

## FRANCHISE DISCLOSURE DOCUMENT

ESCAPOLOGY, LLC  
A FLORIDA limited liability company  
11951 International Drive, #2A1  
Orlando, Florida 32821  
(321) 330-3722  
lloyd.notley@escapology.com  
[www.escapology.com](http://www.escapology.com)



You will operate a live escape game business offering high quality live escape game experiences using the trademark “Escapology.”

The total investment necessary to begin operation of an Escapology franchise ranges from \$626,500 to \$2,295,500. This includes \$45,000 to \$50,000 that must be paid to the franchisor or an affiliate.

The total investment necessary to begin the operation of an Escapology multi-unit development business ranges from \$716,500 to \$2,745,000, for the required minimum of 3. This includes the \$135,000 to \$365,000 that must be paid to the franchisor or an affiliate.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with or make any payment to the franchisor or an affiliate in connection with the proposed franchise sale. **Note, however, that no government 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 Escapology, LLC – Lloyd Notley at 11951 International Drive, Unit 2A1, Orlando, Florida 32821; (321) 330-3722

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 an advisor, like a lawyer or 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](http://www.ftc.gov) for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 18, 2025

## How to Use This Franchise Disclosure Document

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

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

## What You Need To Know About Franchising *Generally*

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

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

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

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

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

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

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

### Some States Require Registration

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

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

## Special Risks to Consider About *This* Franchise

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation and/or litigation only in Florida. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate or litigate with the franchisor in Florida than in your own state.
2. **Mandatory Minimum Payments.** You must make minimum royalty fund payments, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
3. **Unopened Franchises.** The Franchisor has signed a significant number of Franchise Agreements with franchisees who have not yet opened their outlets. If other franchisees are experiencing delays in opening their outlets, you may also experience delays in opening your outlet.
4. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the franchise agreement even though your spouse has no ownership interest in the franchise. This guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

**ESCAPOLOGY, LLC**  
**Franchise Disclosure Document**

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**ITEM 1: THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS AND AFFILIATES**

To simplify the language in this disclosure document, the terms “Franchisor”, or “we” or “us” means Escapology, LLC, the Franchisor. The terms “we”, “us” and “Franchisor” do not include you, the “Franchisee”. We refer to the purchaser(s) of an Escapology franchise, as “you” or “Franchisee”, whether an individual, a partnership, corporation, or limited liability company. If you are a corporation, partnership or other entity, our Franchise Agreement also will apply to your owners, officers and directors.

We were formed as a limited liability company in the state of Florida on September 22, 2014. Our principal business address is 11951 International Drive, #2A1, Orlando, Florida 32821, and our telephone number is (321) 300-3722. We develop, operate, franchise, and service a system of premiere facilities in the United States of America, Canada, Chile, Dominican Republic, Ecuador, Mexico, Spain and the United Arab Emirates containing escape rooms, also known as escape games, in which a team of players cooperatively discover clues, solve puzzles, and accomplish tasks in one or more rooms in order to progress and eventually figure out how to “unlock” the door and leave the game setting in a set period of time (these are “Live Escape Games”).

We have operated a business similar to the one being offered by this FDD since December 2014. The “Escapology System” is a concept of Live Escape Games, for which we have been offering franchises since January 2016. Escapology Live Escape Games offer the public a high standard of quality and uniformity in Live Escape Games, service, and decor.

Escapology facilities are located in storefronts, and other locations that are appropriate to Escapology’s brand. The franchise being offered by this FDD is for the opening of stand-alone Escapology facility or an addition within a family entertainment center or other existing entertainment facility such as a casino or theme park. A grant of an Escapology franchise authorizes you to operate an Escapology facility at a specific location and to use the Escapology System in the operation of that Live Escape Game business.

The principal business addresses of our agents for service of process are shown on Exhibit A.

**Our Parents, Predecessors and Affiliates**

We do not have a predecessor company.

Our direct parent company is Escapology Holdings, LLC, a Florida limited liability company that has a principal place of business at 11951 International Drive #2A1, Orlando, Florida 32821. Its parent is Escape Holdco, Inc., a Delaware corporation, and that corporation's parent is Escape Holdings, LLC, a Delaware limited liability company; both of those indirect parents maintain their principal place of business at 500 Woodward Avenue, Suite 2800, Detroit, Michigan, 48226. Our ultimate parent company is controlled by Peninsula Capital Partners, an investment firm also located at 500 Woodward Avenue, Suite 2800, Detroit, Michigan, 48226.

Peninsula Capital Partners owns a controlling ownership interest in Gateway Market Canada, Inc., an Ontario corporation with a registered office address of 180 Blor Street West, Suite 1401, Toronto, Ontario M5S 2V6. Gateway Market Canada, Inc. is the franchisor of approximately 200 retail outlets located in the country of Canada within commercial and office developments or transit locations that sell candy, cards, gifts, tobacco, reading materials, lottery tickets and/or other sundry items, as "newsstands" or convenience stores, primarily in urban areas. Gateway Market

Canada, Inc. has been franchising since January 1, 2020, and it is the successor franchisor to Tobmar Newstands Inc. which has operated in Canada since the 1990's. None of our management, including those of our parent company, have management roles in Gateway Market Canada, Inc.

### **The Franchise Offered:**

We offer franchises for the right to independently establish and operate live escape rooms under the Escapology Marks and using our distinctive operating procedures and standards in a designated area (the “Franchised Business”). Escapology facilities are located in storefronts, and other locations that are appropriate to Escapology’s brand. The franchise being offered by this FDD is for the opening of stand-alone Escapology facility or as an addition within a family entertainment center or other existing entertainment facility such as a casino or theme park. A grant of an Escapology franchise authorizes you to operate an Escapology facility at a specific location and to use the Escapology System in the operation of that Live Escape Game business. The distinguishing characteristics of the Franchised Business include, but are not limited to, our distinctive and uniform trade dress standards, operations procedures, service methods, and methods for management, training, and marketing, all of which may be changed, improved or further developed by us at any time (the “System”).

We also offer qualified individuals the right to open a minimum of three (3) Escapology outlets in a designated area under the terms of a multi-unit development agreement. You must sign the then-current form of franchise agreement for each Franchised Business to be developed under the multi-unit development agreement, which may differ from the current Franchise Agreement included with this Franchise Disclosure Document.

### **Market and Competition:**

The market for an Escapology business is composed of private consumers who like to overcome challenges in a live escape room context within set time limits. Escape rooms are also booked by commercial customers for team building, corporate entertainment and HR assessment.

This market for escape rooms is fairly recent (several years) and is still developing. You will compete with other providers of live escape rooms. The general market is not seasonal, and experiences are in demand year-round.

### **Industry Specific Regulations:**

Live Escape Games are subject to various laws and regulations that apply to businesses generally, including public health and safety codes and ordinances. These include regulations concerning smoking, sanitation, discrimination, employment and sexual harassment laws as well as the Americans with Disabilities Act, which requires readily accessible accommodations for disabled individuals and may affect your operations. It is your responsibility to comply with these laws. You should consult with your own advisors and the government agencies in your state for information on how these laws apply to you. Among the laws and regulations that apply to businesses generally, you must comply with the Patient Protection and Affordable Care Act, 42 USC 18001.

## **ITEM 2: BUSINESS EXPERIENCE**

**President and Director (Escape Holdings, LLC): Christopher Gessner**

Mr. Gessner has served as President and a Director of our parent company from July 2021 to present. Mr. Gessner has served as a Partner at Peninsula Capital Partners located in Detroit, Michigan from February 2020 to present, and a director of that entity from February 2012 to present. Since February 2012, Mr. Gessner has also been a board member of several other companies controlled by Peninsula Capital Partners.

**Vice President and Director (Escape Holdings, LLC): Elizabeth DiGregorio**

Ms. DiGregorio has served as Vice President and a Director of our parent company from July 2021 to present. Ms. DiGregorio has served as a Director at Peninsula Capital Partners located in Detroit, Michigan from April 2021 to the present. Previously she served as a Vice President at The Huntington National Bank in Southfield, Michigan from December 2017 to April 2021 and a Vice President at Comerica Bank in Detroit, Michigan from July 2013 to December 2017.

**Chief Executive Officer: Charles Burton Heiss**

Mr. Heiss has served as our Chief Executive Officer since March of 2022 to present. Mr. Heiss has previously served as CEO of Buddy's Pizza from July 2019 until March 2021 in Farmington Hills, Michigan. Mr. Heiss has also been the Principal of Heiss Hospitality, a business consulting company based in Arlington, Virginia, since May 2017.

**Chief Financial Officer: Adam Doktor**

Mr. Doktor has served as our Chief Financial Officer from July 2023 to present. Mr. Doktor had previously served as Director of Financial Planning and Investor Relations for Travel + Leisure Co. in Orlando, Florida, from March 2018 through July 2023.

**Vice President of Franchising: Lloyd J. Notley**

Mr. Notley has served as our Vice President of Franchising since January 2023 to present. Previously Mr. Notley served as our Chief Marketing Officer from July 2020 until December 31, 2022. He was our Franchise Sales Director from April 2018 until July 2020, and our sales manager from June 2017 until April 2018. Mr. Notley also has served as the President and Managing member of LJ Yelton Consulting LLC of Lake Mary, Florida from 2016 to the present.

**Director (Escape Holdings, LLC): Simon Mark Davison**

Simon Davison has served as a Director of our parent company Escape Holdings, LLC from July 2021 to present. Mr. Davison has also served as a Managing Member of Osbourne Purdie, LLC in Orlando, Florida from June 2009 to present. Mr. Davison is one of our co-founders and was our Chief Executive Officer in Orlando, Florida from July 2014 through February 2022.

**Chief Operating Officer: Katy Dean**

Ms. Dean has been our Chief Operating Officer since January 2023 to present. Previously Ms. Dean served as Chief Operating Officer of Buddy's Pizza in Farmington Hills, Michigan, and was with the company from February 2020 until September 2022. Prior to that, Ms. Dean served as Vice President of Marketing and Operations for WellBiz Brands in Denver, Colorado. She was with WellBiz Brands from January 2010 until February 2020.

## **Chief Development Officer: Shawn Baxter**

Mr. Baxter has served as our Chief Development Officer since October 2024 to present. Previously, Mr. Baxter served as Senior Director of Real Estate, Market Planning & Analytics, and Non-Traditional Development at Potbelly Sandwich Works from April 2022 until September 2024. Prior to that, he was Vice President of Real Estate Development at Buddy's Pizza from November 2019 until May 2022. Prior to that Mr. Baxter served as head of real estate and development at multiple restaurant concepts and has been the principal of a development consulting company since 2019. Mr. Baxter holds a JD from the University of Miami and an MBA from University of Florida.

### **ITEM 3: LITIGATION**

In the Matter of the Commissioner of Financial Protection and Innovation v. Escapology, LLC, (State of California Department of Financial Protection and Innovation). On January 19, 2023, without hearing or final adjudication of any issue of fact, we voluntarily entered into a Consent Order with the Commissioner of the California Department of Financial Protection and Innovation (the "Commissioner") to resolve the Commissioner's claims that we violated the California Franchise Investment Law by (1) failing to disclose the material facts related to two negotiated sales within California; (2) offering and selling when our Disclosure Document omitted to state that we had sold franchises with different material terms in negotiated sales on 2 occasions; and (3) failing to provide maintain disclosure records for past sales. Under the Consent Order, we agreed to comply with the California Franchise Investment Law and to pay a penalty of \$12,500.

No other litigations are pending or 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**

We will charge you an initial franchise fee ("Initial Franchise Fee") when you sign the Franchise Agreement. The Initial Franchise Fee is Forty-Five Thousand Dollars (\$45,000.00). This payment is fully earned by us and due in a lump sum when you sign the Franchise Agreement. The Initial Franchise Fee is not refundable under any circumstance.

We will not charge you a development fee ("Development Fee") when you sign the Multi-Unit Development Agreement. We will charge you an Initial Franchise Fee of Forty-Five Thousand Dollars (\$45,000) for each Escapology outlet you develop under the Multi-Unit Development Agreement. Under the Multi-Unit Development Agreement, you must open a minimum of three (3) outlets and a maximum of eight (8). The Initial Franchise Fees range from One Hundred Thirty-Five Thousand Dollars (\$135,000) to Three Hundred Sixty Thousand Dollars (\$360,000). The Initial Franchise Fees are not refundable under any circumstance.

Included with the Initial Franchise Fee are eight (8) games for your Escapology facility. For each additional game you will pay us a fee of Five Thousand Dollars (\$5,000) per game. The additional game fee is not refundable under any circumstances.

### **ITEM 6: OTHER FEES**

Type of Fee	Amount	Due Date	Remarks
Continuing Royalty Fee <sup>1,2</sup>	<p>6% of Gross Sales, with the following mandatory minimum monthly amounts:</p> <p>\$1,000 for the first 18 months; \$2,000 for the next 18 months; \$3,000 for each month thereafter.</p> <p>The minimum Royalty Fee must be paid beginning the twelfth month following the execution of your Franchise Agreement, regardless of whether or not the business is operational.</p>	Payable on the 10 <sup>th</sup> day of the month for the previous month.	Payable to us.
Per Player Licensed Game Fee <sup>3</sup>	Payable for each person who plays any Licensed Game; current range is \$1.50 to \$3.50 per player	Monthly at the same time as the Royalty Fee	Fee varies based on Licensed Game; See Note 3
Additional Game Fee <sup>4</sup>	<p>Currently, our Additional Game Fee is \$5,000 per game.</p> <p>Included with your payment of the Initial Franchise Fee are 8 games for you facility. For any additional games you will be charge an Additional Game Fee.</p>	As incurred	Payable to Us. Up to Franchisor's discretions Beginning on the 6 <sup>th</sup> year of your term, you may be required to replace at least 1 game every year with a new game. See note 4
Extension Fee <sup>5</sup>	\$5,000 for 6-month extension	As incurred	Payable to us. Paid to us if you need extra time
Managed Marketing Program <sup>6</sup>	Between \$849 - \$1,599 per month	Monthly, at the same time as the Royalty Fee	Payable to us
Technology Fee <sup>7</sup>	\$499 per month	Monthly, at the same time as the Royalty Fee	Payable to us See Note 7
Minimum Local Advertising	6% of Gross Sales	Monthly	Payable to vendor
Innovation Fee <sup>8</sup>	2% of Gross Sales	Monthly at the same time as the Royalty Fee	Payable to us. See note 8
Advertising Cooperative	Your share of actual cost of advertising.	As determined by cooperative	No cooperatives have been established as of the date of this Disclosure Document. You are required to join an advertising cooperative if one is formed. Cooperatives will be comprised of all franchised Escapology outlets in a designated geographic area. Any affiliate-owned outlets may participate in an advertising cooperative, at our sole discretion. If we establish a

Type of Fee	Amount	Due Date	Remarks
			regional advertising fund or cooperative, you must contribute amounts equal to your share of the total cost of cooperative advertising.
National Business Meeting or Convention Fee <sup>9</sup>	Our then-current national business meeting or convention fee, currently \$500 per attendee plus cost of food, transportation and lodging	As incurred	See note 9
Late Fee	\$250	As incurred	Any payment not actually received by us as required by the Franchise Agreement shall be deemed overdue or if you fail to submit your Gross Sales report when due. If any payment is overdue, you will have to pay us, in addition to the overdue amount a late fee may be added. If you do not pay 7 days after the due date, the current penalty is \$250. This total is due upon receipt of the past due invoice and shall be electronically deposited, as specified by us.
Interest Charge <sup>10</sup>	18% per annum from due date, or maximum allowed by law	As incurred	If you fail to pay us any amount when due, we may charge you interest on the unpaid balance until the payment is received.
Non-Sufficient Funds Fee	\$30	As incurred	If your check is returned or an electronic funds transfer from your bank account is denied for insufficient funds, for each occurrence we may charge you a Non-Sufficient Funds Fee.
Technician fee (game tech support)	\$199/hr	As incurred	Payable to us. This is a tech service that is available upon request - when franchisees require assistance with game tech/repairs post game installation and are not able to troubleshoot/repair items themselves. We provide this as a service as needed and it is carried out by our tech/game team.

Type of Fee	Amount	Due Date	Remarks
Relocation Fee <sup>11</sup>	\$5,000	As incurred	Payable to us upon submitting your request to relocate. See note 10
Venue Expansion Fee	\$5,000	As incurred	Payable to us upon submitting your request to expand your location. This also includes any expansion of games offered at your location if increased.
Successor Agreement Fee	\$5,000	Before signing successor agreement	Payable to us. See Item 17.
Transfer Fee	\$5,000	Before we approve the transfer	Payable to us. This should be paid to us at least 30 days prior to the effective date of the transfer to cover our costs in evaluating and ensuring training of the proposed transferee, as well as effecting the transfer. See Item 17
Additional Training <sup>12</sup>	Our then-current training fee, currently \$500 per person, per day.  You pay all travel and other related expenses incurred by you and your personnel to attend training.	As incurred.	Payable to us. See note 11
Remedial Training Fee	Our then-current trainer per diem rate, plus expenses  Current rate = \$500	As incurred.	We may impose this fee, payable to us, if you request additional training at your premises, or if you are operating below our standards and we require you to have additional training. You must also pay all costs of our trainer, which include but are not limited to, airfare, transportation, hotel and meals.
Interim Management Support Fee <sup>13</sup>	Our then-current per diem rate for on-site management, plus expenses  Current rate = \$2,000 per week	As incurred.	We may impose this fee (in addition to all regularly occurring fees such as the Continuing Royalty Fee), payable to us, if we provide on-site management of your Franchised Business.

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Lost Operations Manual Fee	\$2,000	As incurred	Payable to us. You must have our complete Operations Manual at all times
Examination of Books and Records	Cost of examination plus related expenses.	As incurred.	We have the right under the Franchise Agreement to examine your books, records and tax returns. If an examination reveals that you have understated any Gross Sales, you must pay us the owing Royalty with interest, and if there is an understatement of 2% or more, you must pay to us the cost of the audit and all travel and related expenses.
Lease Assistance Fee <sup>14</sup>	All costs incurred plus all reasonable expenses, including travel costs, lodging, per diem	As incurred.	Payable to us.
Cost to Cure Lease Defaults <sup>14</sup>	Our cost	As incurred	Payable to us
Cost of Evaluating Proposed Suppliers <sup>15</sup>	Our cost	As incurred	Payable to us. See note 14
Booking and Point of Sale Platform Fee	Currently \$149	Monthly	Payable to us for use of the then-current booking platform
Facility Design Fee	Currently \$199 per hour	As Incurred	Payable to us to be used to help in the design of your Escapology Facility.
Liquidated Damages	Amount of loss or damages plus costs	As incurred	Payable to us in the event your Franchise Agreement is terminated due to your default

<b>Type of Fee</b>	<b>Amount</b>	<b>Due Date</b>	<b>Remarks</b>
Indemnification <sup>16</sup>	Amount of loss or damages plus costs	As incurred.	See note 16
Reimbursement of Cost and Expenses for Non-compliance <sup>17</sup>	Actual costs and expenses	As incurred.	Payable to us. See note 17.
Taxes	Amount of taxes	When incurred.	You must reimburse us for any taxes that we must pay to any taxing authority on account of either the operation of your Franchised Business or payments that you make to us, including, but not limited to any sales taxes or income taxes imposed by any authority.
Reimbursement of legal fees and expenses	Our costs and expenses, including but not limited to attorneys' fees, incurred due to arbitration, other legal proceedings or your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement	As incurred	Payable to us.
Insurance Reimbursement	Amount paid by us for your insurance obligations.	As incurred	You must reimburse us for any insurance costs and other fees we incur due to your failure to meet the insurance obligations required by the Franchise Agreement.

All fees and expenses described in this Item 6 are nonrefundable and are uniformly imposed. Except as otherwise indicated in the preceding chart, we impose all fees and expenses listed and you must pay them to us.

<sup>1</sup> Gross Sales includes all sales of every kind and nature at or from your Franchised Business location or made pursuant to the rights granted to you by the Franchise Agreement including all booking fees, regardless of whether you have collected the amount of the sales. "Gross Sales" does not include (a) any sales tax or similar taxes collected from customers and turned over to the governmental authority imposing the tax, (b) properly documented refunds to customers, and (c) properly documented promotional discounts (i.e. coupons). If we do not receive such a report from you within those 5 working days, we will send you an email with our system report of the total number of reservations for that month and the amount that will be invoiced. You will have 48 hours to respond to this email - you can comply with it or send us an adjusted report. After the 48 hours (2 working days) expire, we will send you the invoice with a due date of two weeks (10 working days.) Interest and late fees will apply to any late payments or electronic funds transfer

requests denied due to insufficient funds. The term "Gross Sales" includes the aggregate amount of all revenue in accordance with the accounting practices and procedures as specified by us, and all other receipts of any kind you derive directly or indirectly from the operation of the Business.

<sup>2</sup> Beginning in the twelfth (12) month following signing the Franchise Agreement and regardless if your Escapology is open for business or not, you must pay the minimum service fee of \$1,000 per month, and the monthly count for ramp-up of the minimum fee will continue from that month; e.g., to \$2,000 per month in the thirtieth (30th) month after signing of the Franchise Agreement, and to \$3,000 per month in the forty-eighth (48th) month after signing the Franchise Agreement. The invoice for your Royalty will be sent to you at the end of each month for the concluded month.

<sup>3</sup> Prior to licensing a Licensed Game to you, we will inform you of the current per person fee for such Licensed Game. Currently, the fee for each person who plays any Licensed Game ranges from a low of \$1.50 per person to a high of \$3.50 per person. We may increase this fee with regard to any Licensed Game on ninety (90) days' notice to you.

<sup>4</sup> Your initial franchise fee includes eight (8) games. Franchisee may from time-to-time order new games from Escapology's game catalogue. Franchisee shall be charged a fee of \$5,000 per new game ordered, as well as be responsible for the costs of tangible materials, such as props and construction that may be necessary for implementation of the game in your Escapology Facility. Escapology will provide, with each new game, a game manual and inventory of materials and props necessary for the game, a CAD layout of the room, a 3-D room layout design, associated video to introduce the game, countdown clock video, a soundtrack, and promotional materials to be localized to the market by Franchisee.

<sup>5</sup> If you require extra time in order to establish your Franchised Location and commence business, you must request an extension from us. Upon granting your extension, you must pay us the then-current Extension fee. Currently, our Extension Fee is equal to \$5,000. The length of the extension is granted on a case-by-case basis and will be determined by us upon granting your extension.

<sup>6</sup> We require you to pay between \$849-\$1,599 per month for use in implementing a digital promotional program for your Escapology Facility, including management of social media, search engine optimization, email campaigns and miscellaneous digital marketing activities conducted by us on your behalf. The amount you will pay will be based on your facility's needs and we may increase the mandatory monthly minimum amount on 30 days' notice.

<sup>7</sup> We will require you to pay a Technology Fee to cover the costs of us providing you with services which may include POS System, email accounts, Google Suite, web hosting, Internal CRM, In-Venue Music, technology integrations, and project management. We may add or remove services to be covered by the Technology Fee.

<sup>8</sup> We require you to pay us an Innovation Fee equal to 2% of Gross Revenue. We use these fees to plan and implement innovations, marketing, and promotional plans for the benefit of all Escapology Facilities, including the development of new Games to keep the Facilities fresh and interesting to encourage return visits by prior customers.

<sup>9</sup> We require you to attend a national business meeting or convention for up to three (3) days per year for which you may have to pay our then-current fee. As of the date of this Franchise Disclosure Document, this fee is \$500 per attendee. Escapology reserves the right to change this

fee at any time. You will bear all costs, such as travel and accommodation, for attending these events.

<sup>10</sup> If you are past due on the payment of any amount you must pay interest on the past due amount at an annual rate equal to the highest rate allowed by law or, if there is no maximum rate permitted by law, eighteen percent (18%).

<sup>11</sup> If you request our approval to relocate your business and we agree, you must pay this fee to us prior to your relocation to defray our costs of updating documentation, reviewing new sites, and editing our website and advertising materials. You will be charged a \$5,000.00 upon the application for relocation.

<sup>12</sup> For the initial training, which currently takes place at Escapology's Orlando location, training for three individuals is included in the initial franchise fee, and Escapology will charge our then current training fee for additional trainees, currently set at \$500 per person per day (est. 5 days, so \$2,500 per additional attendee), due ten (10) days prior to training, Franchisee is also responsible for paying all travel, living, compensation, or other expenses incurred by the Franchisee and Franchisee's employees in connection with the training provided at the Escapology training facility Escapology reserves the right to change this fee or venue at any time.

<sup>13</sup> If you request to consult with us regarding the negotiation of your lease, beyond our site selection assistance promised as part of our pre-opening services, then you must pay all costs incurred plus all reasonable expenses, including travel costs, lodging, per diem and other costs. We do not provide legal advice in any consultation or otherwise.

<sup>14</sup> If you default on your lease and we cure your default, you shall be required to reimburse us for our costs, including attorneys' fees and court costs if any, and to do so upon our demand.

<sup>15</sup> If we incur any costs in evaluating a supplier you propose or its product or service, we may require you to pay those costs.

<sup>16</sup> You must indemnify and hold us, our affiliates, and all of our respective officers, directors, agents and employees harmless from and against any and all claims, losses, costs, expenses, liability and damages arising directly or indirectly from, as a result of, or in connection with your business operations under the Franchise Agreement, as well as the costs, including attorneys' fees, of defending against them.

<sup>17</sup> If you fail to do so, in our sole discretion, we may correct any deficiency in the Franchised Business and/or your operation of the Franchised Business or take steps to modify, alter or de-identify the Franchised Location upon the termination or expiration of the Franchise Agreement. You will reimburse us for our costs and expenses incurred to correct any deficiency or to modify, alter or de-identify the Franchised Business location including but not limited to attorneys' fees, incurred for your failure to pay amounts when due or failure to comply in any way with the Franchise Agreement.

**ITEM 7:        ESTIMATED INITIAL INVESTMENT**

**YOUR ESTIMATED INITIAL INVESTMENT**

Type of Expenditure	Amount	Method of Payment	When Due	To Whom Payment is Made
Initial Franchise Fee <sup>1</sup>	\$45,000	Lump sum payment by wire or ACH	Upon signing the Franchise Agreement.	Us
Additional Game Fee <sup>2</sup>	\$0 to \$5,000	Lump Sum	Upon signing the Franchise Agreement	Us
Initial Orientation & Training Expenses <sup>3</sup>	\$0 to \$6,500	As incurred	Before Opening	Suppliers of transportation, lodging & meals
Grand Opening Advertising <sup>4</sup>	\$5,000 to \$15,000	As incurred	Before opening	Suppliers
Real Estate Advance Rent	\$0 - \$40,000	As incurred	Upon signing lease	Landlord
Real Estate Security Deposit <sup>5</sup>	\$0 to \$60,000	As incurred	Upon signing lease	Landlord
Utilities	\$1,500 to \$8,000	As required	As required	Suppliers, Providers,
Utility Deposits <sup>6</sup>	\$1,000 to \$3,000	As incurred	Before Opening	Suppliers, Providers
Leasehold Improvements <sup>7</sup>	\$350,000 to \$1,200,000	As incurred	Before Opening	Vendors
Escape Rooms	\$100,000 - \$480,000	As incurred	Varies	Suppliers, Vendors, Us
Game Installation Labor	\$0 to \$120,000	As incurred	Before Opening	Vendors
Permits, Licenses <sup>8</sup>	\$7,000 to \$30,000	As Incurred	Before opening	Suppliers, Providers,
Professional Fees <sup>9</sup>	\$5,000 to \$30,000	As incurred	As incurred	Suppliers, Providers,
Signage <sup>10</sup>	\$7,500 to \$35,000	As incurred	Before opening	Suppliers
Furniture, Fixtures, Equipment <sup>11</sup>	\$50,000 to \$110,000	As incurred	Before opening	Suppliers
Office Equipment and Supplies <sup>12</sup>	\$1,000 to \$5,000	As incurred	Before opening	Suppliers
Dues and Subscriptions <sup>13</sup>	\$1,000 to \$3,000	As incurred	As incurred	Suppliers
Insurance <sup>14</sup>	\$8,000 to \$25,000	As incurred	Before Opening	Suppliers, Providers,
Operating Expenses/Additional Funds – 3 months <sup>15</sup>	\$44,500 to \$75,000	As incurred	Weekly payroll, other purchases according to agreed-upon terms	Employees, utilities, suppliers, etc.
<b>TOTALS: \$626,500 - \$2,295,500</b>				

**Your Estimated Initial Investment  
(Multi-Unit) – 3 to 8 Units**

<b>Type of Expenditure</b>	<b>Amount</b>	<b>Method of Payment</b>	<b>When Due</b>	<b>To Whom Payment Is Made</b>
Initial Franchise Fee (Note 1)	\$135,000 to \$360,000	Lump Sum	On signing Multi-Unit Development Agreement	Us
Other Expenditures for first Business (Note 2)	\$581,500 to \$2,250,000	As Disclosed in First Table	As Disclosed in First Table	As Disclosed in First Table
<b>Total</b>	<b>\$716,500 to \$2,745,000</b>			

<sup>1</sup> Please see Item 5 for information on incentive programs that may offer a discount on the Initial Franchise Fee. The amount stated in the Single Unit Table is for one outlet operated pursuant to a single Franchise Agreement. If you sign the Multi-Unit Development Agreement, you will pay a Development Fee based upon the number of Escapology outlets you agree to develop. The amount stated in the Multi-Unit Table assumes you will develop the minimum of three (3) and a maximum of eight (8) Escapology outlets. Along with paying the Development Fee under our Multi-Unit Development Agreement, you will be responsible for paying an initial franchise fee for each unit you sign for.

<sup>2</sup> From time to time we will request you to add additional games to your Franchised Business before opening as more fully described in Item 5. You may be required to pay additional initial and ongoing fees to install and present additional Games at your Escapology facility. You will be required to pay the Additional Game Fee at the same time as your initial franchise fee. The Additional Game Fee is fully earned by us when paid and is not refundable. The high value represents the cost for a single Additional Game however we may require more than one game and you may request additional games as well.

<sup>3</sup> The chart estimates the costs for transportation, lodging, and meals for your team. These incidental costs are not included in the initial franchise fee. Your initial franchise fee payment entitles you to training for you and your manager prior to the opening of your facility, and this estimate assumes you will not send more than 2 individuals to training in Orlando. We anticipate that the training program will be for five (5) days, with an average of eight (8) hours of instruction per day. We may provide optional or a portion of the training remotely. Your costs will depend on the number of people, their point of origin, method of travel, and living expenses. The duration of the training program is approximately one week. This estimate does not include employee wages. You must pay all reasonable expenses, including travel costs, lodging, per diem and other costs, incurred by the Escapology Game Master for assisting with installation and setup.

<sup>4</sup> This figure estimates the amounts that you will spend on marketing and promotions upon opening your business. As at the date this Disclosure Document was issued, you must spend at least \$5,000 on grand opening advertising during the first three (3) months you operate your Escapology facility. You may choose to spend more. Factors that may affect the actual amount you spend include the type of media used, the size of the area you advertise to, local media cost, location of your Escapology facility, time of year and customer demographics in the surrounding area. At least thirty (30) days prior to the projected opening date you must provide us with a grand

opening proposal and proposed costs. Within six (6) months of the opening date of your Escapology facility you must provide us with a report of your grand opening expenditures

<sup>5</sup> You must lease or otherwise provide a suitable facility for the operation of your Escapology facility. Each Escapology game room is approximately two hundred forty (240) square feet. Typically, an Escapology facility with five (5) to eight (8) Games will range in size from 2,800 to 5,000 square feet. It is difficult to estimate rental costs, which may vary based upon square footage, cost per square foot and required maintenance costs. The estimated cost range includes the costs of renting the facility for one (1) month and your costs to enter into a lease agreement including the first month's rent and a security deposit equal to one month's rent. Estimated rental costs for an additional two (2) months are included under the category "Additional Funds.". We cannot estimate the cost to purchase a suitable facility.

<sup>6</sup> Utility providers set the amounts of the utility deposits. A credit check may be required by the issuing utility company prior to the initiation of services, or a higher deposit required for first time customers. These costs will vary depending on the type of services required for the facility and the municipality or utility provider from which they are being contracted. We have based our estimate on the experiences of our affiliate. The figures in the chart include deposits that may be refundable to you at a later time. In most cases, your lease will require you to pay electric, gas, water, and other utilities directly; however, some landlords cover some utility charges through operating fees.

<sup>7</sup> You will need to convert an existing facility into an Escapology facility, or you will construct improvements to, or "build out", the premises at which you will operate your Escapology facility. You must perform the conversion, construction and/or build-out in accordance with our standards and specifications. These improvements may include, for example, wiring, flooring, sheetrock, plumbing, paint, HVAC, lighting, millwork, and décor items. Costs are likely to vary depending upon the size, location, configuration, installation costs, and overall condition of the premises, and may be much higher if you already have or wish to establish your Escapology facility in an area where special requirements of any kind (e.g., historical, architectural, or preservation requirements) will apply.

<sup>8</sup> This is an estimate of the costs of labor to install the eight (8) games included with your Initial Franchise Fee for your facility. We estimate the installation will cost approximately \$15,000 per game. Each game may vary in the cost of labor to install.

<sup>9</sup> This is an estimate of the costs of building permits, sign permits and a certificate of occupancy for your premises. Not all locations will require all of these permits, depending on the prior use of the premises and the requirements of local ordinances. This estimate also includes the cost of a local business license. The costs of permits and licenses will vary by location. We cannot estimate the cost of this license because requirements and fees vary widely. Please contact your local governing agency for this information.

<sup>10</sup> You may incur professional fees depending on the scope of work performed, which may include, legal and accounting fees to review franchise documents and costs of forming a separate legal entity and/or obtaining zoning approval. This list is not exhaustive. This amount will vary greatly depending on your specific needs and location. It is also advisable to consult these professionals to review any lease or other contracts that you will enter into as part of starting your franchise.

<sup>11</sup> This range includes the cost of all signage used in your Escapology facility. The signage requirements and costs may vary based upon the size and location of your Escapology facility,

local zoning requirements, landlord requirements and local wage rates for installation, among other things.

<sup>12</sup> This item includes all furniture's, fixtures, equipment, cash register, camera system, audio & visual equipment and décor needed to open and operate an Escapology outlet. You are required to furnish your Franchised Business in accordance with our specifications and standards, as well as the needs of your outlet and personnel. In addition to meeting our specifications for signage, you must comply with the local ordinances and restrictive covenants applicable to your Franchised Business.

<sup>13</sup> You must purchase general office supplies including stationery, business cards and typical office equipment. This estimate includes your costs to purchase a personal computer system (if you do not already have one), the point-of-sale system and online game booking software described in Item 11 below. Factors that may affect your cost of office equipment and supplies include local market conditions and competition among suppliers, among other things.

<sup>14</sup> You may have to purchase subscriptions to be a member of local trade or tourism organizations.

<sup>15</sup> Before you open for business, you must purchase and maintain at your sole cost and expense the insurance coverage that we specify and must name us and our respective officers, directors, partners, agents and employees as additional insured parties. Insurance costs and requirements may vary widely in different localities. The estimate represents the cost of the semi-annual premium of the required minimum coverage.

<sup>16</sup> This is an estimate of the amount of additional operating capital that you may need to operate your Franchised Business during the first three months after commencing operations. We cannot guarantee that you will not incur additional expenses in starting the business that may exceed this estimate. This estimate includes such items as rent, utilities, internet service, initial payroll and payroll taxes, software fees, technology fees, local advertising expenses, repairs and maintenance, bank charges, initial staff recruiting expenses, and other miscellaneous items. These estimates do not include any compensation to you, nor do they include debt service. These items are by no means all-inclusive of the extent of possible expenses.

We relied upon the experience of our affiliate-owned Escapology outlets to compile these estimates. These figures are estimates and we cannot guarantee that you will not have additional expenses starting your Franchised Business. We estimate that a franchisee can expect to put additional cash into the business during at least the first three to six months, and sometimes longer.

We do not offer financing for any part of the initial investment.

All fees and payments are non-refundable, unless otherwise stated or permitted by payee.

#### **ITEM 8: RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES**

We have identified various suppliers, distributors and manufacturers of equipment, inventory, and services that your Franchised Business must use or provide which meets our standards and requirements. You must purchase all equipment, fixtures, inventory, supplies and services from our designated suppliers and contractors or in accordance with our specifications.

Our affiliate is one of the approved suppliers of props and other tangible personal property used in Live Escape Games to the Escapology system. In our last fiscal year ending on December 31, 2024, our affiliate's total revenues was \$4,100,000 of which \$4,100,000 (or 100% were from the sale of such items to our franchisees.

We approve suppliers after careful review of the quality of the products they provide to us and you. If you would like us to consider another item or supplier, you must make such request in writing to us and have the supplier give us samples of its product or service and such other information that we may require. If the item and/or supplier meet our specifications, as we determine in our sole discretion, we will approve it as an additional item or supplier. Although the industry is rather new, we will review any alternate items or suppliers by comparing them to the current products and services standards we have with established with our currently approved suppliers. We will make a good-faith effort to notify you whether we approve or disapprove of the proposed item or supplier within 30 days after we receive all required information to evaluate the product or service. If we do not approve any request within 90 days, it is deemed unapproved. We reserve the right to revoke approval of any item or supplier that does not continue to meet our then-current standards. Our criteria for approving items and suppliers are not available to you. Along with your written request that we approve a proposed item or supplier, you must pay an evaluation fee equal to our costs to evaluate the proposed item or supplier, this includes but is not limited to our costs for time, testing and travel if required.

We maintain written lists of approved items of equipment, fixtures, inventory and services (by brand name and/or by standards and specifications) and a list of designated suppliers and contractors for those items. We update these lists periodically and issue the updated lists to all franchisees.

If you choose to purchase any additional Live Escape Games, you must purchase them from us. We are the only approved supplier of Live Escape Games to the Escapology system. When you install a new Game in your Escapology Facility, you must pay us \$5,000 per game. During our last fiscal year, our total revenue was \$6,622,286, of which, \$145,000 (or 0.2%) were from licensing new Games to franchisees.

We reserve the right to sell proprietary products to franchisees, or to suppliers for resale to Escapology franchisees, and to receive revenue from these sales. We also have the right to receive revenues or rebates from suppliers on account of other purchases or leases by franchisees. During our fiscal year ended December 31, 2024, we had a total revenue of \$6,622,286 of which \$0 (or 0%) was from rebates from third party suppliers received by our franchisees.

We estimate that your purchase or lease of products, supplies and services from approved suppliers (or those which meet our specifications) will represent approximately 85% of your costs to establish your Franchised Business and approximately 25% of your costs for ongoing operation.

During 2024, we received \$997,195 in revenue from franchisees for our provision of internet and social media marketing services, and we incurred \$930,261 in costs in providing those marketing services.

Currently, there are no purchasing or distribution cooperatives. However, we can require that you make your purchases through a cooperative if one is formed.

From time to time, we may negotiate purchase arrangements, including price terms, with designated and approved suppliers on behalf of all franchisees. As of the date of this Disclosure Document, we have not created any purchasing arrangements with suppliers.

We provide no material benefits (such as the grant of additional franchises) based on your use of designated sources; however, failure to use approved items or designated suppliers and contractors may be a default under the Franchise Agreement. Additionally, when there is any default under the Franchise Agreement, we reserve the right, in addition to other remedies available under the Franchise Agreement, to direct suppliers to withhold furnishing products and services to you.

## **Insurance**

You must purchase and maintain in effect during the term of the Franchise Agreement the type and amount of insurance we specify. As of the date this Franchise Disclosure Document was issued, the types and amounts of coverages that you must obtain include the following:

- (1) comprehensive general liability insurance in the minimum amounts of \$1,000,000 per occurrence and \$2,000,000 in the aggregate;
- (2) statutory workers' compensation insurance and employer's liability insurance;
- (3) property insurance at replacement value and any other insurance (including build out insurance) as may be required under the lease for the premises of your Escapology facility;
- (4) any other insurance coverage that is required by federal, state, or municipal law.

Your insurance provider must have a Financial Size Category equal to or greater than IX and a Policyholders Rating of "A+" or "A" as assigned by Alfred M. Best and Company, Inc. Your insurance policies must name us as an additional insured and/or loss payee. The required coverage is subject to change including such other limits and coverage as we may periodically require.

None of our officers own an interest in any of the suppliers except us.

We provide no material benefits (such as the grant of additional franchises) based on your use of designated sources; however, failure to use approved items or designated suppliers and contractors may be a default under the Franchise Agreement. Additionally, when there is any default under the Franchise Agreement, we reserve the right, in addition to other remedies available under the Franchise Agreement, to direct suppliers to withhold furnishing products and services to you.

We estimate that the required purchases and leases described in this Item will constitute approximately 75% or more of all purchases and leases you will incur to establish and operate your Escapology facility.

**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.**

<b>Obligation</b>	<b>Section or Article in Franchise Agreement</b>	<b>Section or Article in the Multi-Unit Development Agreement</b>	<b>Item in Franchise Disclosure Document</b>
a. Site Selection and Acquisition/Lease	8.1	Not Applicable	11
b. Pre-Opening Purchase/Leases	8.3, 12.3.1	Not Applicable	7, 11
c. Site Development & other Pre-Opening Requirements	8.2, 8.3, 12.1.1, 12.1.3	Article 5	11
d. Initial and Ongoing Training	Article 7	Not Applicable	11
e. Opening	8.2.3, 8.3	Not Applicable	11
f. Fees	5.1, 5.2.7, Article 6, 9.4, 9.5.2, 12.3.7, 12.6, 15.6, 16.4, 18.1.4, 18.1.5, 18.1.8	Article 4	5, 6, 7
g. Compliance with Standards and Policies/Operating Manual	Article 9, 12.1, 19.1.1	Not Applicable	8, 11
h. Trademarks and Proprietary Information	9.4, 12.1.8, Article 14, 19.2, 19.3, 19.4	Not Applicable	13, 14
i. Restrictions on Products/Services Offered	12.1.1, 12.1.4, 12.6	Not Applicable	8
j. Warranty and Customer Service Requirements	Not Applicable	Not Applicable	Not Applicable
k. Territorial Development	13.2	Article 5	12
l. Ongoing Product/Service Purchases	12.1.4, 12.3.5	Not Applicable	8
m. Maintenance, Appearance and Remodeling Requirements	Article 9, 12.1.1, 12.1.2	Not Applicable	Item 11
n. Insurance	Article 15	Not Applicable	7
o. Advertising	12.1.9, Article 13	Not Applicable	6, 11
p. Indemnification	15.6, 16.3.6, 21.1	Article 9	14
q. Owner's Participation, Management, Staffing	11.1, 11.4, 12.1.6	Not Applicable	11, 15
r. Records /Reports	12.2	Not Applicable	6

Obligation	Section or Article in Franchise Agreement	Section or Article in the Multi-Unit Development Agreement	Item in Franchise Disclosure Document
s. Inspections and Audits	9.2, 12.1.7, 12.2.5	Not Applicable	6, 11
t. Transfer	Article 16	Article 6	17
u. Renewal	Article 5	Not Applicable	17
v. Post-Termination Obligations	Article 18	Section 7.4	17
w. Non-Competition Covenants	19.5	Article 8	17
x. Dispute Resolution	Article 20	Article 10	17
y. Guaranty	11,3 Attachment 8	Not Applicable	

**ITEM 10: FINANCING**

We do not offer direct or indirect financing. We do not guarantee any note, lease, or obligation.

**ITEM 11: FRANCHISOR’S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING**

**Except as listed below, we are not required to provide you with any assistance.**

**1. Pre-Opening Obligations**

Before you open your Escapology facility, we will:

- a. We will provide you with site selection guidelines and approve a location for your Franchised Business. Within 60 days of signing the Franchise Agreement, you must submit a written request for approval to us describing the proposed location and providing other information about the site that we reasonably request. We will respond within thirty business days, either accepting or rejecting the proposed location. We consider the following factors in approving a site: general location and neighborhood, distance from neighboring franchise territories, proximity to major roads and residential areas, traffic patterns, condition of premises, tenant mix, and demographic characteristics of the area. If you do not identify a site that meets our approval within 60 days of signing the Franchise Agreement and obtain possession of the site within 180 days of our approval, we may remove exclusivity of your search territory. We will not own and/or lease a site to you. You are responsible for negotiating a lease with the owner of a site we approve. (Franchise Agreement, Sections 8.1.2, 8.1.3 10.1).
- b. We will provide you with specifications for the layout, design, appearance, and signage for your Franchised Business. You, your architect, and your contractor are required to adapt our specifications for the construction of your premises and obtain permits. We do not adapt plans or obtain permits for you. (Franchise Agreement, Sections 8.2.2, 10.2).
- c. We will provide you with a selection of Live Escape Games which you can choose to install at your Escapology facility. You will be given up to eight (8) escape games as part of your initial franchise fee. We may permit you to install additional Licensed Game at your

Escapology facility for which you will be charged a fee of \$5,000. If you require additional escape games from our game library at any time you will be charged a game fee of \$5,000 for each additional game to be installed at your Escapology facility. With each game you select we will provide you with: (i) a game introduction video and safety briefing; (ii) a clock countdown video with game soundtrack; (iii) a Game manual with a full list of the inventory required to build and set up that game, instructions how to set up the clues and puzzles; (iv) promotional materials such as banners and artwork to localize in your area; (v) a CAD drawing layout of the room, and (vi) a 3-D room layout design. As a new franchisee, we also will provide you with consulting advice on how to layout, set up and implement the Games you selected for opening upon request. (See Franchise Agreement, Section 3). We require a minimum of five game rooms be installed/approved/certified prior to granting approval for your location opening.

- d. We will loan to you our operations manual, other manuals and operating materials we designate, as they may be available and revised from time to time. (Franchise Agreement, Section 10.3).
- e. We will provide a written list of equipment, fixtures, furnishings, signage, supplies and products that will be required to open the Franchised Business. We and our affiliates are not obligated to install any of these items; (Franchise Agreement, Section 10.5).
- f. We will provide initial training at our headquarters and/or affiliate-owned outlet. We reserve the right to designate an alternative location for the initial training. We will determine, in our sole discretion, whether you satisfactorily complete the initial training. (Franchise Agreement, Sections 7.1, 7.2).
- g. We will provide a trainer at your premises for on-site training, supervision and assistance for two days upon the opening of your Franchised Business. You will pay for our representatives travel costs. The current estimated cost is Five Hundred dollars (\$500.00). Your costs will depend on the number of people, their point of origin, method of travel, and living expenses. We cover only the wages of the trainer(s.) (Franchise Agreement, Section 7.3).
- h. We will provide you with standards for qualifications and training of your employees. We do not otherwise assist you with employee hiring and training (Franchise Agreement, Section 12.1.6).
- i. Subject to applicable law, we will recommend minimum and maximum prices for products and services at your Franchised Business (Franchise Agreement, Section 12.5).

## 2. **Time to Open**

We estimate the typical length of time between the signing of the Franchise Agreement and the time you open your Franchised Business is between nine (9) to twelve (12) months. Factors that may affect this time period include your ability to acquire financing or permits, build out of your location, have signs and equipment installed in your location, and completion of required training. After we have approved your proposed location, you must execute a lease within 30 days of receiving our approval, and in all cases you must commence operations within twelve months of the time you obtain possession of your premises. If you have not opened your Franchised Business within twelve months after you sign the franchise agreement, you must obtain our consent to extend the time to open, which we may or may not grant, at our discretion. Failure to

open your Franchised Business within the original time as extended, is a default of the Franchise Agreement. (Franchise Agreement, Sections 8.1, 8.3).

### 3. **Obligations After Opening**

During the operation of your franchise, we will:

- a. We will offer from time to time, in our discretion, mandatory or optional additional training programs, including an annual business meeting or convention. If we require it, you must attend an annual business meeting or convention for up to five days and mandatory additional training offered by us for up to five days per year. Failure to attend mandatory additional training or an annual business meeting or conference is a default of the Franchise Agreement. We reserve the right to impose a reasonable fee for tuition and/or attendance for all additional training programs, including the annual business meeting or conference. You must also pay your transportation, lodging, meals and other expenses to attend any mandatory training program. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs (Franchise Agreement, Section 7.4).
- b. Upon your request, or as we determine to be appropriate, we will provide remedial on-site training and assistance at your premises. For any on-site remedial training, you must reimburse all costs for the services of our trainer, including but not limited to the trainer's then-current per diem fee and all travel-related expenses, such as transportation, meals and lodging. The current fee is \$500 per trainer per day of on-site training (Franchise Agreement, Section 7.5).
- c. Upon your request, we will provide individualized assistance to you within reasonable limits by telephone, video conferencing, electronic mail or postage service, subject at all times to availability of our personnel and in reasonable limits (Franchise Agreement, Section 7.6).
- d. From time to time, as may become available, we will provide you with samples or digital artwork, advertising and promotional materials (Franchise Agreement, Section 10.6).
- e. We will conduct inspections of your Franchised Business, at the frequency and duration that we deem advisable. Such inspections include evaluating your Escape Rooms, services and premises to ensure that they meet our standards (Franchise Agreement, Section 9.2, 10.4).
- f. We will provide you with any written specifications for required equipment, products and services and updated lists of any approved suppliers of these items (Franchise Agreement, Section 10.7).
- g. Subject to applicable law, we will recommend minimum and maximum prices for products and services at your Franchised Business (Franchise Agreement, Section 12.5).
- h. We will approve or disapprove of all advertising, direct mail, and other promotional material and campaigns you propose in writing to us. We will respond within ten business days, either accepting or rejecting the proposed material and/or campaign; however, if we do

not respond within ten business days, the proposed material and/or campaign is deemed “disapproved”. (Franchise Agreement, Section 13.6).

#### 4. **Advertising**

##### **Managed Marketing Program (Franchise Agreement, Section 13.1)**

Franchisees are required to participate in our Managed Marketing Program. We collect a monthly fee (currently ranging from \$849 - \$1,599 depending upon service level) for Marketing Management. This fee is paid to our approved marketing agency vendors for management of Paid Social, Paid Search, Email Campaigns, and other Digital Marketing activities managed by the vendor. Additionally, any advertising direct media spend will be charged monthly.

##### **Local Advertising (Franchise Agreement, Sections 13.2 and 13.6)**

We require you to spend at least \$5,000 in grand opening advertising and promotional within the first three months following the opening of your Franchised Business in your territory. Thereafter, you are required to spend at least 3.5% of your Gross Sales per month on local advertising to promote your Franchised Business. Upon our request, you must furnish us with a quarterly report and documentation of local advertising expenditures during the previous calendar quarter. We reserve the right to collect some or all of your grand opening funds and/or your Local Advertising expenditure and implement grand opening campaign activities and/or Local Advertising on your behalf.

You may develop advertising materials for your own use at your own cost, and you may use marketing materials that we may offer to you from time to time. You may not use any advertising or marketing materials, including press releases, unless they have been approved in advance in writing by us, which approval may be withheld in our discretion. We will respond to your request for approval within ten business days; however, if we do not respond within ten business days, the proposed advertising or marketing material is deemed “disapproved”.

If feasible, you may do cooperative advertising with other Escapology franchisees in your area, with our prior written approval. You may not maintain any business profile on Facebook, x (Twitter), Bluesky, Instagram, LinkedIn, YouTube, TikTok or any other social media and/or networking site without our prior written approval.

##### **Innovation Fund (Franchise Agreement, Section 13.3)**

You are required to contribute to the Innovation Fund two percent (2%) of weekly Gross Sales, generated by your Franchised Business. Your contribution to the Innovation Fund will not exceed two percent (2%). Your Innovation Fund contribution is collected at the same time and in the same manner as your Royalty. Each Escapology outlet operated by our affiliate or us may contribute to the Innovation Fund, in our discretion, but has no obligation to do so.

The Innovation Fund has been established to support innovations within our escape rooms, brand, and related elements to enhance competitiveness. This includes but is not limited to the development of new game designs, prototyping new games, and acquiring new licensed titles.

Funds from the Innovation Fund will be allocated towards projects and initiatives aimed at enhancing the franchise system's competitiveness. This may include research and development,

testing new concepts, acquiring intellectual property rights, and other related activities deemed appropriate by the franchisor.

The franchisor, in consultation with relevant stakeholders, will make decisions regarding the allocation of funds from the Innovation Fund. Franchisees may submit proposals for consideration, and decisions will be made based on factors such as feasibility, potential impact, and alignment with the franchise system's strategic objectives. The Innovation Fund is administered by us. We may use Innovation Fund contributions to pay any and all costs for the development, production and placement of advertising, marketing, promotional and public relations materials and programs. We may also use Innovation Fund contributions to pay any and all costs of marketing seminars and training programs, market research, services of advertising and/or public relations agencies, and website development and maintenance. We may further use Innovation Fund contributions to pay our costs (including salaries of our personnel and other administrative costs) for advertising that is administered by us or prepared by us, as well as for administration and direction of the Innovation Fund.

While there will not be specific updates or audits of the Innovation Fund, the franchisor will provide regular updates on all corporate projects, including those supported by the Innovation Fund. Outside the regular updates provided, the Franchisee cannot request accounting of this Innovation Fund.

The Innovation Fund will not be used to defray any of our other general operating expenses. Innovation Fund contributions will not be used to solicit new franchise sales; provided however, we reserve the right to include "Franchises Available" or similar language and contact information in advertising produced with Innovation Fund contributions.

The Innovation Fund and its earnings shall not otherwise inure to our benefit except that any resulting technology and intellectual property shall be deemed our property.

We have no obligation to make expenditures that are equivalent or proportionate to your Innovation Fund contribution or to ensure that you benefit directly or pro rata from the production or placement of advertising from the Innovation Fund.

During the fiscal year ended December 31, 2024, we expended Innovation Fund Contributions as follows: 100% Research and Development of brand and game enhancements. Although the Innovation Fund is intended to be of perpetual duration, we may terminate it at any time and for any reason or no reason. We will not terminate the Innovation Fund, however, until all monies in the Innovation Fund have been spent for advertising or promotional purposes or returned to contributors, without interest, on the basis of their respective contributions.

#### **Regional Advertising (Franchise Agreement, Section 13.4)**

Currently, our System has no regional advertising fund or cooperative. However, we may decide to establish a regional fund or cooperative in the future and your participation may be mandatory, in our sole discretion. A regional cooperative will be comprised of all franchised Escapology in a designated geographic area. Our affiliate-owned outlets may participate in a regional cooperative, in our sole discretion. We will determine in advance how each cooperative will be organized and governed. We have the right to form, dissolve, merge or change the structure of the cooperatives. If a cooperative is established during the term of your Franchise Agreement, you must sign all documents we request and become a member of the cooperative according to the terms of the documents. Currently, there are no governing documents available for your review.

If we establish a regional advertising fund or cooperative, you must contribute amounts equal to your share of the total cost of cooperative advertising.

#### **Advertising Council** (Franchise Agreement, Section 9.7)

We do not have an advertising council composed of franchisees that advises us on advertising policies. The Franchise Agreement gives us the right, in our discretion, to create a franchisee advisory council to communicate ideas, including proposed advertising policies, in an advisory capacity only. If created, we will determine in advance how franchisees are selected to the council, which may include factors such as a franchisee's level of success, superior performance, and outlet profitability. We reserve the right to change or dissolve the council at any time.

#### 5. **Computer Systems** (Franchise Agreement, Section 12.3)

You must purchase and use the computer hardware, sales and scheduling software, point-of-sale system, other operating software, applications, platforms and existing or future technology components we specify from time to time ("Computer System"). We may replace or modify all or components of the Computer System from time to time and you agree to implement our replacements or modifications after you receive notice from us at your expense. We might periodically require you to purchase, lease and/or license new or modified components of the Computer System, and ensure that the Computer System is functioning properly before your outlet opens. You must pay for all proprietary software, applications or other technology that we, our affiliates or third-party designees license to you and for other maintenance and support services that we, our affiliates or third-party designees provide during the term of your Franchise Agreement.

We or our affiliates may condition your license or use of the proprietary software, applications or other technology that we or our affiliates designate, develop or maintain, on your signing a license agreement or similar document that we or our affiliates approve to regulate your use of, and your respective rights and responsibilities with respect to, such software, applications or other technology.

The Computer System must give us and our affiliates access to all information generated by the Computer System, including pricing and client information for your outlet. At our request, you agree to sign a release with any vendor of our Computer System providing us with unlimited access to your data.

Before opening you must purchase (if you do not already own) a computer and a point-of-sale system that is current at the time of opening and has access to a high bandwidth internet connection and secure access. You are solely responsible for any and all consequences of the Computer System is not properly operated, maintained and upgraded. You are also solely responsible for protecting yourself from disruptions, Internet access failures, Internet content failures, and attacks by hackers any other unauthorized intruders and you waive any and all claims you may have against us as the direct or indirect result of such disruptions, failures or attacks.

Currently, are required to have following hardware and software:

Hardware: General purpose computer for the front desk and back office. High-speed internet and network set up. Game monitoring cameras. Game monitoring computer system. iPads or tablets

for waivers. Point-of-sale system (POS). Currently the POS System is Resova integrated with Clover.

Software: Google Chrome. Google suite (including Google Drive, Google sheets and Google Docs. Game monitoring software, currently this is M3. Booking, payment processing and waiver software, currently this is Resova integrated with ResovaPay.

The cost for purchasing the computer system (if you do not already have a sufficient computer system) is approximately \$4,500 to \$15,000.

We will also have direct access to your computer but have the right to inspect any aspect of your business, including your booking software. There is no limit on our right to access this information. We may use this information for assessing your compliance with the Operation Manual and the Franchise Agreement, as well as for our own statistical, audit and marketing purposes, but will not disclose information about your business to any third parties unless required to do so by law. All email accounts, websites, social media, etc. issued by us remain our property. All emails sent and received through our email accounts may be monitored at any time by us without notice to you or your employees.

We also have the right to inspect your books, records, data and financial statements, which would include accessing the software programs used to compile this information. There is no contractual limit on our right to access this information.

**6. Table of Contents of Operations Manual**

The Table of Contents of our operations manual, current as of the date of this Disclosure Document is attached as Exhibit E. The operations manual has a total of approximately 292 pages.

**7. Training** (Franchise Agreement, Article 7)

You (if the franchisee is an individual) and/or up to two of your owners (if the franchisee is a business entity), must complete our initial training program, to our satisfaction, at least 4 weeks, but no more than 12 weeks, before opening your Franchised Business. We will train you at our headquarters and/or affiliate-owned location in Orlando, Florida or another location we specify.

**TRAINING PROGRAM**

<b>SUBJECT</b>	<b>HOURS OF CLASSROOM TRAINING</b>	<b>HOURS OF ON THE JOB TRAINING</b>	<b>LOCATION</b>
Introduction to Escapology	20	0	Online
Operation of Escape Games	8	50	Orlando, Florida, franchise facility and online

Operating Systems Training	8	16	Orlando, Florida, franchise facility and online
Customer Service, Marketing and Sales Training	8	16	Orlando, Florida, franchise facility and online
Technical Training	8	16	Orlando, Florida, franchise facility and online
Business Management, Reporting and Data	8	8	Orlando, Florida, franchise facility and online
Subtotals	60	91	
Total	151		

We periodically conduct our initial training program throughout the year, as needed. Training is currently held at our headquarters in Orlando, Florida. Steve Croughan manages our training operations with the support of members of the senior leadership team. Mr Croughan has 10 years experience in the escape room industry, helping open over 90 locations and has over 15 years in the automotive industry, overseeing course development, Train the Trainer courses and physical course delivery for major automotive manufacturers. Training is conducted by a Certified Escapology Trainer. All trainers have several years of customer service and management experience within the Escapology system and have worked in corporate Escapology locations at managerial level. The Certified Trainers are experienced customer service and customer experience trainers within our system.

Our training materials consist of our Operations Manual, Training Manuals, Master Game Guides, Operational Guides, online LMS system and electronic guides, supplemented with active observation, participation, and verbal instruction.

The cost of our instructors and training materials for up to two individuals is included in the initial franchise fee. You must pay for all of travel and personal expenses, including, but not limited to, all costs for your transportation, meals, and lodging for yourself and your personnel. Our current fee to provide initial training to any additional trainee is \$2,000 per person. This fee is subject to change.

If you do not complete our initial training program to our satisfaction, we have the right to prevent your venue for opening for business or terminate the Franchise Agreement.

We will send an experienced Escapology Trainer to your facility for up to five (5) days prior to and during the opening of your Escapology facility. The Escapology Trainer will have worked in an

Escapology corporate venue for a minimum of six (6) months. You must pay for all travel and personal expenses, including, but not limited to, all costs for our Trainer's transportation, meals, and lodging. If you require additional assistance, you will pay for the our representative's travel costs along with a training fee. The current fee to provide additional training is \$500 per Trainer day.. This fee is subject to change.

We offer mandatory and/or optional additional training programs, including annual business meetings, local area meetings and an annual Franchise Convention. If we require it, you must participate in additional training for up to 5 days per year and the annual business meetings or Franchise Convention for up to five days, at a location we designate. We have the right to impose a reasonable fee for all additional training programs, including the annual convention. At this time, the fee for attending the annual Franchise Convention is \$450 per attendee, which is subject to change. You are responsible for any and all incidental expenses incurred by you and your personnel in connection with additional training or attendance at Franchisor's national business meeting or annual convention, including, without limitation, costs of travel, lodging, meals and wages. If you fail to attend any mandatory training program, you are required to obtain the training at a location we designate, at your sole cost, which includes tuition at the then-current rate, plus all of your travel costs and our trainer's travel costs.

#### **ITEM 12: TERRITORY**

Under the Franchise Agreement, you have the right to establish and operate one Escapology outlet within a territory that will be defined after the location of your Franchised Business is identified and approved by us (the "Territory"). We will provide you with an exclusive search territory. Under the Franchise Agreement, you have the right to one (1) Escapology outlet within the identified search territory. After you have identified a site for our approval, we will identify your protected territory. You are required to find and obtain possession of a specific location for your Franchised Business that meets our site selection criteria and our approval. Your Territory is located in all or a portion of a listed town, city, or county, and is identified by a marked map and/or list of one or more contiguous zip codes. If you sign our Multi-Unit Development Agreement, we will designate the territory of each of each Escapology outlet you develop with our then-current criteria. Your Territory will be identified and attached to your Franchise Agreement as Attachment 3.

You will receive an exclusive territory, which means that we will not open another dedicated Escapology outlet or grant the right to anyone else to open a dedicated Escapology outlet within your Territory, provided that you are not in default of your Franchise Agreement. When entering into a Franchise Agreement we will work with you to determine the size of your exclusive territory however it is generally a half a mile radius from your franchised location in highly populated urban areas and a five mile radius for locations in less densely populated areas. However, notwithstanding this territory protection right we grant to you, we reserve all rights to sell, either directly or through others, our products and services under the Marks in the Territory through alternative distribution channels, which are described below.

If you sign a Multi-Unit Development Agreement, you will receive an exclusive development area, which means that we or any other franchisee will not open a dedicated Escapology outlet within your territory, provided that you are not in default of your Agreement or development schedule. The exclusive territory will be determined in much the same way as a Franchise Agreement in which we will determine your territory based on a mapping system or zip codes and each territory will have a radius based on population. However, notwithstanding this territory protection right we grant to you, we reserve all rights to sell, either directly or through others, our products and

services under the Marks in the Territory through alternative distribution channels, which are described below.

There is no minimum sales requirement, market penetration or other contingency that will affect your protected right to operate in the Territory during the term of your Franchise Agreement, unless you are in default of your obligations to us.

You may not change the location of your Franchised Business, without our written consent, which we may withhold in our sole discretion. If we give our consent, we will charge you a relocation fee of \$5,000. The conditions under which we may allow you to relocate include the following: loss of your premises not due to your default, demographics of the surrounding area, proximity to other Escapology outlets, lease requirements, traffic patterns, vehicular and pedestrian access, proximity to major roads, available parking, and overall suitability. If you wish to relocate, you must identify a new location for the Franchised Business that meets our approval, in accordance with our then-current site selection procedures, and build out the approved location within 120 days. If you do not identify a site and complete the build-out within this time period, we may terminate the Franchise Agreement. You must continue to operate at your original premises until construction of the new site is complete.

Unless you have signed our Multi-Unit Development Agreement, we may, but have no obligation to, consider granting to you the right to establish additional Escapology outlets under other franchise agreements if you are in compliance with the Franchise Agreement and propose to open another Escapology outlet in an area and at a location we approve. The Franchise Agreement grants you no options, rights of first refusal or similar rights to acquire additional franchises.

We reserve all rights not expressly granted in the Franchise Agreement. For example, we or our affiliates may own, operate or authorize others to own or operate Escapology outlets outside of the Territory and may operate other kinds of businesses within the Territory. Although we do not currently do so and have no plans to do so, we and our affiliates may own, acquire, conduct, or authorize others to conduct, any form of business at any location selling any type of product or service not offered under the Marks, including a product or service similar to those you will sell at your Franchised Business. We reserve the right to merge with, acquire, or be acquired by, an existing competitive or non-competitive franchise network, chain or other business; however, we will not convert any acquired business in your Territory to a franchise using our primary trademarks during the Term of your Franchise Agreement.

We and our affiliates may sell products and services under the Marks within or outside the Territory through any method of distribution other than a dedicated Escapology outlet location, such as distribution through the internet (“Alternative Distribution Channels”). You will receive no compensation for our sales through Alternative Distribution Channels in the Territory. You may not use Alternative Distribution Channels to make sales inside or outside your Territory; however, we will include a listing on our website of your Franchised Business’ location.

You may solicit sales from customers inside and outside of your Territory. Your local advertising may target customers inside and outside your Territory.

### **ITEM 13: TRADEMARKS**

Escapology, LLC is the owner of our trademarks and has granted us the exclusive right to use the marks and license to others the right to use the marks in the operation of a Escapology franchise in accordance with the System. The Franchise Agreement will license to you the right

to operate your Franchised Business under the Escapology service marks, which is registered at the U.S. Patent and Trademark Office (“Principal Marks”):

Mark	Registration Date	Registration Number	Register
Escapology	January 17, 2017	5,125,661	PRINCIPAL
Escapology	January 17, 2017	5,125,663	PRINCIPAL
	May 30, 2023	7,069,821	PRINCIPAL
Escapology (Service Mark)	May 30, 2023	7,069,822	PRINCIPAL
	May 30, 2023	7,069,819	PRINCIPAL
Escapology (Service Mark)	May 30, 2023	7,069,820	PRINCIPAL

There are no currently effective determinations of the USPTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings and no pending litigation involving any of the Marks that may significantly affect the ownership or use of any Mark listed above.

We have filed all required affidavits.

You must notify us immediately when you learn about an infringement of or challenge to your use of any Principal Mark or other mark. Our Parent and we will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of any Principal Mark or other mark. Our Parent and we have the right to control any administrative proceedings or litigation involving any Principal Mark or other mark licensed by us to you. You must cooperate fully with our Parent and us in defending and/or settling the litigation.

We have the right to substitute different marks if we can no longer use the current Principal Marks, or if we determine that substitution of different marks will be beneficial to the System. In such event, we may require you, at your expense, to modify or stop using any mark, including any Principal Mark, or to use one or more additional or substitute marks.

You must not directly or indirectly contest our Parent’s right, or our right, to any Principal Mark or other marks.

There are no other currently effective material determinations of the United States Patent and Trademark Office, the Trademark Trial and Appeals Board, the Trademark Administration of any state, or any court relating to the marks. There is no pending infringement, opposition, or cancellation. There is no pending material federal or state court litigation involving the Principal Marks or other marks.

As of the date of this Disclosure Document, we know of no superior prior rights or infringing uses that could materially affect your use of the Principal Marks.

**ITEM 14: PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION**

We hold no patents and have no pending patent applications that are material to the franchise. We have registered no copyright with the United States Copyright Office. However, we claim copyrights on certain forms, advertisements, promotional materials, operations and live escape game manuals, the games themselves, music, themes, and other written materials.

There are no current material determinations of, or proceedings pending in, the United States Patent and Trademark Office, the U.S. Copyright Office, or any court regarding any of our copyrights discussed above.

There are no agreements currently in effect that limit your right to use any of our copyrights. As of the date of this Disclosure Document, we are unaware of any infringing uses of or superior previous rights to any of our copyrights that could materially affect your use of them.

The Licensed Games that we offer utilize music, images, videos, and themes for which copyright is owned by third parties, who have licensed us to use such intellectual property ("I.P.") solely in the Licensed Games created collaboratively by the copyright owner and us. If we sub-license you to present a Licensed Game, you solely will have the right to utilize the third party's copyrighted I.P. in the Licensed Game itself and in advertising and promotional materials concerning the Licensed Game that we have approved in advance.

You must notify us immediately when you learn about an infringement of or challenge to your use of our copyrights. We will take any action we think appropriate and, if you have given us timely notice and are in full compliance with the Franchise Agreement, we will indemnify you for all expenses and damages arising from any claim challenging your authorized use of our copyrights. We have the right to control any administrative proceedings or litigation involving our copyrights licensed by us to you. You must cooperate fully with us in defending and/or settling the litigation.

During the term of the Franchise Agreement, you may have access to and become acquainted with our trade secrets, including, but not limited to, Escape Rooms, puzzles, methods, processes, customer lists, vendor partnerships and/or relationships, sales and technical information, financial information, costs, product prices and names, software tools and applications, website and/or email design, products, services, equipment, technologies and procedures relating to the operation of the Franchised Business; the Manual; methods of advertising and promotion; instructional materials; any other information which Franchisor may or may not specifically designate as "confidential" or "proprietary"; and the components of the System, whether or not such information is protected or protectable by patent, copyright, trade secret or other proprietary rights (collectively called the "Confidential Information"). You agree that you will take all reasonable measures to maintain the confidentiality of all Confidential Information in your possession or control and that all Confidential Information and trade secrets will remain our exclusive property. You may never (during the initial term, any renewal term, or after the

Franchise Agreement expires or is terminated) reveal any of our Confidential Information to another person or use it for any other person or business. You may not copy any of our Confidential Information or give it to a third party except as we authorize in writing to you prior to any dissemination.

You must promptly tell us when you learn about unauthorized use of any Confidential Information. We are not obligated to take any action but will respond to this information as we think appropriate. We will indemnify you for losses brought by a third party concerning your use, in strict compliance with the Franchise Agreement, of the Confidential Information.

We reserve the right to modify or discontinue using the subject matter covered by a patent or copyright. In such event, we may require you, at your expense, to modify or discontinue using the subject matter in the operation of your Franchised Business.

**ITEM 15: OBLIGATIONS OF THE FRANCHISEE TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS**

The Franchise Agreement requires you to employ a manager to provide full time supervision of your Escapology facility. You may appoint a dedicated and competent manager who has completed our training program to our satisfaction to manage the day-to-day operations of your Escapology facility. If this manager is replaced at any time, the new manager will be required to complete our training program and you will be expected to pay our then current fee for the training program. Your manager need not be the franchisee or an owner of the franchisee, if the franchisee is an entity. We may require your manager to sign a confidentiality agreement and, if permitted by state law where your Escapology Facility is located, a covenant not to compete forbidding work in any other business that offers any Live Escape Game experiences in your franchise territory for a period of eighteen (18) months after termination of employment or of the franchise. Each individual owning twenty percent (20%) or more of the ownership interests of a franchisee that is an entity must sign a guaranty assuming and agreeing to discharge all obligations of the "Franchisee" signing the Franchise Agreement.

If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a "Principal". If you are a married individual, your spouse must sign our Personal Guaranty, which is attached to our Franchise Agreement as Attachment 7.

**ITEM 16: RESTRICTION ON WHAT FRANCHISEE MAY SELL**

You must offer and sell all products and services that are part of the System, and all services and products which we incorporate into the System in the future. You may only offer products and services that we have previously approved. You may only engage in providing products and services to end-consumers.

You may not use our Principal Marks or other trademarks for any other business, and you may not conduct any other business from your Franchised Business location. You cannot engage in any other business that competes with your Franchised Business, with us or our affiliates, or with Escapology outlets owned by other franchisees, whether such business is inside or outside of the Territory.

We may add to, delete from, or modify the products and services that you can and must offer. You must abide by any additions, deletions, and modifications. There are no limits on our rights to make these changes.

Beginning in the 4th year of the term, we require you to replace at least one new game every other year thereafter with a new game chosen from our game catalogue.

You may only sell products and services from your approved Franchised Business location and in the manner we prescribe. You may solicit sales from customers inside and outside of your Territory. Your local advertising may target customers inside and outside of your Territory.

Your manager and all other personnel who will have access to our proprietary and Confidential Information and training must sign our Non-Disclosure/Non-Competition Agreement, which is attached to our Franchise Agreement as Exhibit G. If your Franchised Business is owned by an entity, all owners of the entity must personally sign the Franchise Agreement as a Principal. If you are a married individual, your spouse must sign our Personal Guaranty, which is attached to our Franchise Agreement as Exhibit F.

**ITEM 17: RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION**

**THE FRANCHISE RELATIONSHIP**

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

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
a.	Length of the franchise term	Art. 4	Term is 10 years
b.	Renewal	Sections 5.1 and 5.4	If you are in good standing as defined below, you can sign a successor franchise agreement for two (2) separate additional 5 year terms, unless we have determined, in our sole discretion, to withdraw from your Territory.
c.	Requirements for franchisee to renew or extend	Sections 5.2 and 5.3	Be in full compliance, have no more than three events of default during current term; provide written notice to us no sooner than six months and at least three months before the end of the term; execute a new franchise agreement; pay us a successor agreement fee of \$5,000; continue to maintain your location, current trade dress and other standards; execute a general release; comply with then-current qualifications, facility standard, including but not limited to remodeling your location, and training requirements; including completion of additional training.  You may be asked to sign a new Franchise Agreement with materially different terms and conditions than your original Franchise Agreement.
d.	Termination by franchisee	None	You may seek termination upon any grounds available by state law.
e.	Termination by franchisor without cause	Section 16.7	The Franchise Agreement will terminate upon your death or permanent disability and the Franchise must be transferred within six

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
			months to a replacement franchisee that we approve.
f.	Termination by franchisor with cause	Article 17	We may terminate only if you default. The Franchise Agreement describes defaults throughout. Please read it carefully.
g.	“Cause” defined – curable defaults	Section 17.3	You have ten days to cure non-payments and thirty days to cure any other defaults (except for non-curable defaults listed in the Franchise Agreement and described in h. immediately below).
h.	“Cause” defined - non-curable defaults	Sections 17.1 and 17.2	<p>The Franchise Agreement will terminate automatically, without notice for the following defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not dismissed within 30 days.</p> <p>We may terminate the Franchise Agreement upon notice to you if you: do not acquire a site, do not complete construction, obtain permits and/or open the Franchised Business within required time frames; falsify any report to us; cease operations for five days or more, unless the premises are damaged and you apply to relocate; lose possession of the premises, unless you are not at fault for loss and you timely apply to relocate; fail to restore and re-open the Franchised Business within 120 days after a casualty, as may be extended by us; fail to comply with applicable laws; default under any lease for the premises; understate Gross Sales two or more times; fail to comply with insurance and indemnification requirements; attempt a transfer in violation of the Franchise Agreement; fail, or your legal representative fails to transfer as required upon your death or permanent disability; misrepresent or omit a material fact in applying for the Franchise; are convicted or plead no contest to a felony or crime or engages in conduct that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; conceal revenues or maintain false books; create a threat or danger to public health or safety; refuse an inspection or audit by us; use our trademarks, copyrighted material or Confidential Information in an unauthorized manner; make an unauthorized disclosure of Confidential Information; fail to comply with non-competition covenants; default in the performance of your obligations three or more</p>

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
			times during the term or receive two or more default notices in any 12-month period; default under any other agreement with us or our affiliate; have insufficient funds to honor a check or EFT two or more times within any 12-month period; default, or your affiliate defaults, under another agreement with us or our affiliate or suppliers; or terminate the Franchise Agreement without cause.
i.	Franchisee's obligations on termination/ non-renewal	Article 18	Upon termination, you must: cease operations; cease to identify yourself as a Escapology franchisee; cease to use our trademarks or other intellectual property; cancel any assumed name registration that contains any Mark; pay us and our affiliates all sums owing; pay us any damages, costs or expenses we incur in obtaining any remedy for any violation of the Franchise Agreement by you, including, but not limited to attorney's fees; deliver to us all Confidential Information, the operations manual and all records and files related to your Franchised Business; comply with the non-disclosure and non-competition covenants; pay liquidated damages; sell to us, at our option, all furnishing, fixtures, equipment, inventory and supplies of your Franchised Business; and assign, at our option, your telephone numbers, directory and internet listings, and social media and software accounts and the lease for the location.
j.	Assignment of contract by franchisor	Section 16.1.1	No restrictions on our right to assign.
k.	"Transfer" by franchisee defined	Section 16.3	Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Franchise Agreement, the Franchised Business, any assets of the Franchised Business, or in the Franchisee (if the Franchisee is a business entity).
l.	Franchisor approval of transfer by franchisee		No transfer is allowed without our consent, which we will not unreasonably withhold.
m.	Conditions for franchisor approval of a transfer	Section 16.3 and 16.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying franchisees; transferee signs our then-current form of Franchise Agreement, which may have materially different terms from your Franchise Agreement; transferee successfully complete our initial training program; you have paid us and third-party creditors all amounts owed; you and the transferee sign a Release in the form of Attachment __ to the Franchise Agreement; you will subordinate any claims you have against the transferee to us; you will indemnify us for misrepresentations in the transfer process, excluding the representations we make in our Disclosure Document; our approval of the material terms and conditions

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
			of the transfer; payment of a transfer fee equal \$5,000 fee.
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 16.6	You must promptly notify us of any written offer to purchase your Franchise. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b)we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and (e) you will give us all customary seller's representations and warranties.
o.	Franchisor's option to purchase franchisee's business	Section 18.2	Upon termination of the Franchise Agreement, we have the option to purchase your equipment, furniture, fixtures, signs, advertising materials, supplies, and inventory at your cost or fair market value, whichever is less.
p.	Death or disability of franchisee	Sections 16.3, 16.4 and 16.7	The Franchise Agreement will terminate upon your death or permanent disability, and the Franchise must be transferred within six months to a replacement franchisee that we approve.
q.	Non-competition covenants during the term of the franchise	Section 19.5.1	You may not: divert, or attempt to divert, customers of any Escapology outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business; do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.
r.	Non-competition covenants after the franchise is terminated or expires	Section 19.5.2	For 18 months after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Escapology outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within __ miles of your former Franchised Business' location or any other Escapology outlet location (franchised or company owned); do any act that could damage the goodwill of the Marks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Sections 9.4, 14.6 and 19.1.4	No oral modifications. We may change the operations manual and System standards at any time. You may be required to implement these changes at your own costs. We have the right to modify our Marks at any time upon written notice to you.
t.	Integration/merger clause	Section 21.4	Only the terms of the Franchise Agreement and other related written agreements, such as any attachments to the Franchise Agreement or addenda, are binding (subject to applicable state law). Any representations or promises

	<b>Provision</b>	<b>Section in Franchise Agreement</b>	<b>Summary</b>
			outside of the disclosure document and Franchise Agreement may not be enforceable.
u.	Dispute resolution by arbitration or mediation	Sections 20.1, 20.2 and 20.3	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters (subject to state law).
v.	Choice of forum	Section 20.4	Litigation takes place in Florida (subject to applicable state law).
w.	Choice of law	Section 20.3	Florida law applies (subject to applicable state law).

**THE FRANCHISE RELATIONSHIP  
(UNDER THE MULTI-UNIT DEVELOPMENT AGREEMENT)**

**This table lists certain important provisions of the multi-unit development agreement. You should read these provisions in the agreement attached to this disclosure document.**

	<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
a.	Length of the franchise term	Art. 4	As determined by you and us based on the number of Escapology outlets you are to develop.
b.	Renewal or extension of the Term	Not Applicable	Not Applicable
c.	Requirements for franchisee to renew or extend	Not Applicable	Not Applicable
d.	Termination by franchisee	None	You may seek termination upon any grounds available by state law
e.	Termination by franchisor without cause	Section 6.6	The Multi-Unit Development Agreement will terminate upon your death or permanent disability, and the Development Rights must be transferred within 6 months to a replacement developer that we approve.
f.	Termination by franchisor with cause	Article 7	We may terminate only if you default. The Multi-Unit Development Agreement describes defaults throughout. Please read it carefully.
g.	“Cause” defined – curable defaults	Section 7.3	You have ten days to cure non-payments and thirty days to cure any other defaults (except for non-curable defaults listed in the Multi-Unit Development Agreement and described in h. immediately below).
h.	“Cause” defined - non-curable defaults	Sections 7.1 and 7.2	The Multi-Unit Development Agreement will terminate automatically, without notice for the following defaults: insolvency; bankruptcy; written admission of inability to pay debts; receivership; levy; composition with creditors; unsatisfied final judgment for more than 30 days; or foreclosure proceeding that is not dismissed within 30 days. We may terminate the Multi-Unit Development Agreement upon notice to you if

	<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
			you: misrepresent or omit a material fact in applying for the Development Rights; falsify any report to us; fail to comply with any federal, state or local law, rule or regulation, applicable to the development and operations of Developer's Escapology outlets, including, but not limited to, the failure to pay taxes; fail to develop the Escapology outlets in accordance with the Mandatory Development Schedule; attempt a transfer in violation of the Franchise Agreement; are convicted or plead no contest to a felony or crime that could damage the goodwill or reputation of our trademarks or the System; receive an adverse judgment in any proceeding involving allegations of fraud, racketeering or improper trade practices or similar claim that could damage the goodwill or reputation of our trademarks or the System; fail to comply with non-competition covenants; default, or your affiliate defaults, under any other agreement, including any Franchise Agreement, with us or any of our affiliates, suppliers or landlord and does not cure such default within the time period provided in such other agreement; or terminate the Multi-Unit Development Agreement without cause.
i.	Franchisee's obligations on termination/ non-renewal	Section 7.4	Upon termination, you must: cease all development operations and comply with the non-disclosure and non-competition covenants.
j.	Assignment of contract by franchisor	Section 6.1	No restrictions on our right to assign.
k.	"Transfer" by franchisee defined	Section 6.3	Any assignment, sale, transfer, gift, devise or encumbrance of any interest in the Multi-Unit Development Agreement or Development Rights.
l.	Franchisor approval of transfer by franchisee	Sections 6.2, 6.3	No transfer is allowed without our consent, which we will not unreasonably withhold.
m.	Conditions for franchisor approval of a transfer	Section 6.3 and 6.4	Conditions include: our decision not to exercise our right of first refusal; transferee meets our then-current standards for qualifying developers; you have paid us all amounts owed; transferee signs our then-current form of Multi-Unit Development Agreement, which may have materially different terms from your Multi-Unit Development Agreement; you and the transferee sign a General Release in the form of Exhibit C to the Franchise Agreement; you shall subordinate any claims you have against the transferee to us; our approval of the material terms and conditions of the transfer; payment of a transfer fee equal to \$5,000.

	<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
n.	Franchisor's right of first refusal to acquire franchisee's business	Section 6.5	You must promptly notify us of any written offer to purchase your Development Rights. We have 30 days to exercise our first right to buy it on the same terms and conditions, provided that (a) we may substitute cash for any other consideration (b).we may pay the entire purchase price at closing, (c) our credit is deemed as good as the proposed purchaser, (d) we have at least 60 days to close and (e) you shall give us all customary seller's representations and warranties.
o.	Franchisor's option to purchase franchisee's business	Not Applicable	Not Applicable
p.	Death or disability of franchisee	Section 6.6	The Multi-Unit Development Agreement will terminate upon your death or permanent disability, and the Development Rights must be transferred within 6 months to a replacement developer that we approve.
q.	Non-competition covenants during the term of the franchise	Section 8.3.1	You may not: divert, or attempt to divert, customers of any Escapology outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business; do any act that could damage the goodwill of our trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
r.	Non-competition covenants after the franchise is terminated or expires	Section 8.3.2	For 18 months after the termination of the Franchise Agreement, you may not: divert, or attempt to divert, customers of any Escapology outlet (including yours) to any competitor, participate in any capacity, including, but not limited to as an owner, investor, officer, director, employee or agent, in any competing business within 10 miles of your former Escapology outlet location or any other Escapology outlet location; do any act that could damage the goodwill of our trademarks or System, or disrupt or jeopardize our business or that of our franchisees.
s.	Modification of the agreement	Section 11.4	No oral modifications. No amendment of the provisions will be binding upon either party unless the amendment has been made in writing and executed by all interested parties.
t.	Integration/merger clause	Section 11.4	Only the terms of the Multi-Unit Development Agreement and other related written agreements are binding (subject to applicable state law.) Any representations or promises outside of Multi-Unit Development Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the Multi-Unit Development Agreement is intended to disclaim the express representations made in this Franchise Disclosure Document.

	<b>Provision</b>	<b>Section in Multi-Unit Development Agreement</b>	<b>Summary</b>
u.	Dispute resolution by arbitration or mediation	Sections 10.1, 10.2, 10.3, and 10.4	At our option, claims that are not resolved internally may be submitted to non-binding mediation at our headquarters, and then to binding arbitration, excluding claims related to injunctive relief, anti-trust, the trademarks, and post-termination obligations, subject to state law.
v.	Choice of forum	Section 10.5	Florida, subject to applicable state law.
w.	Choice of law	Section 10.5	Florida law applies, subject to applicable state law.

See the state addenda to this Franchise Disclosure Document, the Franchise Agreement and the Multi-Unit Development Agreement for special state disclosures.

**ITEM 18: PUBLIC FIGURES**

We do not currently 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 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.

At the end of calendar year 2024, there were 63 franchised Escapology outlets and 12 Company-Owned outlets in the United States. The Statement of Gross Sales below have excluded 14 stores (3 company owned, 11 franchisee owned) that were not in operation for a full 12 months

Stand-Alone Franchised outlets are venues not located within Family Entertainment Centers such as a bowling facilities or other entertainment facilities that offer various products and services.

<b>Company-Owned Units</b>			
<b>Statement of Gross Sales</b>			
<b>Company-Owned Units</b>			
<b>Year 2024 Gross Sales as Reported to the Company</b>			
<b>(9 mature stores with more than 12 months in operation)</b>			
<b>Gross Sales</b>	<b>Number of Stores</b>	<b>Percentage of Stores at each level</b>	<b>Average # of Game Rooms</b>
Over \$2,000,000	1	11%	10
\$1,500,001 - \$2,000,000	1	11%	11
\$1,000,001 - \$1,500,000	3	33%	8

\$800,001 - \$1,000,000	2	22%	8
Less than \$800,000	2	22%	6
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>8</b>

Average Gross Sales were \$1,234,824 for the twelve months ending December 31st, 2024, of which 4 Stores had sales above this average and 5 stores had sales below this average. The median sales for these 9 stores were \$1,204,876 for the twelve months ending December 31st, 2024.

<b>Stand-Alone Franchised Units</b>
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<b>Statement of Gross Sales</b>			
<b>Stand-Alone Franchised Units</b>			
<b>Year 2024 Gross Sales as Reported to the Company</b>			
(43 mature stores with more than 12 months in operation)			
<b>Gross Sales</b>	<b>Number of Stores</b>	<b>Percentage of Stores at each level</b>	<b>Average # of Game Rooms</b>
Over \$1,000,000	8	19%	8
\$750,001 - \$1,000,000	11	26%	8
\$600,001 - \$750,000	7	16%	6
\$500,001 - \$600,000	2	5%	6
\$400,001 - \$500,000	5	12%	5
\$300,001 - \$400,000	4	9%	5
Less than \$300,000	6	14%	4
<b>Total</b>	<b>43</b>	<b>100%</b>	<b>6</b>

Average Gross Sales were \$707,671 for the twelve months ending December 31st, 2024, of which 20 Stores had sales above this average and 23 stores had sales below this average. The median sales for these 43 stores were \$682,427 for the twelve months ending December 31st, 2024.

<b>Family Entertainment Center Franchised Units (FEC)</b>
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<b>Statement of Gross Sales</b>			
<b>Family Entertainment Center Franchised Units</b>			
<b>Year 2024 Gross Sales as Reported to the Company</b>			
(9 mature stores with more than 12 months in operation)			
<b>Gross Sales</b>	<b>Number of Stores</b>	<b>Percentage of Stores at each level</b>	<b>Average # of Game Rooms</b>
Over \$500,000	1	11%	6
\$400,001 - \$500,000	1	11%	6
\$300,001 - \$400,000	1	11%	7
\$200,001 - \$300,000	1	11%	5
\$150,001 - \$200,000	3	33%	4
Less than \$150,000	2	22%	3
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>5</b>

Average Gross Sales were \$271,288 for the twelve months ending December 31st, 2024, of which 3 Stores had sales above this average and 6 stores had sales below this average. The median sales for these 9 stores were \$196,837 for the twelve months ending December 31st, 2024.

The data disclosed in this Item 19 has been compiled on a cash basis.

The following presents information of the 2024 annual gross sales and certain cost categories for the 9 Company-Owned Escapology units that were open for the full year of 2024. The following information excludes 3 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

Company-Owned Units							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
<b>Average</b>	\$1,234,824	\$316,050	\$212,610	\$104,774	\$98,891	\$37,045	\$465,454
<b>Median</b>	\$1,204,876	\$303,451	\$184,047	\$102,378	\$102,282	\$36,146	\$476,572
<b>High</b>	\$2,178,210	\$513,427	\$372,391	\$180,245	\$154,165	\$65,346	\$943,965
<b>Low</b>	\$702,320	\$192,834	\$77,959	\$62,174	\$74,073	\$21,070	\$268,261
<b>Median % of Gross Sales</b>		26%	17%	8%	8%	3%	38%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. Occupancy includes rent, pass-through expenses from the landlord, utilities, telephone & internet, and security.

Note 3. Continuing franchise fees include 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

The following presents information of the 2024 annual gross sales and certain cost categories for the 43 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2024. The following information excludes 11 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

Stand-Alone Franchised units are venues not located within Family Entertainment Centers such as a bowling facilities or other entertainment facilities that offer various products and services.

Operating costs incurred by franchisees are self-reported and unaudited by the franchisor but are reviewed for reasonableness.

Stand-Alone Franchised Units							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
<b>Average</b>	\$707,671	\$197,503	\$120,972	\$62,602	\$57,102	\$21,230	\$248,262
<b>Median</b>	\$682,427	\$188,265	\$106,675	\$60,582	\$56,043	\$20,473	\$250,390
<b>High</b>	\$1,645,354	\$383,244	\$324,909	\$137,616	\$160,624	\$49,361	\$449,491
<b>Low</b>	\$209,894	\$32,006	\$24,658	\$22,780	\$7,000	\$6,297	\$66,154
<b>Median % of Gross Sales</b>		28%	17%	9%	8%	3%	35%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. Occupancy includes rent, pass-through expenses from the landlord, utilities, telephone & internet, and security. In the event a franchisee owns the building and no rent is owed, an estimate for rent has been included for comparability.

Note 3. Continuing franchise fees reflect the current 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee. Actual fees paid by each individual franchisee varied.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

The following presents information of the 2024 annual gross sales and certain cost categories for the 9 franchised FEC Escapology units in the USA that were open for the full year of 2024.

Operating costs incurred by franchisees are self-reported and unaudited by the franchisor but are reviewed for reasonableness.

Family Entertainment Center Franchised Units (FEC)							
	Gross Sales	Staffing (Note 1)	Occupancy (Note 2)	Continuing Franchise Fees (Note 3)	Marketing (Note 4)	Banking & Credit Card Processing Fees	Profit After Core Expenses (Note 5)
<b>Average</b>	\$271,288	\$68,296	n/a	\$27,691	\$11,859	\$8,139	\$155,303
<b>Median</b>	\$196,837	\$72,877	n/a	\$21,735	\$7,873	\$5,905	\$88,446
<b>High</b>	\$630,789	\$159,368	n/a	\$56,451	\$30,000	\$18,924	\$449,491
<b>Low</b>	\$120,578	\$13,000	n/a	\$15,634	\$3,300	\$3,617	\$66,154
<b>Median % of Gross Sales</b>		25%	n/a	10%	4%	3%	57%

Note 1. Staffing costs include direct payroll, payroll taxes, incentives, medical, dental, 401K, and other fringe benefits.

Note 2. An estimate of occupancy costs are not provided by FEC franchised units as the Escapology is in a shared facility.

Note 3. Continuing franchise fees reflect the current 6% royalty and 2% innovation fees paid to the franchisor based on monthly reported gross sales and also include \$499 per month technology fee. Actual fees paid by each individual franchisee varied.

Note 4. Marketing includes marketing agency fees, digital and print marketing, and other local-store marketing costs specifically identified by an FEC attributable to Escapology. Marketing for the entire Family Entertainment Center in which Escapology benefits may not be included in figures above.

Note 5. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA"), you must deduct the following costs from "Profit After Core Expenses"; occupancy costs, per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

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The following presents information of the 2024 annual Profit After Core Expenses for the 43 franchised Stand-Alone Escapology units in the USA that were open for the full year of 2024. The following information excludes 11 units that were opened in 2024 that were not operational for the full 12 months ending December 31st, 2024.

**Stand-Alone Franchised Units**

**Top, Middle, and Low Thirds**

	<b>Profit After Core Expenses (Note 1)</b>	<b>Number of Units</b>	<b>Number at/or Above</b>	<b>Percentage at/or Above</b>	<b>Median</b>	<b>Highest</b>	<b>Lowest</b>
Top Third	\$436,897	14	6	43%	\$ 421,515	\$857,956	\$236,100
Middle Third	\$225,203	14	8	57%	\$233,592	\$316,339	\$132,906
Bottom Third	\$110,890	15	7	47%	\$92,674	\$197,740	\$23,619
<b>Total</b>	<b>254,250</b>	<b>43</b>	<b>21</b>	<b>49%</b>	<b>\$228,940</b>	<b>\$857,956</b>	<b>\$23,619</b>

Profit After Core Expenses is gross sales less staffing and benefits, occupancy costs, continuing franchise fees, marketing costs, and credit card processing. To calculate earnings before interest, taxes, depreciation, and amortization (or "EBITDA), you must deduct the following costs from "Profit After Core Expenses"; per player fees for licensed games, cost of any merchandise sales, property insurance, repairs & maintenance, accounting and legal fees, and other miscellaneous office and operating expenses.

**Some outlets have sold this amount. Your individual results may differ. There is no assurance that you'll sell as much.**

Written substantiation for this Financial Performance Representation will be made available to you upon reasonable request.

Other than the preceding financial performance representation, Escapology, LLC does not make any financial performance representations. 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 Adam Doktor at 11951 International Drive, Suite 2A1, Orlando, Florida 32821, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20: OUTLETS AND FRANCHISEE INFORMATION**

Table No. 1  
System-wide Outlet Summary  
For Years 2022 to 2024

Column 1 Outlet Type	Column 2 Year	Column 3 Outlets at the Start of the Year	Column 4 Outlets at the End of the Year	Column 5 Net Change
Franchised	2022	40	46	+6
	2023	46	52	+6
	2024	52	63	+11
Company – Owned*	2022	6	7	+1
	2023	7	9	+2
	2024	9	12	+3
<b>Total Outlets</b>	<b>2022</b>	<b>46</b>	<b>53</b>	<b>+7</b>
	<b>2023</b>	<b>53</b>	<b>61</b>	<b>+8</b>
	<b>2024</b>	<b>61</b>	<b>75</b>	<b>+14</b>

Table No. 2  
Transfers of Outlets From Franchisees to New Owners (Other than the Franchisor)  
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Number of Transfers
Florida	2022	0
	2023	1
	2024	0
Michigan	2022	0
	2023	0
	2024	1
<b>Total</b>	<b>2022</b>	<b>0</b>
	<b>2023</b>	<b>1</b>
	<b>2024</b>	<b>1</b>

Table No. 3  
Status of Franchised Outlets  
For Years 2022 to 2024

Column 1 State	Column 2 Year	Column 3 Outlets at Start of Year	Column 4 Outlets Opened	Column 5 Terminations	Column 6 Non- renewals	Column 7 Reacquired by Franchisor	Column 8 Ceased Operations - Other Reasons	Column 9 Outlets at End of the Year
Alabama	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2

	2024	2	0	0	0	0	0	2
Arizona	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
California	2022	3	0	0	0	0	0	3
	2023	3	0	0	0	0	0	3
	2024	3	0	0	0	0	0	3
Colorado	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Connecticut	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Florida	2022	2	2	0	0	0	0	4
	2023	4	1	0	0	0	0	5
	2024	5	0	0	0	0	0	5
Georgia	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Illinois	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Iowa	2022	1	1	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Indiana	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Kansas	2022	1	0	0	0	0	1	0
	2023	0	0	0	0	0	0	0
	2024	0	0	0	0	0	0	0
Louisiana	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Maryland	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Massachusetts	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
Michigan	2022	3	0	0	0	0	0	3
	2023	3	1	0	0	0	0	4
	2024	4	0	0	0	0	0	4
Minnesota	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Missouri	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

New Jersey	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
New Mexico	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
New York	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
North Carolina	2022	1	0	0	0	0	0	1
	2023	1	1	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Ohio	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	1	0	0	0	0	3
Oregon	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
South Carolina	2022	2	0	0	0	0	0	2
	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
Tennessee	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Texas	2022	5	1	0	0	0	0	6
	2023	6	0	0	0	0	0	6
	2024	6	4	0	0	0	0	10
Utah	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Virginia	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
Wisconsin	2022	0	1	0	0	0	0	1
	2023	1	0	0	0	0	0	1
	2024	1	1	0	0	0	0	2
<b>Total</b>	<b>2022</b>	<b>40</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>46</b>
	<b>2023</b>	<b>46</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>52</b>
	<b>2024</b>	<b>52</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>63</b>

Table No. 4  
Status of Company Owned Outlets  
For Years 2022 to 2024

Col. 1 State	Col. 2 Year	Col. 3 Outlets at Start of Year	Col. 4 Outlets Opened	Col. 5 Outlets Reacquired from Franchisees	Col. 6 Outlets Closed	Col. 7 Outlets Sold to Franchisees	Col. 8 Outlets at End of the Year
California	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
	2024	1	3	0	0	0	4
Florida	2022	3	0	0	0	0	3
	2023	3	1	0	0	0	4
	2024	4	0	0	0	0	4
Nevada	2022	2	0	0	0	0	2
	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
South Carolina	2022	1	0	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Tennessee	2022	0	1	0	0	0	1
	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
Total	2022	6	1	0	0	0	7
	2023	7	2	0	0	0	9
	2024	9	3	0	0	0	12

Table No. 5  
Projected Openings as of December 31, 2024

Column 1 State	Column 2 Franchise Agreements Signed But Outlet Not Opened	Column 3 Projected New Franchised Outlets in the Next Fiscal Year	Column 4 Projected New Company Owned Outlets in the Next Fiscal Year
Alabama	2	1	0
Arizona	4	2	0
California	1	1	5
Colorado	2	1	0
Connecticut	2	0	0
Florida	2	0	0
Georgia	1	0	0
Illinois	0	1	0
Kansas	0	1	0
Massachusetts	3	0	0
Maryland	1	0	0
North Carolina	1	0	0
Oregon	5	1	0
Texas	8	3	0

Utah	6	1	0
Washington	1	0	1
<b>Total</b>	<b>39</b>	<b>12</b>	<b>6</b>

Exhibit E lists the location of each Escapology franchised outlet in our System and each franchisee during our last fiscal year who has had an outlet terminated, canceled, not renewed, or has otherwise voluntarily or involuntarily ceased to do business under the franchise agreement or has not communicated with us within 10 weeks of the date of this Disclosure Document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No franchisee has signed confidentiality clauses during the last three years.

There are no trademark-specific franchisee organizations associated with the franchise system being offered in this Franchise Disclosure Document.

**ITEM 21: FINANCIAL STATEMENTS**

Attached to this Disclosure Document as Exhibit D are our audited financial statements as of December 31, 2022, December 31, 2023, and December 31, 2024.

Our fiscal year end is December 31.

**ITEM 22: CONTRACTS**

Copies of all proposed agreements regarding the franchise offering are included in Exhibit B. These include our Franchise Agreement and all attachments to it (Trademarks, Territory, ACH Authorization, Collateral Assignment of Lease, Statement of Ownership Interests in Franchisee, Internet Advertising, Social Media, Software, and Telephone Account Agreement). Our Multi-Unit Development Agreement is Included as Exhibit C. Our Franchisee Acknowledgement Statement is included as Exhibit I on Page 97.

**ITEM 23: RECEIPT**

A receipt in duplicate is attached to this Disclosure Document as Exhibit G. You should sign both copies of the receipt. Keep one copy for your own records and return the other signed copy to Escapology, LLC 11951 International Drive, Suite 2A1, Orlando, Florida 32821.

**EXHIBIT A**

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

This list includes the names, addresses and telephone numbers of state agencies having responsibility for franchising disclosure/registration laws, and serving as our agents for service of process (to the extent that we are registered in their states). This list also includes the names, addresses and telephone numbers of other agencies, companies or entities serving as our agents for service of process.

<b>State</b>	<b>State Agency</b>	<b>Agent for Service of Process</b>
CALIFORNIA	Commissioner of the Department of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West 4 <sup>th</sup> Street, Suite 750 Los Angeles, CA 90013 (213) 576-7505 Toll-free (866-275-2677)	Commissioner of the Department of Financial Protection and Innovation
CONNECTICUT	State of Connecticut Department of Banking Securities & Business Investments Division 260 Constitution Plaza Hartford, CT 06103-1800 (860) 240-8230	Banking Commissioner
HAWAII	Business Registration Division Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, HI 96813 (808) 586-2722	Commissioner of Securities of the State of Hawaii
ILLINOIS	Office of Attorney General Franchise Division 500 South Second Street Springfield, IL 62706 (217) 782-4465	Illinois Attorney General
INDIANA	Indiana Secretary of State Securities Division 302 West Washington St., Room E-111 Indianapolis, IN 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, IN 46204
MARYLAND	Office of the Attorney General Division of Securities 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, MD 21202-2020 (410) 576-6360
MICHIGAN	Michigan Department of Attorney General Consumer Protection Division Antitrust and Franchise Unit 670 Law Building Lansing, MI 48913 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau

<b>State</b>	<b>State Agency</b>	<b>Agent for Service of Process</b>
MINNESOTA	Minnesota Department of Commerce 85 7 <sup>th</sup> Place East, Suite 280 St. Paul, MN 55101-2198 (651) 539-1500	Minnesota Commissioner of Commerce
NEW YORK	NYS Department of Law Investor Protection Bureau 28 Liberty Street, 21 <sup>st</sup> Floor New York, NY 10005 (212) 416-8222 Phone	Attention: New York Secretary of State New York Department of State One Commerce Plaza 99 Washington Avenue, 6 <sup>th</sup> Floor Albany, NY 11231-0001 (518) 473-2492
NORTH DAKOTA	North Dakota Securities Department 600 East Boulevard State Capitol, 14 <sup>th</sup> Floor, Dept. 414 Bismarck, ND 58505-0510 (701) 328-4712	North Dakota Securities Commissioner
OREGON	Department of Consumer and Business Services Division of Finance and Corporate Labor and Industries Building Salem, Oregon 97310 (503) 378-4387	Director of the Department of Consumer and Business Services
RHODE ISLAND	Department of Business Regulation Division of Securities 1511 Pontiac Avenue, Building 69-1 Cranston, RI 02920 (401) 462-9585	Director of Rhode Island Department of Business Regulation
SOUTH DAKOTA	Division of Insurance Securities Regulation 124 South Euclid, Suite 104 Pierre, SD 57501 (605) 773-3563	Director of Insurance-Securities Regulation
VIRGINIA	State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9 <sup>th</sup> Floor Richmond, VA 23219 (804) 371-9051	Clerk of State Corporation Commission 1300 East Main Street, 1 <sup>st</sup> Floor Richmond, VA 23219 (804) 371-9733
WASHINGTON	Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, WA 98504-1200 (360) 902-8760	Director of Washington Financial Institutions Securities Division 150 Israel Road, SW Tumwater, WA 98501
WISCONSIN	Wisconsin Securities Commissioner Securities and Franchise Registration 345 W. Washington Avenue Madison, WI 53703 (608) 266-8559	Commissioner of Securities of Wisconsin

**EXHIBIT B**  
**FRANCHISE AGREEMENT**

**EXHIBIT C**

**MULTI-UNIT DEVELOPMENT AGREEMENT**

**EXHIBIT D**  
**FINANCIAL STATEMENTS**

**EXHIBIT E**

**OPERATIONS MANUAL TABLE OF CONTENTS**

**EXHIBIT F**

**LIST OF CURRENT FRANCHISEES AND FORMER FRANCHISEES**

**CURRENT FRANCHISEES**  
(as of December 31, 2024)

<b>Name of Franchisee</b>	<b>Facility Street Address</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
<b>ALABAMA</b>				
Stars Huntsville, LLC	930 Old Monrovia Rd, NW	Huntsville	AL	(687) 469-9194
WC Escape, LLC	130 Commerce St.	Montgomery	AL	(334) 546-5087
<b>ARIZONA</b>				
Escapology Phoenix LLC	2162 East Williams Field Road, Suite 109	Gilbert	AZ	(480) 944-5434
Escapology Tempe LLC	2000 E. Rio Salado Pkwy	Tempe	AZ	(480) 894-5204
<b>CALIFORNIA</b>				
IP Entertainment, LLC	32250 Missions Trail	Lake Elsinore	CA	(951) 245-6250
Mission Beach Attractions, LLC	3116 Mission Blvd.	San Diego	CA	(858) 412-5914
Escapology of SF, LLC	430 Bay St	San Francisco	CA	(415) 684-9280
<b>COLORADO</b>				
Ronder Holdings, Inc.	2220 California St, Suite 100	Denver	CO	(303) 507-0860
<b>CONNECTICUT</b>				
SCS Direct	348 Main Street	Danbury	CT	(203) 518-5174
SCS Direct	9 Trefoil Drive	Trumbull	CT	(203) 583-8937
<b>FLORIDA</b>				
KryoEscape LLC	10320 Shops Ln, Suite 307	Jacksonville	FL	(904) 993-3637
Escape Enterprises, LLC	210 E. Pine St.	Lakeland	FL	(863) 397-1866

<b>Name of Franchisee</b>	<b>Facility Street Address</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Dean Escapology LLC	4480 SW 32nd Road, Suite 10	Gainesville	FL	(352) 544-4656
Escapology Armature Works LLC	102 W Oak Avenue	Tampa	FL	(407) 497-0880
Escapology of Sarasota Inc.	5507 Palmer Crossing Cir.	Sarasota	FL	(941)894-0428
<b>GEORGIA</b>				
Superior Scholars, LLC	132 Willow Lane	McDonough	GA	(470) 878-1008
Common Interest LLC	3719 Gentian Blvd, Suite A	Columbus	GA	(706) 397-7979
East Cobb Amusements LLC	8725 Roswell Road	Sandy Springs	GA	(470) 654-5777
<b>IOWA</b>				
CV Eggs LLC	2520 Melrose Drive, Suite E	Cedar Falls	IA	(319) 553-3066
CV Eggs LLC	3998 Westdale Pkwy SW, Suite 400	Cedar Rapids	IA	(319) 892-0123
CV Eggs LLC	8801 University Ave. Suite 107A	Clive	IA	(515) 420-0304
<b>ILLINOIS</b>				
Escapology Downers Grove LLC	1250 75 <sup>th</sup> St	Downers Grove	IL	(630) 895-0357
Escapology Orland Park LLC	15830 S Harlem Ave	Orland Park	IL	(708) 465-5007
<b>INDIANA</b>				
Mantel Properties LLC	2876 Dupont Rd.	Fort Wayne	IN	(260) 755-1840
Gray Lion Games LLC	8923 S Meridian St, Unit B6-B7	Greenwood	IN	(463) 626-8923
<b>LOUISIANA</b>				
Funolio Covington, LLC	3025 Pinnacle Parkway	Covington	LA	(985) 520-0570
<b>MASSACHUSETTS</b>				
Wamesit Lanes Family Entertainment Center	434 Main St.	Tewksbury	MA	(978) 455-2199

<b>Name of Franchisee</b>	<b>Facility Street Address</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Wamesit Lanes Family Entertainment Center	1030 Main Steet #14	Waltham	MA	(781) 701-8116
<b>MARYLAND</b>				
Imperium Leadership	11572 Old Georgetown Rd.	North Bethesda	MD	(240) 669-8594
Sherlocks National Harbor LLC	230 American Way	Oxon Hill	MD	(301) 550-1873
<b>MICHIGAN</b>				
Escape TC	1355 Silver Lake Crossings Blvd	Grawn	MI	(231) 944-1355
Spare Time Entertainment LLC	3101 E Grand River Ave	Lansing	MI	(517) 337-2695
Sovereign Brothers LLC	82 Macomb Pl	Mt. Clemens	MI	(586) 649-7943
Joscelyn, LLC	5600 Portage Rd.	Portage	MI	(269) 488-3175
<b>MINNESOTA</b>				
Anders Entertainment Inc.	1060 Burnsville Center	Burnsville	MN	(612) 804-3719
<b>MISSOURI</b>				
Kokomo Joe's Family Fun Center of St. Peters, LLC	4105 N. Cloverleaf Dr.	St Peters	MO	(314) 599-0598
<b>NORTH CAROLINA</b>				
Escape the Dark Charlotte, LLC	9717 Northlake Centre Pkwy #B2	Charlotte	NC	(704) 995-0578
Escape the Dark, LLC	2770 Freedom Parkway Drive	Fayetteville	NC	(813) 505-1016
<b>NEW JERSEY</b>				
JAMM Family Escape LLC	300 South Avenue	Garwood	NJ	(732) 768-8207
JAMM Family Escape LLC	101 Crawfords Corner Road	Holmdel	NJ	(732) 490-7175

<b>Name of Franchisee</b>	<b>Facility Street Address</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
<b>NEW MEXICO</b>				
The Stovall Group	4601 E Main Street	Farmington	NM	(505) 675-0303
<b>NEW YORK</b>				
Escape Venture LI LLC	1488 Deer Park Ave #187	North Babylon	NY	(516) 730-8900
<b>OHIO</b>				
BEG LLC	7300 Palisades Pkwy	Mentor	OH	(216) 470-1885
RollHouse North Olmsted LLC	24488 Lorain Rd	North Olmsted	OH	(440) 777-0190
Roll House LLC	33141 Bainbridge Road	Solon	OH	(440) 903-1017
<b>OREGON</b>				
Watts Family Investments, Inc.	11211 SE 82nd Ave, Suite P	Happy Valley	OR	(503) 927-1945
<b>SOUTH CAROLINA</b>				
Arlan Enterprises LLC	717 Lady Street	Columbia	SC	(803) 408-7135
Summerville Entertainment LLC	4570 Ladson Road	Summerville	SC	(678) 965-5707
<b>TENNESSEE</b>				
Masters Equity Group, LLC	2845 Stage Center Cove	Bartlett	TN	(901) 746-9257
<b>TEXAS</b>				
Victory Escape, LLC	2375 Victory Lane, Suite 110	Dallas	TX	(469) 421-1445
Escape Chaos LLC	360 Vin Rambla Dr. Building D	El Paso	TX	(915)234-2777
TTD Services LLC	1405 E Knights Way	Harker Heights	TX	(254) 449-7933
McKinney Jump, LLC	3159 Hardin Blvd	McKinney	TX	(469) 279-3727
CTE Entertainment, L.P	1290 East Interstate 30	Rockwall	TX	(469) 279-3727

Name of Franchisee	Facility Street Address	City	State	Phone
3 Fly Enterprises LLC	2000 S. IH-35, STE E2	Round Rock	TX	(512) 487-7306
Hotel Whiskey Entertainment LLC	602 NW Loop 410, Suite 142	San Antonio	TX	(726) 245-2469
Browen Enterprises	8920 Metropark Drive, Suite 100	Shenandoah	TX	(936) 209-7046
Tyler Jump, LLC	8958 S Broadway Ave, Suite 120	Tyler	TX	(903) 508-5008
Browen Enterprises	11970 Barker Cypress Road	Cypress	TX	(832) 979-3858
<b>UTAH</b>				
Allstar Bowling, Inc.	12101 South State Street	Draper	UT	(801) 599-9151
<b>VIRGINIA</b>				
Sherlocks Great Escape LLC	4211 Fairfax Corner E Ave #230	Fairfax Corner	VA	(703) 402-0465
<b>WISCONSIN</b>				
4 The Escape LLC	75 Glasser Road	Lake Delton	WI	(608) 957-5160
Escapology - WI	160 Keenan Ct.	Verona	WI	(608) 957-5160

**FRANCHISE AGREEMENTS, SIGNED BUT NOT OPENED**  
(as of December 31, 2024)

Entity Name	Owner	Owner Email	Location	State
WC Escape, LLC	Graham Cook	graham@partnersrealty.info o tj@partnersrealty.info	Birmingham,	AL
Graham Entertainment LLC	Jeffery M. Graham	grahamentertainmentllc@gmail.com	Spanish Fort	AL
Cody Stovall & Anna Stovall	Cody Stovall	cody.stovall78@gmail.com	Glendale	AZ

Platypus Games, INC	Scott Lorsch	scott.lorsch@gmail.com	Scottsdale	AZ
Platypus Games, INC	Scott Lorsch	scott.lorsch@gmail.com	Scottsdale 2	AZ
Platypus Games, INC	Scott Lorsch	scott.lorsch@gmail.com	Scottsdale 3	AZ
Joshua Leong & Gina Leong	Joshua Leong	joshualeong@sbcglobal.net	Fresno	CA
Semallo LLC	Mark Edwards	edwardsx4@gmail.com	Colorado Spring	CO 2
Semallo LLC	Mark Edwards	edwardsx4@gmail.com	South Denver	CO 3
SCS Direct	Howie Greenspan	howieg@scsdirectinc.com	New London	CT
SCS Direct	Howie Greenspan	howieg@scsdirectinc.com	Milford CT	CT
Common Interest Entertainment	Kim Betts	klbetts@comcast.net	North Tampa	FL
PECP Enterprises LLC	Thomas Pellegrino	tom@phmmcpa.com	Bradenton	FL
East Cobb Amusements LLC	Jose Arteaga	jlarteaga@itahue.com	Marietta	GA
Wamesit Lanes Family Entertainment Center LLC		(781) 701-8116	Boston	MA 2
Wamesit Lanes Family Entertainment Center LLC		(781) 701-8116	Boston	MA 3
Wamesit Lanes Family Entertainment Center LLC		(781) 701-8116	Boston	MA 3
Sherlocks National Harbor LLC -	Mark Shaffer	shaffer.mark@me.com	National Harbor	MD
Escape the Dark, LLC	Daniel Cooke	escapecapital@gmail.com	Raleigh	NC
Watts Family Investments, Inc.	Rob Watts	robwatts08@gmail.com	Beaverton	OR
Watts Family Investments, Inc.	Rob Watts	robwatts08@gmail.com	Bend	OR
Watts Family Investments, Inc.	Rob Watts	robwatts08@gmail.com	Multnomah	OR

Watts Family Investments, Inc.	John R. Watts	watts_rob_barbara@msn.com	Bend	OR
Watts Family Investments, Inc.	John R. Watts	Robwatts08@escapology.com	Portland (Raleigh Hills)	OR
TTD Services, Inc.	Candy Bell	candy@ttdbookkeepingervices.com	Killeen	TX
Fort Worth Escape LLC	Keegan Ripp	kripp@shenaniganz.com	Fort Worth	TX
Brown Enterprises	Lindsay Owen	lowenod@gmail.com	College Station	TX
Fort Worth Escape LLC	Keegan Ripp	keegan@topfec.com	Downtown Austin	TX
Fort Worth Escape LLC	Keegan Ripp	keegan@topfec.com	Fort Worth	TX
Fort Worth Escape LLC	Keegan Ripp	keegan@topfec.com	Houston	TX
Fort Worth Escape LLC	Scott Lorsch	scott.lorsch@gmail.com	San Antonio	TX
Brown Enterprises	Lindsay Owen	lowenod@gmail.com	Waco	TX
Escapology Salt Lake LLC	John Welch Cody Stovall	Davidwelch3@gmail.com cody.stovall78@gmail.com	Salt Lake City	UT
Escapology Salt Lake LLC	John Welch	Davidwelch3@gmail.com	Salt Lake City	UT
Escapology Salt Lake LLC	John Welch	Davidwelch3@gmail.com	Salt Lake City	UT
Escapology Tucson, LLC	Cody Stovall	cody.stovall78@gmail.com	Salt Lake City	UT 1
Escapology Tucson, LLC	Cody Stovall	cody.stovall78@gmail.com	Salt Lake City	UT 2
Escapology Tucson, LLC	Cody Stovall	cody.stovall78@gmail.com	Salt Lake City	UT 3
Robert Hurley & Billie Hurley	Robert Hurley	yeshuh1@comcast.net	Vancouver	WA

**FORMER FRANCHISEES**  
(as of December 31, 2024)

<b>Name of Franchisee</b>	<b>Facility Street Address</b>	<b>City</b>	<b>State</b>	<b>Phone</b>
Jim DiFalco	82 Macomb Pl	Mt. Clemens	MI	48043

**EXHIBIT G**  
**STATE ADDENDA**

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
PURSUANT TO THE ILLINOIS FRANCHISE DISCLOSURE ACT**

Illinois law governs the Franchise Agreement.

In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

Franchisees' rights upon Termination and Non-Renewal are set forth in sections 19 and 20 of the Illinois Franchise Disclosure Act.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waiver compliance with the Illinois Franchise Disclosure Act **of any other law of Illinois** is void.

No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

*Signature Page to Follow*

The parties hereto have duly executed this New York Rider to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_ Charles Burton Heiss, \_\_\_\_\_ CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_

**AMENDMENT TO THE ESCAPOLOGY LLC FRANCHISE AGREEMENT REQUIRED  
BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS §§ 705/1 et seq. (1987) (the “Act”), which govern the attached Escapology, LLC Franchise Agreement (the “Franchise Agreement”), the parties thereto agree as follows:

1. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Section 4 of the Act provides that no franchisee shall be required to litigate any cause of action, with the exception of arbitration proceedings, arising under the Franchise Agreement or the Act outside of the State of Illinois.”

2. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Illinois law governs the terms of this Franchise Agreement.”

3. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Act, or any other Illinois law is void. The foregoing requirement, however, shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, and shall not prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.”

4. To the extent of any inconsistencies, the Franchise Agreement is hereby amended to further state:

“To the extent any provision regarding termination or renewal of the Franchise Agreement is inconsistent with the Illinois Franchise Disclosure Act §§ 815 ILCS §§ 705/19 and 705/20, the provisions of these sections of the Act will control.”

5. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The parties hereto have duly executed this Illinois Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

Charles Burton Heiss, CEO  
\_\_\_\_\_  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**AMENDMENT TO THE ESCAPOLOGY LLC MULTI-UNIT DEVELOPMENT  
AGREEMENT REQUIRED BY THE STATE OF ILLINOIS**

In recognition of the requirements of the Illinois Franchise Disclosure Act, 815 ILCS §§ 705/1 et seq. (1987) (the “Act”), which govern the attached Escapology, LLC Multi-Unit Development Agreement (the “Multi-Unit Development Agreement”), the parties thereto agree as follows:

1. To the extent of any inconsistencies, the Multi Unit Development Agreement Agreement is hereby amended to further state:

“Section 4 of the Act provides that no franchisee shall be required to litigate any cause of action, with the exception of arbitration proceedings, arising under the Franchise Agreement or the Act outside of the State of Illinois.”

2. To the extent of any inconsistencies, the Multi-Unit Development Agreement is hereby amended to further state:

“Illinois law governs the terms of this Multi-Unit Development Agreement.”

3. To the extent of any inconsistencies, the Multi-Unit Development Agreement is hereby amended to further state:

“Section 41 of the Act provides that any condition, stipulation, or provision purporting to bind Franchisee to waive compliance with any provision of the Act, or any other Illinois law is void. The foregoing requirement, however, shall not prevent Franchisee from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of the Act, and shall not prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code.”

4. To the extent of any inconsistencies, the Multi-Unit Development Agreement is hereby amended to further state:

“To the extent any provision regarding termination or renewal of the Multi-Unit Development Agreement is inconsistent with the Illinois Franchise Disclosure Act §§ 815 ILCS §§ 705/19 and 705/20, the provisions of these sections of the Act will control.”

5. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor, franchise seller or other person acting on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The parties hereto have duly executed this Illinois Amendment to the Multi-Unit Development Agreement on the same date as that on which the Multi-Unit Development Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss, CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT AND FRANCHISE  
AGREEMENT  
REQUIRED BY THE STATE OF INDIANA**

The following Addendum modifies and supersedes the Escapology, LLC Franchise Agreement (the "Agreement") with respect to Escapology franchises offered or sold to either a resident of the State of Indiana or a non-resident who will be operating an Escapology franchise in the State of Indiana to comply with the Indiana Deceptive Franchise Practices Law, Indiana Code, Title 23, Article 2, Chap. 2.7, Sec. 1 through 7:

- (1) Except as to the purchase of escape games and props used in same, Franchisor will not require Franchisee to purchase goods, supplies, inventories, or services from Franchisor or sources designated by Franchisor, if Franchisee can demonstrate that such goods, supplies, inventories, or services of comparable quality are available from sources other than those designated by Franchisor.
- (2) No substantial modification of the Franchise Agreement will be enacted except in writing signed by both parties.
- (3) Franchisor will not obtain money, goods, services, or any other benefit from any other person with whom Franchisee does business, on account of, or in relation to, the transaction between Franchisee and the other person, other than for compensation for services rendered by Franchisor, unless the benefit is promptly accounted for and transmitted to Franchisee.
- (4) Franchisor will not require Franchisee to prospectively assent to a release, assignment, novation, waiver, or estoppel which purports to relieve any person from liability under the Indiana Deceptive Franchise Practices Law.
- (5) Unless Franchisee commits a material violation of the Franchise Agreement, Franchisor will not terminate it.
- (6) Franchisor will not fail to renew a franchise without good cause or in bad faith, provided that Franchisee otherwise complies with the requirements for renewal in the Franchise Agreement.
- (7) The geographic area of the post-termination covenant not to compete restrictions imposed by Section 17.2.2.1 of the Franchise Agreement is hereby limited to the Territory as defined in the Franchise Agreement.

The undersigned hereby acknowledges having read, understood, and executed this Addendum.

The parties hereto have duly executed this Indiana Amendment to the Franchise Disclosure Document and Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss , CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF MARYLAND**

ITEM 5 of the Disclosure Document is amended to add the following:

- Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the multi-unit development agreement opens.

ITEM 11 of the Disclosure Document is amended to add the following:

- An annual unaudited financial statement of the Innovation Fund is available to any franchisee upon written request

ITEM 12 of the Disclosure Document is amended to add the following:

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

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

- Under the Maryland Franchise Registrations and Disclosure Law, Md. Code Ann. Bus. Reg. §14-201 et seq., no general release shall be required as a condition of renewal, termination and/or transfer which is intended to exclude claims under the Maryland Franchise Registration and Disclosure Law.
- Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.
- In the event of a conflict of laws to the extent required by the Maryland Franchise Registration and Disclosure Law, Maryland law shall prevail.
- The Franchise Agreement provides that disputes are resolved through arbitration. A Maryland Franchise Regulation states that it is an unfair or deceptive practice to require a franchisee to waive its right to file a lawsuit in Maryland claiming a violation of the Maryland Franchise Law. In light of the Federal Arbitration Act, there is some dispute as to whether this Maryland Franchise Regulation is legally enforceable.

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

ITEM 22 of the Disclosure Document is amended to add the following:

- Exhibit F to the Disclosure Document is the form of General Release that we currently require a franchisee to sign if he or she transfers or renews the franchise, which shall not apply as a condition of renewal, sale, and/or assignment to any liability under the Maryland Franchise Registration and Disclosure Law.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement.

**ADDENDUM TO THE FRANCHISE AGREEMENT**  
**REQUIRED BY THE STATE OF MARYLAND**

This Addendum to the Escapology, LLC Franchise Agreement is agreed to between Escapology, LLC ("Escapology") and \_\_\_\_\_ ("You") to amend said Franchise Agreement as follows:

In recognition of the requirements of the Maryland Franchise Registration and Disclosure law, the Franchise Agreement shall be amended as follows:

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

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

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

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits thereto, the terms of this Addendum shall govern.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement

The parties hereto have duly executed this Maryland Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss , CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**ADDENDUM TO THE MULTI-UNIT DEVELOPMENT AGREEMENT  
REQUIRED BY THE STATE OF MARYLAND**

This Addendum to the Escapology, LLC Multi-Unit Development Agreement is agreed to between Escapology, LLC ("Escapology") and \_\_\_\_\_ ("You") to amend said Multi-Unit Development Agreement as follows:

In recognition of the requirements of the Maryland Franchise Registration and Disclosure law, the Multi-Unit Development Agreement shall be amended as follows:

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

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

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

All representations requiring prospective developer to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

Each provision of this Addendum shall be effective only to the extent that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law applicable to the provisions are met independent of this Addendum. To the extent this Addendum shall be deemed to be inconsistent with any terms or conditions of said Franchise Agreement or exhibits thereto, the terms of this Addendum shall govern.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Based upon the franchisor's financial condition, the Maryland Securities Commissioner has required a financial assurance. Therefore, all initial fees and payments owed by franchisees shall be deferred until the franchisor completes its pre-opening obligations under the franchise agreement. In addition, all development fees and initial payments by area developers shall be deferred until the first franchise under the multi-unit development agreement opens.

The parties hereto have duly executed this Maryland Amendment to the Multi-Unit Development Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss, CEO  
(Print Name, Title)

DEVELOPER:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF MINNESOTA**

Minnesota Statutes, Section 80C.21 and Minnesota Rules 2860.4400(J) prohibit the franchisor from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

With respect to franchises governed by Minnesota law, the franchisor will comply with Minnesota Statutes, Section 80C.14, Subd. 3-5 which require (except in certain specified cases) (i) that a franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of the Franchise Agreement and (2) that consent to the transfer of the franchise will not be unreasonably withheld.

Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statutes, Section 80C.12, Subd. 1(g). The franchisor will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes or other commercial symbols or indemnify the franchisee from any loss, costs or expenses arising out of any claim, suit or demand regarding the use of the name.

Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release.

The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minn. Rules 2860.4400J. Also, a court will determine if a bond is required. Any limitations of claims section must comply with Minnesota Statutes, Section 80C.17, Subd. 5.

The provision of this Addendum only applies if the jurisdictional requirements of the Minnesota Franchises Law are met independently without reference to this Addendum and to the extent they are then valid requirements of the statute.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF NEW YORK**

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

**THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.**

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

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

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

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

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

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, suspending or expelling such person

from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of the “Summary” sections of Item 17(c), titled “**Requirements for franchisee to renew or extend**,” and Item 17(m), entitled “**Conditions for franchisor approval of transfer**”

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

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

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

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

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

**ADDENDUM TO THE FRANCHISE AGREEMENT  
REQUIRED BY THE STATE OF NEW YORK**

THIS RIDER TO THE FRANCHISE AGREEMENT FOR NEW YORK (“Rider”) is entered into by and between Escapology, LLC, a Florida limited liability company, with its principal office at 11951 International Drive, #2A1, Orlando, Florida 32821 (“we,” “us” or “our”) and \_\_\_\_\_ (“you” or “your”), whose principal business address is \_\_\_\_\_.

WHEREAS, we and you have entered into a certain Franchise Agreement dated \_\_\_\_\_ which grants you the right to operate a Escapology franchise (the “Franchise Agreement”);

WHEREAS, you are domiciled in New York and the Escapology franchise will be located in New York, and/or any of the offering or sales activity relating to the Franchise Agreement occurred in the State of New York; and

WHEREAS, in recognition of the requirements of the General Business Law of the State of New York, Article 33, Sections 680-695, we and you desire to amend certain terms of the Franchise Agreement in accordance with the terms and conditions contained in this Rider.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in the Franchise Agreement and this Rider and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, we and you agree as follows:

1. Sections 5.2.5 and 16.3.6 of the Franchise Agreement are amended by adding the following language to each Section:

However, to the extent required by applicable law, notwithstanding the signing of a General Release, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force.

2. Section 16.1.1 of the Franchise Agreement is amended by adding the following language to this Section:

However, to the extent required by applicable law, Franchisor will not transfer and assign its rights and obligations under the Franchise Agreement unless the transferee will be able to perform the Franchisor’s obligations under the Franchise Agreement, in Franchisor’s good faith judgment.

3. Section 20.3 of the Franchise Agreement is amended by adding the following language:

New York Law governs any cause of action which arises under the New York General Business Law, Article 33, Sections 680-695. The provisions of this Franchise Agreement shall not be deemed a waiver of any rights conferred upon Franchisee by Article 33 of the

General Business Law of the State of New York and the regulations issued thereunder.

4. In the event of any conflict between a provision of the Franchise Agreement and this Rider, the provision of this Rider shall control. All terms which are capitalized in this Rider and not otherwise defined, will have the meanings given to them in the Franchise Agreement. Except as amended by this Rider, the Franchise Agreement is unmodified and in full force and effect in accordance with its terms.

5. Each provision of this Rider will be effective only to the extent that the jurisdictional requirements of the New York General Business Law, Article 33, Sections 680-695 are met independent of this Rider.

The parties hereto have duly executed this New York Rider to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

Charles Burton Heiss, CEO  
\_\_\_\_\_  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT  
REQUIRED BY THE COMMONWEALTH OF VIRGINIA**

1. Item 17(h). The following is added to Item 17(h):

"Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any ground for default or termination stated in the Franchise Agreement does not constitute "reasonable cause," as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable."

The provisions of this Addendum only apply if the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum and to the extent they are then valid requirements of the statute.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise."

**ADDENDUM TO THE FRANCHISE AGREEMENT**  
**REQUIRED BY THE COMMONWEALTH OF VIRGINIA**

The provisions of this Addendum only apply if the jurisdictional requirements of the Virginia Retail Franchising Act are met independently without reference to this Addendum and to the extent they are then valid requirements of the statute.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

The parties hereto have duly executed this Virginia Addendum to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss, CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

**ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT**  
**REQUIRED BY THE STATE OF WASHINGTON**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other

person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

## **ADDENDUM TO THE FRANCHISE AGREEMENT REQUIRED BY THE STATE OF WASHINGTON**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the franchise agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Section 15 of the Franchise Agreement is amended to state:

Franchisees have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's gross negligence, willful misconduct, strict liability, or fraud.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The parties hereto have duly executed this Washington Amendment to the Franchise Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_ Charles Burton Heiss , \_\_\_\_\_ CEO  
(Print Name, Title)

FRANCHISEE:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_ , \_\_\_\_\_  
(Print Name, Title)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_ (Print Name)

PRINCIPAL:

\_\_\_\_\_

\_\_\_\_\_ (Print Name)

## **ADDENDUM TO THE MULTI-UNIT DEVELOPMENT AGREEMENT REQUIRED BY THE STATE OF WASHINGTON**

In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

RCW 19.100.180 may supersede the multi-unit development agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise. There may also be court decisions which may supersede the multi-unit development agreement in your relationship with the franchisor including the areas of termination and renewal of your franchises.

In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the multi-unit development agreement, a developer may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

A release or waiver of rights executed by a developer may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable

Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a developer from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

Section 9 of the Multi-Unit Development Agreement is amended to state:

Developers have no obligation to indemnify or hold harmless an indemnified party for losses to the extent that they are determined to have been caused solely and directly by the indemnified party's gross negligence, willful misconduct, strict liability, or fraud.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

The parties hereto have duly executed this Washington Amendment to the Multi-Unit Development Agreement on the same date as that on which the Franchise Agreement was executed.

FRANCHISOR:

ESCAPOLOGY, LLC

By: \_\_\_\_\_

\_\_\_\_\_  
Charles Burton Heiss, CEO  
(Print Name, Title)

DEVELOPER:

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

**EXHIBIT H**

**RELEASE**

\_\_\_\_\_ (“Franchisee”) and its Principal(s):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(collectively, “Franchisee’s Principal(s)”), on behalf of themselves and their respective officers, directors, employees, successors, assigns, heirs, personal representatives, and all other persons acting on their behalf or claiming under them (collectively, the “Franchisee Releasers”), hereby release, discharge and hold harmless \_\_\_\_\_ Escapology, LLC (“Franchisor”), Escapology, LLC, , their parents, subsidiaries, affiliates, and each of their respective officers, directors, shareholders, employees, agents, attorneys, successors, and assigns (collectively, the “Franchisor Releasees”) from any suits, claims, controversies, rights, promises, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action of every nature, character and description, in law or in equity, whether presently known or unknown, vested or contingent, suspected or unsuspected arising under, relating to, or in connection with the Franchise Agreement dated \_\_\_\_\_ between Franchisee and Franchisor and any related agreements and the relationship created thereby, or the Franchised Business operated under the Franchise Agreement, or any claims or representations made relative to the sale of the franchise to operate such Franchised Business or under any federal or state franchise or unfair or deceptive trade practice laws, which any of the Franchisee Releasers now own or hold or have at any time heretofore owned or held against the Franchisor Releasees (collectively, the “Franchisee Released Claims”).

FRANCHISEE AND FRANCHISEE’S PRINCIPAL(S) ON BEHALF OF THEMSELVES AND THE FRANCHISEE RELEASERS WAIVE ANY RIGHTS AND BENEFITS CONFERRED BY ANY APPLICABLE PROVISION OF LAW EXISTING UNDER ANY FEDERAL, STATE OR POLITICAL SUBDIVISION THEREOF WHICH WOULD INVALIDATE ALL OR ANY PORTION OF THE RELEASE CONTAINED HEREIN BECAUSE SUCH RELEASE MAY EXTEND TO CLAIMS WHICH THE FRANCHISEE RELEASERS DO NOT KNOW OR SUSPECT TO EXIST IN THEIR FAVOR AT THE TIME OF EXECUTION OF THIS AGREEMENT. The Franchisee Releasers also covenant not to bring any suit, action, or proceeding, or make any demand or claim of any type, against any Franchisor Releasees with respect to any Franchisee Released Claim, and Franchisee and Franchisee’s Principal(s) shall defend, indemnify and hold harmless each of Franchisor Releasees against same.

**[WASHINGTON STATE FRANCHISEES: THIS RELEASE SHALL NOT APPLY TO CLAIMS ARISING UNDER THE FRANCHISE INVESTMENT PROTECTION ACT, CHAPTER 19.100 RCW, OR THE RULES ADOPTED THEREUNDER IN ACCORDANCE WITH RCW 10.100.220(2).]**

Executed as of \_\_\_\_\_.

FRANCHISEE:

By: \_\_\_\_\_

\_\_\_\_\_,  
(Name, Title)

FRANCHISEES'S PRINCIPAL:

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Print Name: \_\_\_\_\_

## EXHIBIT I

### **\*PLEASE DO NOT SIGN IF THE FRANCHISSE IS A MARYLAND RESIDENT OR IF THE FRANCHISED BUSINESS WILL BE OPERATED WITHIN THE STATE OF MARYLAND\***

#### **ESCAPOLOGY ACKNOWLEDGEMENT STATEMENT**

Acknowledgement of the truthfulness of the statements below are an inducement for the Franchisor to enter into a Franchise Agreement (or Multi-Unit Development Agreement). Notify Franchisor immediately, prior to acknowledgment, if any statement below is incomplete or incorrect.

**No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee (or developer) in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.**

1. Franchisee (or Developer) has conducted an independent investigation of all aspects relating to the financial, operational, and other aspects of the business of operating the Franchised Business. Franchisee (or Developer) further acknowledges that, except as may be set forth in Franchisor's Disclosure Document, no representations of performance (financial or otherwise) for the Franchised Business provided for in this Agreement has been made to Franchisee (or Developer) by Franchisor and Franchisee (or Developer) and any and all Principals hereby waive any claim against Franchisor for any business failure Franchisee (or Developer) may experience as a franchisee (or developer) under this Agreement.

\_\_\_\_\_  
Initial

2. Franchisee (or Developer) has conducted an independent investigation of the business contemplated by this Agreement and understands and acknowledges that the business contemplated by this Agreement involves business risks making the success of the venture largely dependent upon the business abilities and participation of Franchisee (or Developer) and its efforts as an independent business operation.

\_\_\_\_\_  
Initial

3. Franchisee (or Developer) agrees that no claims of success or failure have been made to it or him or her prior to signing the Franchise Agreement (or Multi-Unit Development Agreement) and that it/she/he understands all the terms and conditions of the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer) further acknowledges that the Franchise Agreement (or Multi-Unit Development Agreement) contains all oral and written agreements, representations, and arrangements between the parties hereto, and any rights which the respective parties hereto may have had under any other previous contracts are hereby cancelled and terminated, and that this Agreement cannot be changed or terminated orally.

\_\_\_\_\_  
Initial

4. Franchisee (or Developer) has no knowledge of any representations by Franchisor or its officers, directors, shareholders, employees, sales representatives, agents or servants, about the business contemplated by the Franchise Agreement (or Multi-Unit Development Agreement) that

are contrary to the terms of the Franchise Agreement (or Multi-Unit Development Agreement) or the documents incorporated herein. Franchisee (or Developer) acknowledges that no representations or warranties are made or implied, except as specifically set forth in the Franchise Agreement (or Multi-Unit Development Agreement). Franchisee (or Developer) represents, as an inducement to Franchisor's entry into this Agreement, that it has made no misrepresentations in obtaining the Franchise Agreement (or Multi-Unit Development Agreement).

\_\_\_\_\_  
Initial

5. Franchisor expressly disclaims the making of, and Franchisee (or Developer) acknowledges that it has not received or relied upon, any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business venture contemplated by the Franchise Agreement (or Multi-Unit Development Agreement).

\_\_\_\_\_  
Initial

6. Franchisee (or Developer) acknowledges that Franchisor's approval or acceptance of Franchisee's (or Developer's) Business location does not constitute a warranty, recommendation, or endorsement of the location for the Franchised Business, nor any assurance by Franchisor that the operation of the Franchised Business at the premises will be successful or profitable.

\_\_\_\_\_  
Initial

7. Franchisee (or Developer) acknowledges that it has received the Escapology, LLC Franchise Disclosure Document with a complete copy of the Franchise Agreement (and Multi-Unit Development Agreement) and all related Attachments and agreements at least fourteen (14) calendar days prior to the date on which the Franchise Agreement (or Multi-Unit Development Agreement) was executed. Franchisee (or Developer) further acknowledges that Franchisee (or Developer) has read such Franchise Disclosure Document and understands its contents.

\_\_\_\_\_  
Initial

8. Franchisee (or Developer) acknowledges that it has had ample opportunity to consult with its own attorneys, accountants, and other advisors and that the attorneys for Franchisor have not advised or represented Franchisee (or Developer) with respect to the Franchise Agreement (or Multi-Unit Development Agreement) or the relationship thereby created.

\_\_\_\_\_  
Initial

9. Franchisee (or Developer), together with Franchisee's (or Developer's) advisers, has sufficient knowledge and experience in financial and business matters to make an informed investment decision with respect to the Franchise granted by the Franchise Agreement (or Multi-Unit Development Agreement).

\_\_\_\_\_  
Initial

10. Franchisee (or Developer) is aware of the fact that other present or future franchisees (or developers) of Franchisor may operate under different forms of agreement(s), and consequently that Franchisor's obligations and rights with respect to its various franchisees may differ materially in certain circumstances.

\_\_\_\_\_  
Initial

11. It is recognized by the parties that Franchisor is also (or may become) a manufacturer or distributor of certain products under the Marks licensed herein; and it is understood that Franchisor does not warrant that such products will not be sold within the Franchisee's (or Developer's) Territory by others who may have purchased such products from Franchisor.

\_\_\_\_\_  
Initial

12. BY EXECUTING THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), FRANCHISEE (OR DEVELOPER) AND ANY PRINCIPAL, INDIVIDUALLY AND ON BEHALF OF FRANCHISEE'S (OR DEVELOPER'S) AND SUCH PRINCIPAL'S HEIRS, LEGAL REPRESENTATIVES, SUCCESSORS AND ASSIGNS, HEREBY FOREVER RELEASE AND DISCHARGE ESCAPOLOGY, LLC AND ANY OF THE ABOVE'S PARENT COMPANY, SUBSIDIARIES, DIVISIONS, AFFILIATES, SUCCESSORS, ASSIGNS AND DESIGNEES, AND THE FOREGOING ENTITIES' DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS, DESIGNEES AND REPRESENTATIVES FROM ANY AND ALL CLAIMS, DEMANDS AND JUDGMENTS RELATING TO OR ARISING UNDER THE STATEMENTS, CONDUCT, CLAIMS OR ANY OTHER AGREEMENT BETWEEN THE PARTIES EXECUTED PRIOR TO THE DATE OF THE FRANCHISE AGREEMENT (OR MULTI-UNIT DEVELOPMENT AGREEMENT), INCLUDING, BUT NOT LIMITED TO, ANY AND ALL CLAIMS, WHETHER PRESENTLY KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, ARISING UNDER THE FRANCHISE, SECURITIES, TAX OR ANTITRUST LAWS OF THE UNITED STATES OR OF ANY STATE OR TERRITORY THEREOF. THIS RELEASE SHALL NOT APPLY TO ANY CLAIMS ARISING FROM REPRESENTATIONS MADE BY FRANCHISOR IN FRANCHISOR'S FRANCHISE DISCLOSURE DOCUMENT RECEIVED BY FRANCHISEE (OR DEVELOPER).

\_\_\_\_\_  
Initial

**[WASHINGTON STATE FRANCHISEES: THIS STATEMENT DOES NOT WAIVE ANY LIABILITY THE FRANCHISOR MAY HAVE UNDER THE WASHINGTON FRANCHISE INVESTMENT PROTECTION ACT, RCW 19.100, AND THE RULES ADOPTED THEREUNDER. WASHINGTON FRANCHISEES SHOULD NOT SIGN THIS EXHIBIT]**

FRANCHISEE:  
\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
(Print Name, Title)

Date: \_\_\_\_\_

PRINCIPAL:  
\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

PRINCIPAL:  
\_\_\_\_\_

\_\_\_\_\_  
(Print Name)

Date: \_\_\_\_\_

## State Effective Dates

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

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

<b>State</b>	<b>Effective Date</b>
California	Pending
Illinois	April 22, 2025
Indiana	May 10, 2025
Maryland	July 11, 2025
Michigan	January 31, 2025
Minnesota	Pending
New York	Pending
Virginia	April 22, 2025
Washington	July 23, 2025
Wisconsin	April 22, 2025

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

**EXHIBIT J**  
**RECEIPT**

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Escapology offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

If Escapology 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 your state authority listed on Exhibit A.

The name and principal business address and telephone number of each franchise seller offering the franchise is:

Lloyd Notley 11951 International Drive #2A1 Orlando, FL 32821 (321) 300-3722		
--	--	--

Issuance Date: April 18, 2025

I received a Disclosure Document dated \_\_\_\_\_ that included the following Exhibits:

- EXHIBIT A: List of State Franchise Administrators and Agents for Service of Process
- EXHIBIT B: Franchise Agreement
- EXHIBIT C: Multi-Unit Development Agreement
- EXHIBIT D: Financial Statements
- EXHIBIT E: Operations Manual Table of Contents
- EXHIBIT F: Franchised Outlets
- EXHIBIT G: State Addenda
- EXHIBIT H: Release
- EXHIBIT I: Escapology Acknowledgement Statement  
State Effective Dates
- EXHIBIT J: Receipt

Date Received: \_\_\_\_\_  
(If other than date signed)

DATE: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Address: \_\_\_\_\_

City, State: \_\_\_\_\_

\_\_\_\_\_  
(Signature of recipient)

**KEEP FOR YOUR RECORDS**

**RECEIPT**

This Franchise Disclosure Document summarizes certain provisions of the Franchise Agreement and other information in plain language. Read this Franchise Disclosure Document and all exhibits carefully.

If Escapology offers you a franchise, it must provide this Disclosure Document to you 14 calendar-days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York requires you to receive this Franchise Disclosure Document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship.

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Lloyd Notley 11951 International Drive #2A1 Orlando, FL 32821 (321) 300-3722		
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- EXHIBIT H: Release
- EXHIBIT I: Escapology Acknowledgement Statement  
State Effective Dates
- EXHIBIT J: Receipt

Date Received: \_\_\_\_\_  
(If other than date signed)

DATE: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Address: \_\_\_\_\_

City, State: \_\_\_\_\_

\_\_\_\_\_  
(Signature of recipient)

Please return signed receipt to Escapology, LLC:  
11951 International Drive, #2A1  
Orlando, FL 32821