

South Carolina

Office of the Secretary of State
 1205 Pendleton Street
 Edgar Brown Building, Suite 525
 Columbia, South Carolina 29201

South Dakota

Department of Revenue and Regulation
 Division of Securities
 445 East Capitol Avenue
 Pierre, South Dakota 57501

Texas

Office of the Secretary of State
 Statutory Document Section
 1019 Brazos Street
 Austin, Texas 78701

Utah

Utah Department of Commerce
 Division of Consumer Protection
 160 East Three Hundred South
 P.O. Box 146704
 Salt Lake City, Utah 84114-6704

Virginia

State Corporation Commission
 Division of Securities and Retail Franchising
 1300 East Main Street, 9th Floor
 Richmond, Virginia 23219

Washington

Department of Financial Institutions
 Securities Division
 150 Israel Road Southwest
 Olympia, Washington 98501

Wisconsin

Division of Securities
 Department of Financial Institutions
 345 West Washington Avenue
 Madison, Wisconsin 53703

List of State Agents for Service of Process

The following state agencies are designated as our agent for service of process in accordance with the applicable state laws. We may register in one or more of these states.

California

Commissioner of the Department of Business
Oversight
One Sansome Street, Ste. 600
San Francisco, California 94104

Commissioner of the Department of Business
Oversight
320 W. 4th Street, Suite 700
Los Angeles, California 90013

Commissioner of the Department of Business
Oversight
1515 K St., Suite 200
Sacramento, California 95814
(866) 275-2677

Connecticut

Connecticut Banking Commissioner
Department of Banking
Securities & Business Investments Division
260 Constitution Plaza
Hartford, Connecticut 06103
860-240-8299

Hawaii

Commissioner of Securities
Department of Commerce and Consumer Affairs
Business Registration Division
Securities Compliance Branch
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Illinois

Illinois Attorney General
500 South Second Street
Springfield, Illinois 62706

Indiana

Indiana Secretary of State
Securities Division
302 West Washington Street, Room E-111
Indianapolis, Indiana 46204

Maryland

Maryland Securities Commissioner
Office of Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202

Michigan

Michigan Department of Commerce
Corporations and Securities Bureau
P.O. Box 30054
6546 Mercantile Way
Lansing, Michigan 48909

Minnesota

Minnesota Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, Minnesota 55101

New York

Secretary of the State of New York
99 Washington Avenue
Albany, NY 12231

North Dakota

North Dakota Securities Department
State Capitol—5th Floor
600 East Boulevard
Bismarck, North Dakota 58505-0510

Rhode Island

Department of Business Regulation
 John O. Pastore Complex
 1511 Pontiac Avenue
 Bldg. 69, First Floor
 Cranston, RI 02920

South Dakota

Department of Revenue and Regulation
 Division of Securities
 445 East Capitol Avenue
 Pierre, South Dakota 57501

Virginia

Clerk of the State Corporation Commission
 1300 East Main Street, 1st Floor
 Richmond, Virginia 23219

Washington

Director, Department of Financial Institutions
 Securities Division
 150 Israel Road Southwest
 Olympia, Washington 98501

Wisconsin

Commissioner of Securities
 345 West Washington Street, 4th Floor
 Madison, Wisconsin 53703

Service of Process in Colorado

Noah Ark, President
 Noah's Ark Franchising, Inc
 123 First Street
 Denver, Colorado 80000

EXHIBIT B
Franchise Agreement

[See Appendix B for a sample franchise agreement]

EXHIBIT C
[Operations Manual]
Table Of Contents

[The franchisor would insert the table of contents from the operations manual for the business into this location]

EXHIBIT D
Current Franchisees and
Franchisees Who Have Left the System

Current Franchisees***California***

Mark Ark
 432 A Street
 Los Angeles California 10000
 555-555-1234
 Mark@any.com

Colorado

Mary Arkin
243 B Street
Colorado Springs Colorado 80000
555-555-4321
Mary@any.com

Barkin Ark
334 C Street
Denver, Colorado 80000
555-555-1243
Barkin@any.com

Franchisees That Have Left the System

None

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

**EXHIBIT E
Trademark-Specific Franchisee Associations and
Independent Franchisee Associations**

None

**EXHIBIT F
State-Specific Addenda**

None

**EXHIBIT G
Financial Statements**

Audited Financial Statements for the years ending December 31, 2013, 2014, 2015

**EXHIBIT H
Receipt**

RECEIPT

NOAH’S ARK FRANCHISING INC.

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

If Noah’s Ark Franchising Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Noah’s Ark Franchising Inc., 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580 and to the state agency identified on Exhibit A.

The Franchisor is Noah’s Ark Franchising Inc., 123 First Street Denver, Colorado 80000 (888) 555-1212.

Issuance Date: April 1, 2016

The franchise seller for this offering is Noah Ark 123 First Street Denver, Colorado 80000 (888) 555-1212.

Noah’s Ark Franchising, Inc, authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

I have received these disclosure documents dated April 1, 2016 that included the following Exhibits:

- Exhibit A. List of State Agencies/Agents for Service of Process
- Exhibit B. Franchise Agreement
- Exhibit C. Table of Contents
- Exhibit D. Current Franchisees and Franchisees that have left the System
- Exhibit E. Trademark Specific Franchisee Associations and Independent Franchisee Associations
- Exhibit F. State Specific Addenda
- Exhibit G. Financial Statements
- Exhibit H. Receipt

_____ Date

_____ Prospective Franchisee

You should return 1 copy of the signed receipt by signing, dating and mailing to Noah’s Ark Franchising Inc. at 123 First Street Denver, Colorado 80000 (888) 555-1212.

KEEP A COPY FOR YOUR RECORDS. This disclosure document is also available in PDF format. Noah’s Ark at noah@AardvarksArks.com.

RECEIPT

[Second copy provided to potential franchisee to keep for their records]

RECEIPT

NOAH’S ARK FRANCHISING INC.

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

If Noah’s Ark Franchising Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement or make a payment to us or an affiliate in connection with the proposed franchise sale.

If Noah’s Ark Franchising Inc., 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, DC, 20580 and to the state agency identified on Exhibit A.

The Franchisor is Noah’s Ark Franchising Inc., 123 First Street Denver, Colorado 80000 (888) 555-1212.

Issuance Date: April 1, 2016

The franchise seller for this offering is Noah Ark 123 First Street Denver, Colorado 80000 (888) 555-1212.

Noah’s Ark Franchising, Inc, authorizes the respective state agencies identified in Exhibit A to receive service of process for it in the particular state.

I have received these disclosure documents dated April 1, 2016 that included the following Exhibits:

- Exhibit A. List of State Agencies/Agents for Service of Process
- Exhibit B. Franchise Agreement
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- Exhibit H. Receipt

Date

Prospective Franchisee

You should return 1 copy of the signed receipt by signing, dating and mailing to Noah’s Ark Franchising Inc. at 123 First Street Denver, Colorado 80000 (888) 555-1212.

KEEP A COPY FOR YOUR RECORDS. This disclosure document is also available in PDF format. Noah’s Ark at noah@AardvarksArks.com.