

<b>Provision</b>	<b>Section in Territory Development Agreement</b>	<b>Summary</b>
v. Choice of forum	Section 12	In most cases, litigation must be brought in state or federal courts located in Hennepin County, Minnesota (subject to applicable state law; see applicable State addendum).
w. Choice of law	Section 12	Minnesota law generally applies (subject to applicable state law; see applicable State addendum).

## **ITEM 18 PUBLIC FIGURES**

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

## **ITEM 19 FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the Disclosure Document. Financial performance information that differs from that included in Item 19 may be given only if (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

### **STATEMENT OF 2023 GROSS REVENUE OF PETS ARE INN BUSINESSES**

The following are statements of gross revenues for all Pets Are Inn businesses that were operated for the entire 12 month period ended December 31, 2023. The first chart shows the results of one company-owned business and the second chart shows the results of 4 franchised businesses. We have provided this gross revenue information based on information provided by the businesses. We have not verified the information provided by the franchised businesses.

The results below were not achieved in the first year of operation. There are no material or operational characteristics of any of these businesses that are reasonably anticipated to differ materially from operational franchise outlets.

The gross revenue of the company-owned business discussed above for 2023 was \$342,059. This business operated in two territories in the Minneapolis, Minnesota southern metropolitan area.

The gross revenues of the 4 franchised businesses are set forth in the chart below:

Franchised Business Location	2023 Gross Revenue
Dallas, Texas (3 territories)	\$131,692
Bucks County, Pennsylvania (2 territories)	\$437,415
Minneapolis, Minnesota (West/North Metro) (1 territory)*	\$208,323
St. Paul Minnesota (St. Paul and Northwest Metro) (1 territory)*	\$193,986

\* Each of these businesses are owned by the same franchisee.

“Gross revenue” used in this Item 19 was determined consistent with the definition in the Franchise Agreement for Gross Sales. Amounts have been rounded to the nearest dollar.

These figures only represent gross revenues. These figures exclude from gross revenues, sales tax and refunds. These gross revenue figures do not reflect the cost of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue figures to calculate net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Pet Are Inn business. Franchisees or former franchisees listed in this Disclosure Document may be one source of this information.

**Some outlets have earned these amounts. Your individual results may differ. There is no assurance that you’ll earn as much.**

Written substantiation for the financial performance representations made in this Item 19 will be made available to you upon request.

Other than as set forth above, we do not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchise businesses. 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 business, however, we may provide you with the actual records of that business. 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 James Platt, at 7831 East Bush Lake Road, Suite 200J, Edina, Minnesota 55439; (952) 944-8298, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20**  
**LIST OF OUTLETS**

**Table No. 1**  
**Systemwide Outlet Summary**  
**For years 2021 to 2023<sup>1</sup>**

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2021	6	5	-1
	2022	5	4	-1
	2023	4	4	0
Company-Owned <sup>2</sup>	2021	1	1	0
	2022	1	1	0
	2023	1	1	0
<b>Total Outlets</b>	2021	7	6	1
	2022	6	5	1
	2023	5	5	0

1. All numbers are as of December 31 of the applicable year.
2. This business is owned by an affiliate of PAI.

**Table No. 2**  
**Transfers of Outlets from Franchisees to New Owners (other than the Franchisor)**  
**For years 2021 to 2023<sup>1</sup>**

Column 1 State	Column 2 Year	Column 3 Number of Transfers
All States	2021	0
	2022	0
	2023	0
<b>Total</b>	2021	0
	2022	0
	2023	0

1. All numbers are as of December 31 of the applicable year.